



THE BIRMINGHAM AIRPORT AUTHORITY

2024 Annual Comprehensive Financial Report

Departing Flights

American Delta

A COMPONENT UNIT OF THE CITY OF BIRMINGHAM, ALABAMA
FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023

Prepared By: Birmingham Airport Authority Finance

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INTRODUCTION —

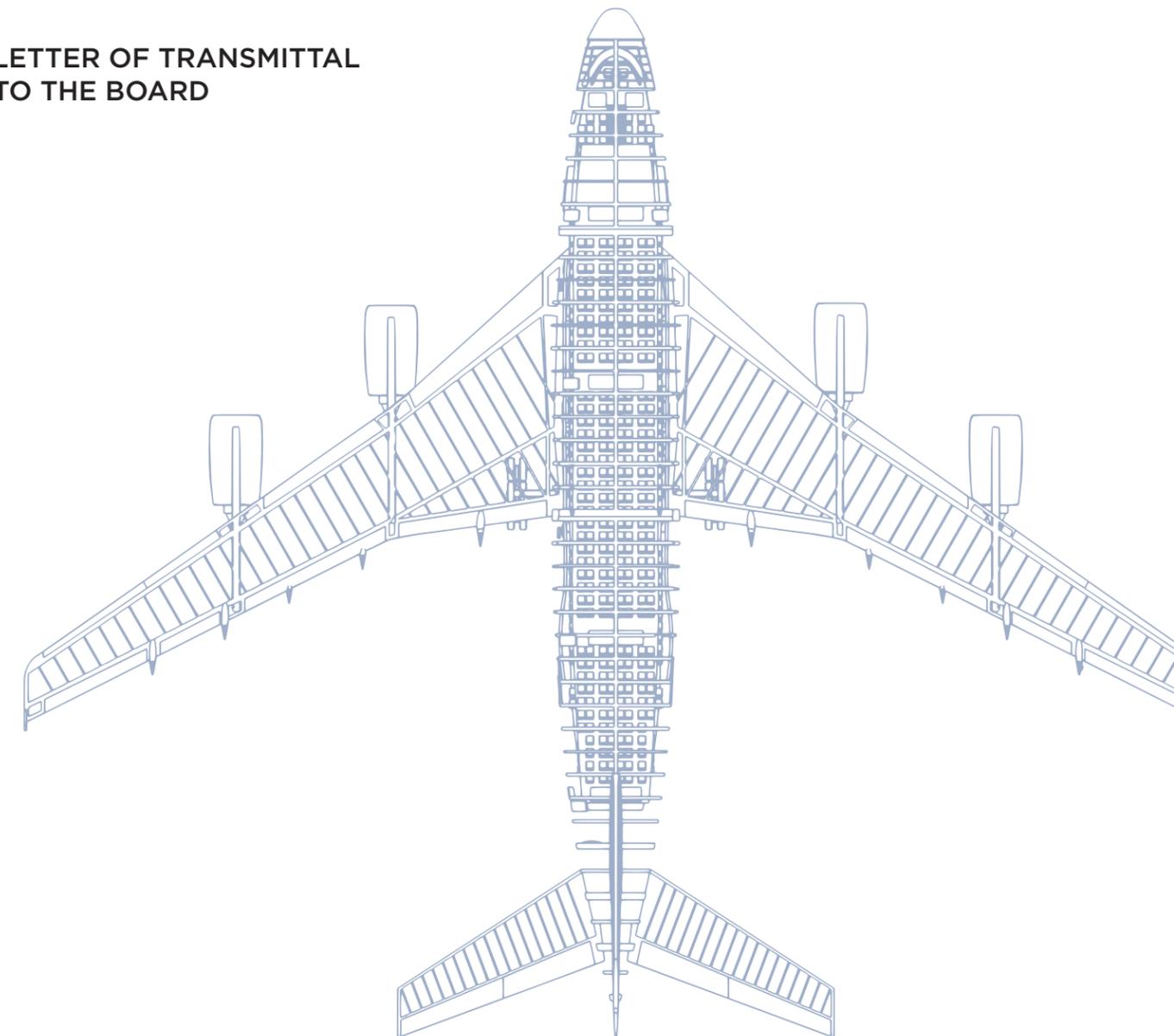
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TO THE BOARD





Government Finance Officers Association

Certificate of
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Presented to

**Birmingham Airport Authority
Alabama**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



MEET THE TEAM

BOARD OF DIRECTORS



Ashby Pate
BAA Board Chair
Lightfoot, Franklin & White LLC



Darlene Wilson Gallien
BAA Board Vice Chair
Relay Accounting Management



Tommy Spina
BAA Board Secretary
Criminal Defense Lawyer



David Germany
BAA Board Treasurer
First Horizon



Jennifer Reid Egbe
Huie, Fernambucq & Stewart, LLP



Valerie Collins Thomas
CEO, The VAL Group



Del Davis
Founder/CEO, Smart Growth Management, LLC



Mayor Randall Woodfin
Mayor of Birmingham

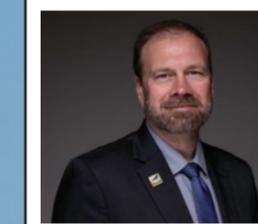
EXECUTIVE TEAM



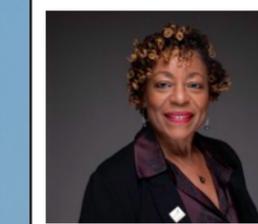
Ronald F. Mathieu, C.M.
President & CEO



Cathryn Smith
Executive Administrator,
Board Administrator & Assistant Secretary



Jim Payne, C.M., A.C.E.
Chief Operating Officer



Ingrid Hairston, A.A.E., PMP
Chief Revenue Officer



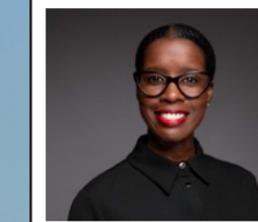
Korey Campbell, MBA
Chief Financial Officer & Assistant Treasurer



TJ Williams
Vice President of Air Service Development



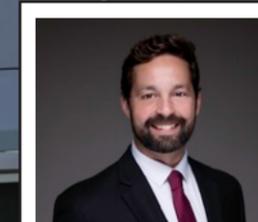
Matthew Nelson, C.M.
Vice President of Facilities



Paulette Maddox, MHRM
Vice President of Human Resources



Cameron Thompson, C.M., A.C.E., ASC
Vice President of Operations



Marcelo Lima, A.A.E.
Vice President of Planning & Development



Ed Seoane, MBA, CPSM
Vice President of Purchasing



Kim Hunt, C.M., MPA
Vice President of Communications



LETTER OF TRANSMITTAL TO THE BOARD

March 28, 2025

Birmingham Airport Authority
5900 Messer Airport Highway
Birmingham, Alabama 35212

Board Members and Citizens of the City of Birmingham:

It is our pleasure to present the Annual Comprehensive Financial Report (“ACFR”) of the Birmingham Airport Authority (“the Authority”) for the fiscal years ended June 30, 2024 and 2023. The responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with management of the Authority. To the best of our knowledge and belief, the enclosed information is accurate and complete in all material respects and reported in a manner designed to present fairly the financial position, results of operations, and cash flows in accordance with the Generally Accepted Accounting Principles (“GAAP”).

GAAP requires that management provide a narrative overview and analysis to accompany the financial statements in the form of a Management’s Discussion and Analysis (“MD&A”). This letter of transmittal should be read in conjunction with the MD&A, which can be found immediately following the report of the independent auditors in the financial section of the ACFR.

Organization

The Authority is an independent authority of the City of Birmingham (“the City”) that was established in June 1986. Birmingham-Shuttlesworth International Airport (“the Airport”) is operated by the Authority pursuant to a 50-year lease (“the City Lease”), which became effective on September 16, 1986, and expires on September 15, 2045. Under the terms of the City Lease, all real property acquired by the Authority is conveyed to the City and becomes subject to the terms and conditions of the City Lease. The Authority is governed by a seven-member Board of Directors (“the Board”). The Board appoints a President and CEO who is responsible for managing the overall operation of the Airport. Directors of the Board are nominated by the Mayor of the City and appointed by the City Council. Directors are appointed to staggered six-year terms. The Mayor is a non-voting ex-officio director. The current members of the Board are Ashby Pate (Chairperson), Darlene Wilson (Vice Chairperson), David Germany (Treasurer), Tommy Spina (Secretary), Valerie Thomas, Jennifer Egbe, Del Davis, and Randall Woodfin (Mayor, Ex Officio Member).

The operations and improvements at the Airport are funded by airport user charges, Passenger Facility Charges, Customer Facility Charges, bond funds, and funds received from the Federal Aviation Administration

(“FAA”) and the Transportation Security Administration. No general tax fund revenues are used to operate or maintain the Airport. Mr. Ronald F. Mathieu C.M., President and Chief Executive Officer, has overall responsibility for the management, administration, and planning of organizational activities for the Authority. Mr. Mathieu has an experienced staff to aid him in carrying out the responsibilities of the position.

The City Lease requires that the annual operating budget and the five-year capital improvement budget of the Authority be submitted to the Mayor of the City and the City Council for approval. The Authority maintains financial records in accordance with generally accepted accounting principles and practices and is subject to an independent audit at any time at the discretion of the City. On June 1, 1990, the City Lease was amended such that the Authority’s financial obligation under the City Lease was subordinated to any pledge of the Authority of its revenues to secure any indebtedness.

Economic Conditions

The Birmingham-Hoover Metropolitan Statistical Area (“MSA”) unemployment rate for June 2024 was 2.7%, compared to 2.6% in June 2023. The area’s unemployment rate was better than the 2.9% rate for the state of Alabama and the 4.1% rate for the entire United States. COVID-19 was declared a global pandemic near the end of the Airport’s 2020 fiscal year and impacted travel at all airports across the country. Traffic locally and nationally has rebounded strongly since then. Through the first quarter of fiscal year 2025, passenger enplanements at the Airport were 4% greater than the prior year and 8% greater than in fiscal year 2019, the fiscal year prior to the pandemic.

The primary service region for the Birmingham-Shuttlesworth International Airport, the MSA has a diverse economic base and is the principal center of finance, trade, health care, manufacturing, transportation, and education in the State of Alabama. The MSA includes the following six counties, ordered based on population size (largest to smallest): Jefferson, Shelby, St. Clair, Blount, Chilton, and Bibb. Jefferson County, which had an estimated population of approximately 663,000 in 2023, is the center of the MSA and covers 6,145 square miles. Birmingham, situated in the county seat, had an estimated population of nearly 197,000 according to the U.S. Census Bureau.

With nearly 2.9 million passengers this past fiscal year, the Airport is Alabama’s busiest commercial service airport. In FY 2024, the Airport was served by four major airlines providing travelers with 188 peak daily flights and nonstop service to 18 airports in 15 cities. The Airport is also served by three all-cargo operators: Federal Express, Mountain Air, and United Parcel Service. Additionally, Kuehne+Nagel provides cargo charters into the Airport on a weekly basis. The cargo enplaned and deplaned by these carriers, combined with the “belly” cargo transported by the passenger airlines, totaled more than 29,000 tons of cargo at the Airport in FY 2024. The Airport also receives significant activity from General Aviation aircraft. According to the FAA’s Air Traffic Activity System, the Airport had more than 100,000 itinerant and local operations in FY 2024, with 39% of those operations categorized as general aviation activity. General aviation is a broad classification covering all aviation activity other than scheduled commercial service and military aviation. General aviation activity therefore covers a range that includes personal, business, training, and emergency service activity.

Major Initiatives and Development

The Authority's five-year Capital Improvement Plan ("CIP") for fiscal years 2025 – 2029 has appropriation requirements of approximately \$76.3 million, which includes approximately \$60.3 million in federal funds. This CIP was developed in conjunction with the latest master plan study and pavement management system recommendations. The improvements identified in this 5-year CIP will be funded by FAA Airport Improvement Program ("AIP") funds, as well as funds from the Bipartisan Infrastructure Law ("BIL"), and local airport funds. The Authority continually reviews its CIP to address changing economic and air traffic demands, operating conditions, and assessments of facility conditions.

In 2024, the Authority completed critical airport projects to ensure the continuity of safe and efficient aviation and passenger activity, while also enhancing capacity at BHM. Most notably, the Authority completed construction on a new, 53,000 square foot air cargo facility and cargo apron expansion. This \$31.2 million facility and apron are fully operational and receiving international air freight from Germany while also exporting goods globally. Other notable projects completed in 2024 include the Runway Safety Area Improvements and Taxiways 'B', 'F' and 'N' rehabilitations.

During fiscal year 2025, the Authority will continue its pavement improvement program by commencing construction on the Taxiway 'H' realignment project. This \$10 million development will provide for increased capacity on the north end of the airfield to better serve our military and flying community. Additionally, the Authority is embarking on a significant project to kick off the Airfield Safety and Capacity Program ("ASCP") through the Environmental Assessment of the Village Creek and Taxiway 'A' relocation. This roughly \$150 million program will significantly increase safety and capacity at BHM's primary taxiway and runway, making it the most comprehensive airfield improvement in the past 20 years at BHM.

Financial Information

Management's Discussion and Analysis ("MD&A"), starting on page 24, summarizes the Authority's Statements of Net Position and Statements of Revenues, Expenses, and Changes in Net Position and reviews the changes from fiscal year 2023 to fiscal 2024 and certain comparisons from fiscal year 2022 to 2023. The actual financial statements and related footnotes are presented on pages 34 to 93. The information contained in the MD&A should be considered in conjunction with the information contained in this report.

Internal Control Structure Framework

The financial statements of the Authority are prepared following U.S. generally accepted accounting principles applicable to governmental unit enterprise funds. This results in financial statements prepared on an accrual basis. Internal control is a process affected by an entity's governing board, management, and other personnel and designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) safeguarding of assets from loss from unauthorized use or disposition; (b) execution of transactions in accordance with management's authorization; (c) reliability of financial records for preparing financial statements and maintaining accountability for assets; (d) effectiveness and efficiency of operations; and (e) compliance with applicable laws and regulations, including contracts and grant agreements. Internal controls, no matter how well designed and operated, can provide only reasonable assurance to management and the board regarding achievement of an entity's control objectives. The likelihood of

achievement is affected by limitations inherent to internal control. Such limitations are evident in the following ways:

- Human judgment in decision-making can be faulty.
- Breakdowns in internal controls can occur due to errors or mistakes.
- Controls can be circumvented by the collusion of two or more people or management override of internal controls.
- Costs of an entity's internal controls should not exceed the benefits that are expected to be derived.
- Custom, culture and the corporate governance system inhibit irregularities by management, but they are not absolute deterrents.

All internal control evaluations occur within the above framework. We believe that the Authority's internal controls adequately meet the objectives listed above and have devoted considerable time this past year to attract and retain individuals in our Finance Department who embrace the concept of a healthy internal control environment.

Independent Audit

Our independent auditor, Banks, Finley, White & Co., audits the financial statements of the Authority on an annual basis. The financial section of this report includes the independent auditor's report on the basic financial statements.

The Authority is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act of 1984, the U.S. Office of Management and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards 2 CFR 200, "Audits of State and Local Governments." All schedules and reports required under these federal and state regulations are included in the compliance section of this report.

Award of Financial Reporting Achievement

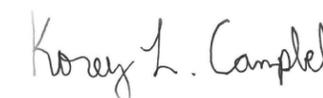
The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the Birmingham Airport Authority for its comprehensive annual financial report for the fiscal year ended June 30, 2023. This was the seventh consecutive year that the Authority has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement program's requirements and are submitting it to GFOA to determine its eligibility for another certificate.

Respectfully Submitted,



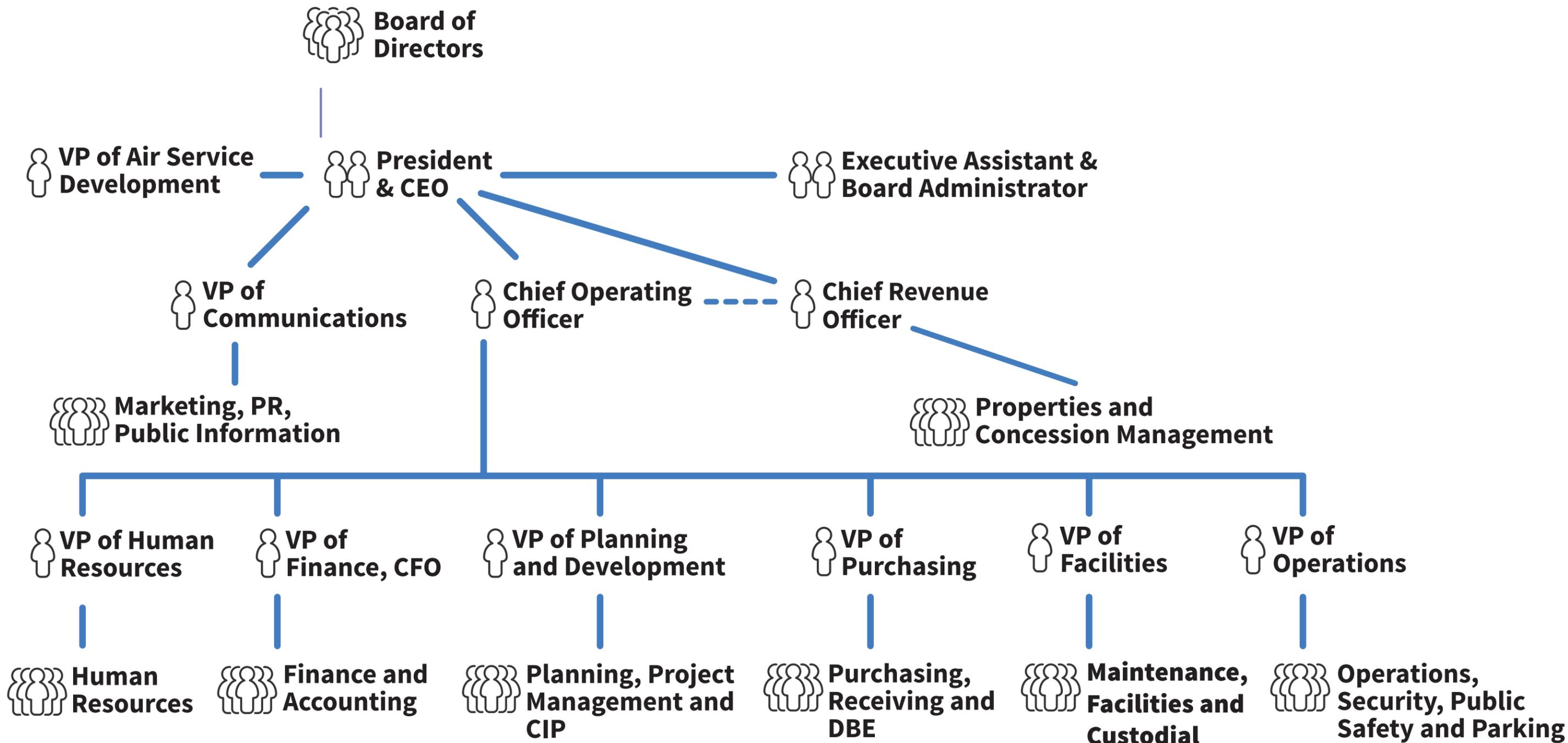
Ronald F. Mathieu C.M.
President and Chief Executive Officer



Korey Campbell
Chief Financial Officer



ORGANIZATION CHART



MISSION

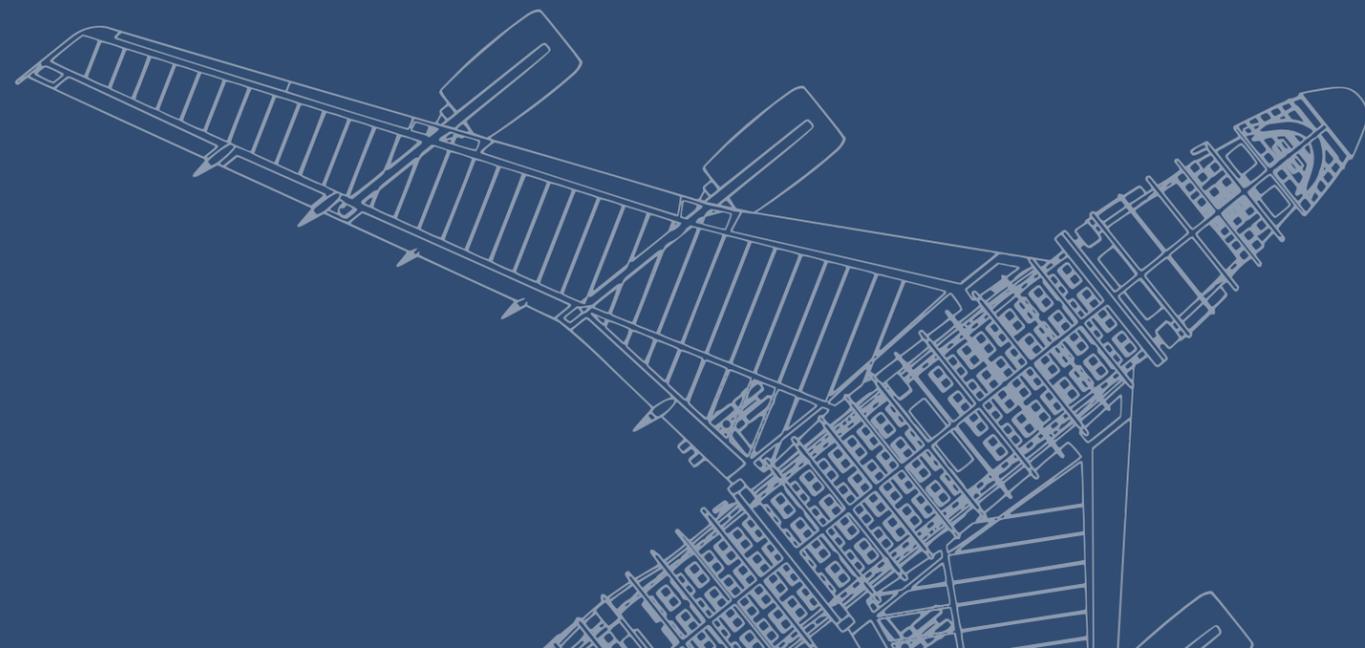
WHO WE ARE. WHAT WE DO.

To operate a safe, efficient, hospitable and state-of-the-art airport that promotes a healthy economy and environment

VISION

WHAT WE ASPIRE TO BE.

To be a driving force of economic development for the region and a showcase for Southern hospitality



Rico Gatson, "Fred S.", May 2024
Birmingham-Shuttlesworth International Airport

FINANCIAL

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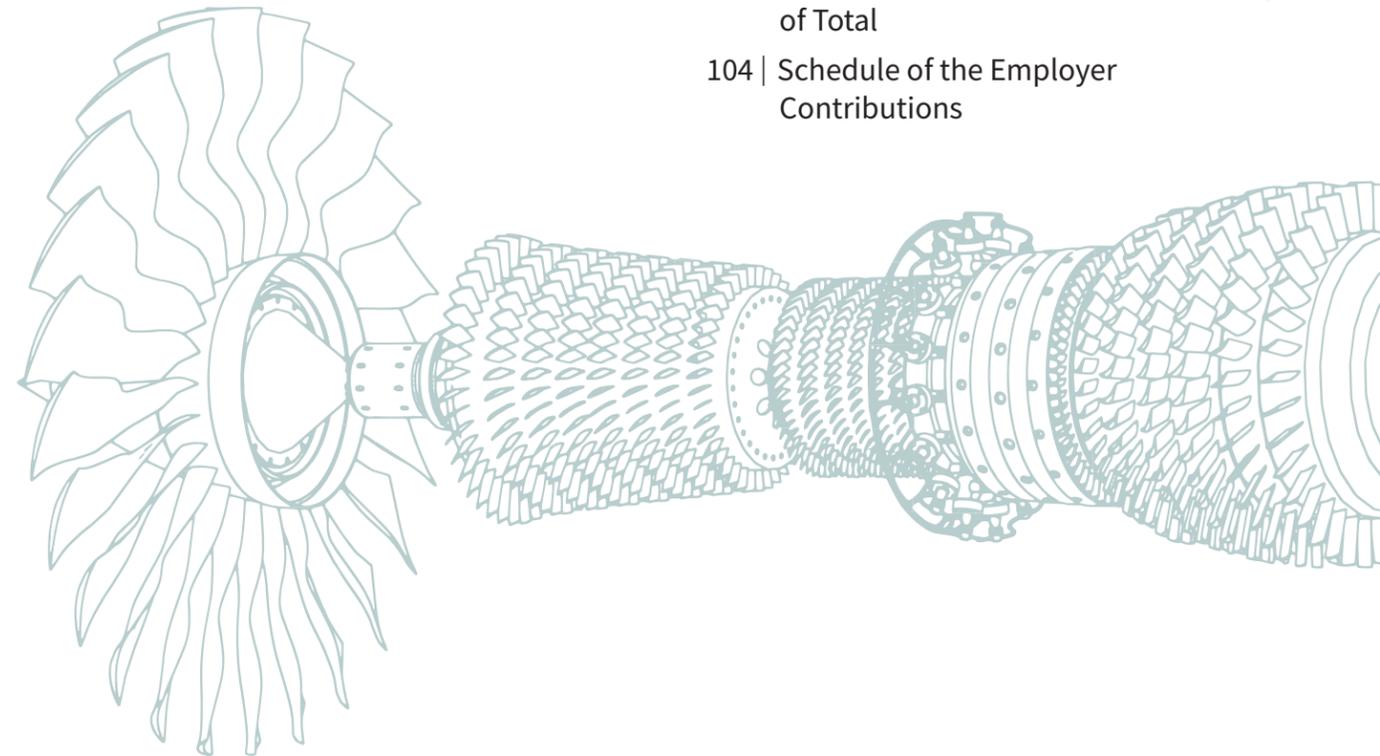
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INDEPENDENT AUDITOR'S REPORT



To the Board of Directors of the,
Birmingham Airport Authority
Birmingham, Alabama

Opinion

We have audited the accompanying financial statements of the business-type activities of the Birmingham Airport Authority (the Authority) a component unit of the City of Birmingham, Alabama, as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position the business-type activities of the Authority, as of June 30, 2024, and 2023, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue

as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

INDEPENDENT AUDITOR'S REPORT (Cont.)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information schedules on pages 24-33 and 94-105 presented to supplement the basic financial statements.

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying schedule of expenditures of federal awards and the schedule of passenger facility charge revenues and disbursements, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the PFC Guide issued by the FAA, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory, statistical and sustainability sections but does not include the basic financial statements and our auditor's report thereon.

Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 28, 2025, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Authority's internal control over financial reporting and compliance.

Birmingham, Alabama

March 28, 2025

Banks, Finley White & Co.

MANAGEMENT DISCUSSION & ANALYSIS (UNAUDITED)

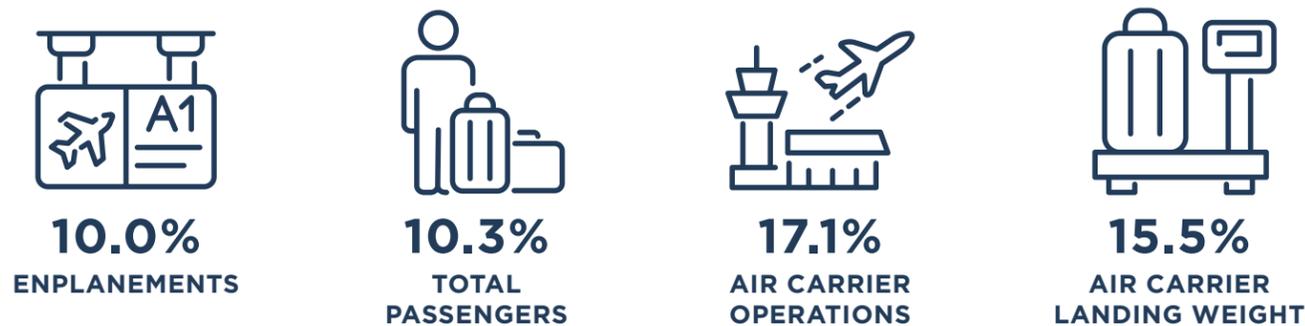
Fiscal Years Ended June 30, 2024, 2023, and 2022

The following Management Discussion and Analysis (“MD&A”) of the Birmingham Airport Authority (“the Authority”) presents a narrative overview of the financial activities of the Authority, which operates the Birmingham-Shuttlesworth International Airport (“the Airport”), for the fiscal years ended June 30, 2024 and 2023 with selected comparative information for the fiscal year ended June 30, 2022.

Following this MD&A are the basic financial statements of the Authority, the notes to the financial statements, and supplementary information. The report includes the following three basic financial statements: the statements of net position; the statements of revenues, expenses, and changes in net position; and the statements of cash flows. The accompanying notes to the financial statements are essential to a full understanding of the data contained in the financial statements. The supplementary information is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Airport Activities and Highlights

Activities at the Airport during fiscal year 2024 increased by 10.0%, 10.3%, 17.1%, and 15.5% for Enplanements, Total Passengers, Passenger Air Carrier Operations, and Passenger Air Carrier Landing Weight in comparison to fiscal year 2023. During fiscal year 2023, Enplanements, Total Passengers, Passenger Air Carrier Operations, and Passenger Air Carrier Landing Weight all increased in comparison to fiscal year 2022.



	2024	2023	2022
Enplanements	1,577,506	1,434,680	1,289,296
% Increase / (Decrease)	10.0%	11.3%	72.5%

	2024	2023	2022
Total Passengers	3,169,211	2,874,268	2,577,690
% Increase / (Decrease)	10.3%	11.5%	72.6%
Passenger Air Carrier Operations	37,320	31,866	30,864
% Increase / (Decrease)	17.1%	3.2%	31.1%
Passenger Air Carrier Landed Weight	1,882,499	1,629,185	1,494,718
% Increase / (Decrease)	15.5%	9.0%	40.4%

Four major passenger carriers, eleven regional carriers, three regularly scheduled all-cargo carriers, and two cargo charter airlines served the Airport during the fiscal year. Except for the two cargo charters, the carriers serving the Airport in 2024 were unchanged from fiscal years 2023 and 2022.

Financial Position Summary

The statements of net position present the financial position of the Authority. The statements include all assets, deferred outflows of resources, liabilities, deferred inflow of resources, and net position of the Authority. A summary comparison of the Authority’s assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of June 30, 2024, 2023, and 2022 is as follows:

Statements of Net Position June 30, 2024, 2023, and 2022

ASSETS	2024	2023 RESTATED	2022
Current Assets	140,171,492	134,004,929	97,746,891
Non-current Assets	10,245,194	18,064,487	39,781,805
Capital Assets	541,154,909	522,067,770	530,488,083
Total Assets	\$691,571,595	\$674,137,186	\$668,016,779
Deferred Outflows of Resources	4,755,781	4,864,165	10,045,593
Total Assets & Outflows of Resources	\$696,327,376	\$679,001,351	\$678,062,372

Statements of Net Position June 30, 2024, 2023, and 2022 (Cont.)

LIABILITIES	2024	2023 RESTATED	2022
Current Liabilities	19,246,919	11,970,656	12,004,809
Non-current Liabilities	128,659,844	133,413,472	141,227,054
Total Liabilities	\$147,906,763	\$145,384,128	\$153,231,863
Deferred Inflows of Resources	14,707,879	22,788,157	31,589,568
NET POSITION			
Net Investments in Capital Assets	422,812,674	401,217,302	393,718,715
Restricted	33,121,049	27,922,749	21,914,658
Unrestricted	77,779,011	81,689,015	77,607,568
Total Net Position	\$533,712,734	\$510,829,066	\$493,240,941
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES & NET POSITION			
	\$696,327,376	\$679,001,351	\$678,062,372

In fiscal year 2024, total assets increased by \$17.4 million to \$691.6 million. Total assets grew to \$674.1 million in 2023 from \$668.0 million in 2022. Deferred outflows of resources decreased by 2.2% to \$4.8 million in fiscal year 2024 from \$4.9 million in 2023. This was a 51.6% reduction from the \$10.0 million recorded the prior year due to a decline in the deferred outflows related to pension.

The Authority's total liabilities increased by 1.7% in fiscal year 2023 to 2024, from \$145.4 million to \$147.9 million. Total liabilities decreased by \$7.8 million, from \$153.2 million to \$145.4 million, as of June 30, 2023. The change was caused largely by a \$7.2 million decrease in revenue bonds payable.

Deferred inflows of resources dropped by \$8.1 million to \$14.7 million in fiscal year 2024. From 2022 to 2023, deferred inflows of resources decreased by 27.9%, to \$22.8 million, due to declines in deferred inflow of resources related to leases and pensions.

Net Position over time is an indicator of the Authority's financial standing. The Authority's net position exceeded liabilities by \$533.7 million on June 30, 2024. This represents a \$22.9 million increase from June 30, 2023. From June 30, 2022 to 2023, net position grew by \$17.6 million or 3.6%. The components of net position

include net investment in capital assets, restricted funds used for debt service, federal grants and programs, and unrestricted funds. Net investment in capital assets increased by 5.4% to \$422.8 million in fiscal year 2024, and grew by less than 2.0% to \$401.2 million from 2022 to 2023. Restricted net position improved to \$33.1 million in fiscal year 2024, which was a \$5.2 million increase from fiscal year 2023. 2023 experienced growth of 27.4% in restricted net position compared to 2022 due to debt service. Unrestricted net position decreased by \$3.9 million in the current fiscal year compared to an increase of \$4.1 million from 2022 to 2023.

The largest portion of the Authority's net position is its investment in capital assets (e.g., land, buildings, infrastructure improvements, and equipment), less the amount of related debt outstanding. The Authority uses these capital assets to provide services to its passengers, tenants, and business partners; consequently, these assets are not available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it is noted that the resources required to repay this debt must be provided annually from operations.

An additional portion of the Authority's net position represents bond reserve funds, passenger and customer facility charges, federal grant contributions, and other assets that are subject to various restrictions and federal regulations. The remaining unrestricted net assets may be used to meet any of the Authority's ongoing obligations.

Financial Operations Summary

Net position increased by \$22.9 million in fiscal year 2024 compared to an increase of \$17.6 million in 2023.

Summary of Operations and Changes in Net Position

OPERATING REVENUES	2024	2023	2022
Aviation Revenues	21,264,145	25,717,176	17,835,735
Concession Revenues	29,010,527	26,382,904	22,152,856
Other Revenues	6,551,129	5,455,159	4,485,487
Total Operating Revenues	\$56,825,801	\$57,555,239	\$44,474,078
OPERATING EXPENSES			
Salaries & Benefits	11,501,265	10,780,739	7,061,838
Professional & Contracted Services	10,121,045	10,237,504	7,933,618
Materials, Supplies & Maintenance	2,929,185	3,191,022	2,035,599
Other Operating Expenses	9,822,499	9,876,260	6,323,897
Total Operating Expenses Before Depreciation & Amortization	\$34,373,994	\$34,085,525	\$23,354,952

Summary of Operations and Changes in Net Position (Cont.)

OPERATING EXPENSES	2024	2023	2022
Depreciation & Amortization	18,061,340	19,442,814	17,450,371
Total Operating Expenses	\$52,435,334	\$53,528,339	\$40,805,323
Operating Income (Loss) Before Non-operating Revenues (Expenses)	4,390,467	4,026,900	3,668,755
NON-OPERATING REVENUES			
Federal Grants (ARPA, CARES, CRSAA)	-	324,704	5,594,884
Passenger Facility Charges	6,186,368	5,555,672	5,141,308
Customer Facility Charges	4,711,327	4,316,754	3,855,981
Interest Income	3,922,155	2,055,919	1,502,452
Other Non-Operating Expenses	411,258	1,032,294	73,508
Total Non-Operating Revenues	\$15,231,108	\$13,285,343	\$16,168,133
NON-OPERATING EXPENSES			
Interest Expense	4,517,308	5,043,572	5,085,440
Other Non-Operating Expenses	-	-	929,271
Total Non-Operating Expenses	\$4,517,308	\$5,043,572	\$6,014,711
Total Non-Operating Revenues (Expenses)	\$10,713,800	\$8,241,771	\$10,153,422
Income (Loss) Before Capital Contributions from Federal Agencies	15,104,267	12,268,671	13,822,177
Before Capital Contributions from Federal Agencies	7,779,401	5,319,454	11,856,581
NET POSITION			
Increase (Decrease) in Net Position	22,883,668	17,588,125	25,678,758
Total Net Position, Beginning of the Year	\$510,829,066	\$493,240,941	\$467,562,183
Total Net Position, End of the Year	\$533,712,734	\$510,829,066	\$493,240,941

- Operating Revenues declined by 1.3% from \$57.6 million in fiscal year 2023 to \$56.8 million in fiscal year 2024. The decrease was due to lower Aviation Revenues because of lower airline terminal rates and landing fees.
- Operating Revenues grew by 29.4% in fiscal year 2023 from \$44.5 million in 2022 because of continued passenger traffic recovery from the COVID-19 pandemic.
- Operating Expenses before depreciation and amortization grew slightly, to \$34.4 million in fiscal year 2024. Salaries and Benefits were \$721 thousand higher while decreases were experienced in all other operating expense categories.
- Operating Expenses before depreciation and amortization increased by 45.9% in fiscal year 2023 from \$23.4 million in fiscal year 2022. Expenses grew in each category. The \$3.7 million increase in Salaries and Benefits was largely the result of a \$2.1 million increase in non-cash pension expense. Other Operating Expenses increased from \$6.3 million to \$9.9 million mostly due to increases in building and facilities services.
- In fiscal year 2024, Non-Operating Revenues improved by \$1.9 million, 14.6%, to \$15.2 million, due to higher PFCs, CFCs, and interest income.
- Non-Operating Revenues declined from \$16.2 million in fiscal year 2022 to \$13.3 million in fiscal year 2023, a decrease of 17.8%. The decrease was primarily caused by a \$5.3 million decline in COVID-19 related grants as the Authority exhausted all of its grant proceeds.
- Non-Operating Expenses, interest expense, decreased by \$526 thousand to \$4.5 million in fiscal year 2024 from \$5.0 million in 2023.
- Non-Operating Expenses, decreased from \$6.0 million in fiscal year 2022 to \$5.0 million in 2023, a decline of 16.1%.
- In fiscal year 2024, Capital Contributions from Federal Agencies improved by 46.2%, or \$2.5 million more than the prior year.
- Capital contributions in the form of grants received from the Federal government declined from \$11.9 million in fiscal year 2022 to \$5.3 million in fiscal year 2023 due to a lower volume of grant eligible construction projects completed during the fiscal year.

Summary of Cash Flow Activities

The following shows a summary of the major sources and uses of cash and cash equivalents for the past three years. Cash and cash equivalents are considered cash-on-hand, bank deposits, and highly liquid investments with an original maturity of three months or less:

Fiscal Years Ended June 30, 2024, 2023, and 2022

	2024	2023	2022
Cash Flows from Operating Activities	23,224,919	15,673,077	19,222,078
Cash Flows from Noncapital Financing Activities	-	324,704	5,594,884
Cash Flows from (Used for) Capital and Related Financing Activities	(29,651,970)	(351,375)	6,232,358
Cash Flows from (Used for) Investing Activities	15,306,409	2,655,423	(31,523,669)
Net Increase (Decrease) in Cash and Cash Equivalents	\$8,879,358	\$18,301,829	\$(474,349)
CASH AND CASH EQUIVALENTS			
Beginning of the Year	\$73,174,044	\$54,872,215	\$55,346,564
End of the Year	\$82,053,402	\$73,174,044	\$54,872,215

In fiscal year 2024 the Authority experienced a net increase of \$8.9 million in cash and cash equivalents. This was an \$9.4 million decrease compared to the \$18.3 million increase in 2023. The decrease was the result of the nearly \$30 million in cash the Authority spent during the year to construct a new 53,000 square foot air cargo facility. The net increase of \$18.3 million in 2023 was an \$18.8 million improvement when compared to fiscal year 2022. At the end of fiscal year 2024, cash and cash equivalents were \$82.1 million compared to \$73.2 million in fiscal year 2023 and \$54.9 million in fiscal year 2022.

Financial Statements

The Authority's financial statements are prepared on an accrual basis in accordance with U.S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board ("GASB"). The Authority is structured as a proprietary fund with revenues recognized when earned and expenses recognized when incurred. Capital assets are capitalized and (except land and construction in progress) are depreciated over their useful lives.

Amounts are restricted for debt service and, where applicable, for construction activities. See the notes to the financial statements for a summary of the Authority's significant accounting policies.

Airline Rates and Charges

Effective August 15, 2016, the Authority entered into a new five-year agreement with each of the four major airlines serving Birmingham. Under the terms of the agreement, the airlines were charged residual landing fee rates for the airfield and compensatory rates for the terminal building, reduced by a 35%-50% non-airline terminal building revenue credit, depending on the Capital Improvement Fund balance. The agreement included an end of term option that allowed for a renewal of an additional five years.

The Authority and the airlines mutually agreed to allow that agreement to expire on June 30, 2021. The expired agreement remained in holdover status on a month-to-month basis until the end of fiscal year 2022. The Authority and the airlines entered into a new airline agreement that became effective on July 1, 2022 and expires on June 30, 2025. The material changes of the new agreement include the following:

- Elimination of rate differentiation for signatory and non-signatory airlines. All airlines pay the same rates for landing fees and terminal usage.
- Elimination of revenue sharing.
- Recovery of amortization costs for capital projects.
- Joint use calculation is based on enplanements and joint use space has been expanded to include TSA passenger screening and CBRA areas.
- Revised the cost centers and allocation process.
- Authority may issue a credit to lower airline costs at the discretion of CEO.
- Security deposits are required.
- Updated the maintenance responsibility matrix.

The airline cost per enplaned passenger represents the cost of an airline to operate at an airport. It is calculated by adding the airport charges paid by passenger airlines during a fiscal year and dividing that sum by the number of passengers enplaned during the twelve-month period.

Airline Revenues, Enplanements, and CPE

	2024	2023	2022
Terminal Building Charges	12,775,036	13,639,077	8,163,141
Aircraft Parking Charges	565,990	488,755	721,402
Landing Fees	6,947,327	10,397,831	7,567,180
Total Airline Charges	\$20,288,353	\$24,525,663	\$16,451,723
Enplanements	1,577,506	1,434,680	1,289,296
Airline Cost per Enplaned Passenger	\$12.86	\$17.09	\$12.76

Capital Acquisitions and Construction Activities

During fiscal year 2024, the Authority expended \$37.2 million on capital activities. The overwhelming majority of these expenditures were for the design and construction of the new Air Cargo Facility (\$26.8 million), Runway 6-24 and 36 RSA Improvements (\$2.7 million), Taxiway Bravo (\$1.9 million), and the Overflow Apron Rehabilitation projects (\$1.3 million). The balance was largely spent on other airfield and terminal projects. Please refer to the Notes to the Financial Statements, Note 7 “Changes in Capital Assets,” for more information related to the Authority’s capital acquisitions and construction activities.

Long-Term Debt Outstanding

On July 9, 2020, the Authority issued the Birmingham Airport Authority Airport Revenue Refunding Bonds, Series 2020. The bonds consisted of a principal amount of \$102,130,000 and a premium of \$19,959,828, for a total of \$122,089,828. The Series 2020 Bonds were issued to provide funds to refund the Authority’s Series 2010 Bonds outstanding in the principal amount of \$138,590,000. Other sources of funds used to refund the Series 2010 bonds included \$19,151,475 from debt service reserve and other reserve funds.

The Series 2020 Bonds mature no later than July 1, 2040, and require semiannual interest payments on January 1 and July 1, beginning January 1, 2021, at rates ranging between 4.0 and 5.0 percent. Principal payments on the Series 2020 Bonds are due annually beginning July 1, 2023.

The Series 2020 net bond proceeds of \$139,386,888 (after payment of \$1,853,034 in issuance cost) were deposited into the refunding escrow fund with Synovus Bank to refund the Series 2010 bonds. As of June 30, 2024, the outstanding balance on the Series 2020 bonds, net of the bond premium, was \$96.9 million.

Please refer to the Notes to the Financial Statements, Note 10 “Revenue Bonds Payable,” for more information related to the Authority’s long-term debt outstanding.

As of June 30, 2024, the Airport’s underlying ratings of its bond obligations were:

Fitch’s Bond Rating:
A- (Positive)

Moody’s Bond Rating:
A3 (Stable)

Passenger Facility Charge (“PFC”)

The Authority initially received approval from the FAA to impose a PFC of \$3.00 per enplaned passenger beginning August 1, 1997, not to exceed \$7,657,558, primarily to finance the rehabilitation of the main runway. Subsequently, the Authority requested and received approval to increase the charge per enplanement to \$4.50, and to increase the total collection amount to \$215,544,765. The PFC approval amount changes over time due to project closures and application amendments. The Authority is currently authorized to collect \$200,091,019.

The Authority has used PFCs to finish the rehabilitation of the main runway; to pay for the rehabilitation of the air carrier apron; to relocate a sanitary sewer lift station; to remove obstructions from beyond the end of the main runway; and to design, construct, and finance a terminal modernization program. The Authority’s remaining authorization for the use of PFCs is to pay a portion of the debt service on the Series 2020 Bonds, which were issued to refund the Series 2010 Bonds. The collection period is scheduled to end on September 1, 2035. Through June 30, 2024, the Authority has collected PFCs, including interest earnings thereon, totaling \$131,796,691. For further details related to the current year’s, see the Schedule of Passenger Facility Charges in the Compliance Section of this report.

Request for Information

This financial report is designed to provide a general overview of the Authority’s finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed in writing to the Vice President of Finance / CFO, Birmingham Airport Authority, 5900 Messer Airport Highway, Birmingham, Alabama 35212, or call 205-595-0533.

*(Net of Allowance for Uncollectibles of \$104,483 and \$114,904 in 2024 and 2023, respectively)

AUDITED FINANCIAL STATEMENTS

Statement of Net Position

June 30, 2024 and 2023 Assets of Deferred Outflows of Resources

UNRESTRICTED ASSETS	2024	2023 RESTATED
Cash & Cash Equivalents	51,808,550	40,971,297
Investments	47,412,768	51,819,910
Grants Receivable	2,061,328	378,728
Accounts Receivable*	2,996,571	3,682,295
Lease Receivable, Current	3,607,404	3,417,753
Prepaid Expenses	738,692	505,878
Inventory	407,218	269,378
Total Current Unrestricted Assets	\$109,032,531	\$101,045,239
RESTRICTED ASSETS		
PASSENGER FACILITY CHARGES FUNDS		
Cash and Cash Equivalents	12,717,968	6,287,021
Accounts Receivable	518,837	452,048
CUSTOMER FACILITY CHARGES FUNDS		
Cash and Cash Equivalents	8,850,149	6,960,121
Accounts Receivable	375,272	304,895
REVENUE BOND RESERVE FUNDS		
Cash and Cash Equivalents	8,676,735	18,955,605
Total Restricted Assets	\$31,138,961	\$32,959,690
Total Current Assets	\$140,171,492	\$134,004,929

Statements of Net Position (Cont.)

RESTRICTED ASSETS	2024	2023 RESTATED
NON-CURRENT ASSETS		
Unrestricted Investments	-	9,755,882
Restricted Investments	5,500,000	-
Lease Receivable, Non-Current	3,894,548	7,501,953
Net OPEB Asset	412,604	311,801
Prepaid Expenses	438,042	494,851
CAPITAL ASSETS		
Capital Assets, Net of Accumulated Depreciation	541,015,769	521,813,364
Lease and Subscription Right-of-Use Assets, Net of Accumulated Amortization	139,140	254,406
Total Capital Assets	\$541,154,909	\$522,067,770
Total Non-Current Assets	\$551,400,103	\$540,132,257
Total Assets	\$691,571,595	\$674,137,186
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Refunding	-	-
Deferred Outflow of Resources Related to OPEB	582,754	461,313
Deferred Outflow of Resources Related to Pension	4,173,027	4,402,852
Total Deferred Outflows of Resources	\$4,755,781	\$4,864,165
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$696,327,376	\$679,001,351

See accompanying Notes to the Financial Statements

Statements of Net Position (Cont.)

CURRENT LIABILITIES		
PAYABLE FROM UNRESTRICTED ASSETS		
Accounts Payable and Accrued Expenses	4,360,295	1,607,255
Deferred Revenue	513,460	835,803
Advances and Deposits	63,207	65,437
Lease Liabilities, Current	81,124	69,045
Total Payable from Unrestricted Assets	\$5,018,086	\$2,577,540
PAYABLE FROM RESTRICTED ASSETS		
Construction Contracts Payable	6,486,333	1,779,866
Accrued Interest Payable	2,252,500	2,383,250
Current Maturities of Revenue Bonds Payable	5,490,000	5,230,000
Total Payable from Restricted Assets	\$14,228,833	\$9,393,116
Total Current Liabilities	\$19,246,919	\$11,970,656
NON-CURRENT LIABILITIES		
Compensated Employee Absences	1,368,261	1,237,621
Lease Liabilities, Non-Current	52,028	114,597
Revenue Bonds Payable, Net of Unamortized Bond Premium	106,232,750	113,656,960
Net Pension Liability	21,006,805	18,404,294
Net OPEB Liability	-	-
Total Non-Current Liabilities	\$128,659,844	\$133,413,472
Total Liabilities	\$147,906,763	\$145,384,128
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflow of Resources Related to Leases	6,871,676	10,292,959
Deferred Inflow of Resources Related to Pension	6,812,833	11,665,334
Deferred Inflow of Resources Related to OPEB	1,023,370	829,864
Total Deferred Inflows of Resources	\$14,707,879	\$22,788,157

NET POSITION

Net Investment in Capital Assets	\$422,812,674	\$401,217,302
Restricted: For Debt Service	11,924,235	16,572,355
Restricted: Federal Grants and Programs	21,196,814	11,350,394
Total Restricted	\$33,121,049	\$27,922,749
Total Unrestricted	\$77,779,011	\$81,689,015
Total Net Position	\$533,712,734	\$510,829,066
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$696,327,376	\$679,001,351

Statements of Revenues, Expenses, and Changes in Fund Net Position

For the Fiscal Years Ended June 30, 2024 and 2023

OPERATING REVENUES	2024	2023
Aviation Revenues	21,264,145	25,717,176
Concession Revenues	29,010,527	26,382,904
Airport Rentals	4,139,757	3,803,996
Aviation Services	1,810,828	1,078,820
Miscellaneous Revenues	600,544	572,343
Total Operating Revenues	\$56,825,801	\$57,555,239

See accompanying Notes to the Financial Statements

Statements of Revenues, Expenses and Changes in Fund Net Position (Cont.)

OPERATING EXPENSES	2024	2023
Salaries and Benefits	11,501,265	10,780,739
Professional and Contracted Services	10,121,045	10,237,504
Materials, Supplies, and Maintenance	2,929,185	3,191,022
Other Operating Expenses	9,822,499	9,876,260
Total Operating Expenses Before Depreciation and Amortization	\$34,373,994	\$34,085,525
Depreciation and Amortization	18,061,340	19,442,814
Total Operating Expenses	\$52,435,334	\$53,528,339
Operating Income (Loss) Before Non-Operating Revenues (Expenses)	\$4,390,467	\$4,026,900
NON-OPERATING REVENUES (EXPENSES)		
Federal grants - ARPA, CARES, and CRRSAA	-	324,704
Passenger Facility Charges	6,186,368	5,555,672
Customer Facility Charges	4,711,327	4,316,754
Interest Income	3,922,155	2,055,919
Interest Expense	(4,517,308)	(5,043,572)
Insurance Settlement and Other	(1,298,815)	19,071
Gain on Disposal of Capital Assets	-	6,306
Net Increase in the Fair Value of Investments	1,710,073	1,006,917
Total Non-Operating Revenues (Expenses)	\$10,713,800	\$8,241,771
Income (Loss) Before Capital Contributions from Federal Agencies	15,104,267	12,268,671
Capital Contributions from Federal Agencies	7,779,401	5,319,454
NET POSITION		
Increase in Net Position	22,883,668	17,588,125
Total Net Position, Beginning of the Year	\$510,829,066	\$493,240,941
Total Net Position, End of the Year	\$533,712,734	\$510,829,066

Statements of Cash Flows

For the Fiscal Years Ended June 30, 2024 and 2023

CASH FLOWS FROM OPERATING ACTIVITIES	2024	2023
Cash Received from Customers and Tenants	57,183,423	55,462,272
Cash Paid to Suppliers for Goods And Services	(24,643,189)	(31,579,859)
Cash Paid for Personnel Costs	(9,315,315)	(8,184,907)
Other Receipts from (Payments for) Operating	-	(24,429)
Net Cash Provided by Operating Activities	\$23,224,919	\$15,673,077
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Non-Capital Grants (ARPA, CARES, CRRSAA)	-	324,704
Net Cash Provided by Non-Capital Financing Activities	-	\$324,704
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(37,203,648)	(12,183,472)
Receipts from Federal Grants, Passenger Facility Charges, and Customer Facility Charges	16,857,330	16,598,587
Interest Paid on Capital Debt	(4,505,000)	(4,766,500)
Principal Paid on Capital Debt	(5,230,000)	-
Proceeds from Capital Leases	429,348	-
Net Cash (Used for) Capital and Related Financing Activities	\$(29,651,970)	\$(351,375)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received on Investments	3,492,807	1,467,008
(Purchases) Sales of Investments	11,813,602	1,188,415
Net Cash Provided by Investing Activities	\$15,306,409	\$2,655,423
Net (Decrease) Increase in Cash and Cash Equivalents	8,879,358	18,301,829
Cash and Cash Equivalents, Beginning of the Year	\$73,174,044	\$54,872,215
Cash and Cash Equivalents, End of the Year	\$82,053,402	\$73,174,044

See accompanying Notes to the Financial Statements

Statements of Cash Flows (Cont.)

RECONCILIATION OF CASH & CASH EQUIVALENTS TO STATEMENT OF NET POSITION ACCOUNTS	2024	2023
Cash and Cash Equivalents - Unrestricted Assets	51,808,550	40,971,297
Cash and Cash Equivalents - Restricted Assets	30,244,852	32,202,747
Total	\$82,053,402	\$73,174,044
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income (Loss)	4,390,467	4,026,900
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities		
Depreciation and Amortization	18,061,340	19,442,814
Bad Debt Expense	1,857	25,268
Other Receipts (Payments)	-	(24,429)
CHANGE IN ASSETS, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND LIABILITIES		
Receivables (Net)	685,724	(2,277,882)
Prepaid Expenses and Deferred Revenue	(557,387)	504,569
Inventory	(137,840)	(7,873)
Lease Receivables and Deferred Inflows	(3,529)	(197,839)
Compensated Employee Absences	130,640	654,812
Accounts Payable and Accrued Expenses	2,628,040	(5,002,604)
Lease Liabilities	(50,490)	142,790
Net Pension and OPEB Liability and Related Deferred Outflows/Inflows of Resources for Pension	(1,923,903)	(1,613,449)
Total Adjustments	\$18,834,452	\$11,646,177
Net Cash Flows from Operating Activities	\$23,224,919	\$15,673,077
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Increase in Fair Value of Investments	\$1,710,073	\$1,006,917
Amortization of Bond Discount	\$(1,725,739)	\$(1,869,171)

Statements of Fiduciary Net Position - OPEB Trust Fund

June 30, 2024 and 2023

ASSETS	2024	2023
Cash and Cash Equivalents	1,886,680	1,805,957
Total Assets	1,886,680	1,805,957
NET POSITION		
Total Net Position Held in Trust for OPEB Benefits	\$1,886,680	\$1,805,957

Statements of Changes in Net Position - OPEB Trust Fund

For the Years Ended June 30, 2024 and 2023

	2024	2023
Net Position Held in Trust for OPEB Benefits, Beginning of the Year	\$1,805,957	\$1,748,859
ADDITIONS		
Employer Contributions	35,327	63,577
Investment Income	88,086	64,167
Total Additions	\$123,413	\$127,744
DEDUCTIONS		
Benefit Payments, Including Refunds of Member Contributions	35,327	63,577
Administrative Expense	7,363	7,069
Total Deductions	\$42,690	\$70,646
Net (Decrease) Increase	80,723	57,098
Total Net Position Held in Trust for OPEB Benefits, End of Year	\$1,886,680	\$1,805,957

See accompanying Notes to the Financial Statements

Statements of Changes in Net Position - Executive Pension Plan Trust Fund

For the Years Ended June 30, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	362,506	-
Total assets	362,506	-
Net Position		
Total Net Position Held In Trust for EPP Benefits	\$362,506	-

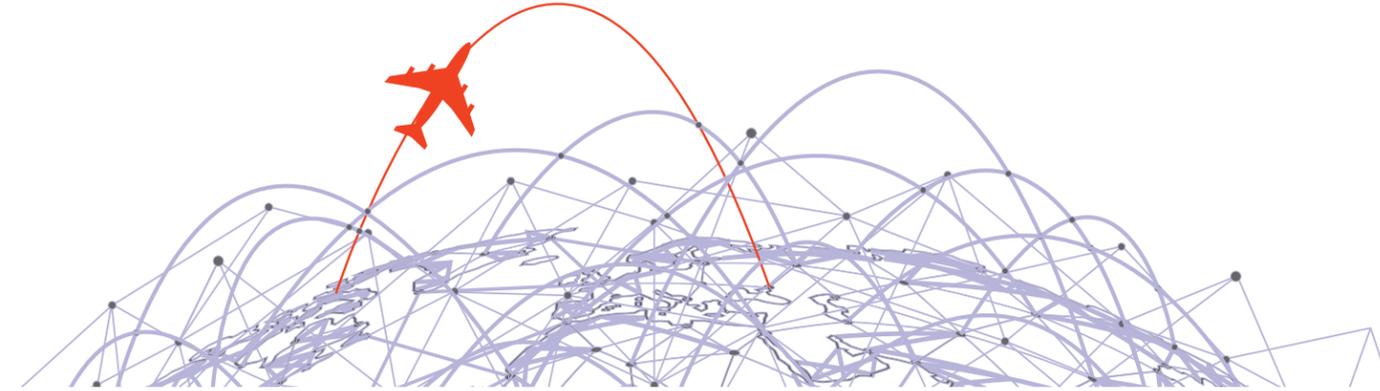
Statements of Changes in OPEB Net Position - Executive Pension Plan Trust Fund

For the Years Ended June 30, 2024 and 2023

	2024	2023
Net Position Held in Trust for EPP Benefits,		
Beginning of the Year	-	-
Additions		
Employer Contributions	340,738	-
Investment Income	21,768	-
Total Additions	\$362,506	-
Deductions		
Net (Decrease) Increase	362,506	-
Total Net Position Held in Trust for EPP Benefits, End of Year	\$362,506	-

See accompanying Notes to the Financial Statements

NOTES TO THE FINANCIAL STATEMENTS



NOTE 1: NATURE OF ORGANIZATION AND REPORTING ENTITY

Nature of Organization

The Birmingham Airport Authority (“the Authority”) was incorporated on June 6, 1986, as a nonprofit corporation under the provisions of the Code of Alabama, Title 4, Chapter 3, Article 2. The Authority is governed by a seven (7) member Board of Directors, who are nominated by the Mayor and confirmed by the City Council of the City of Birmingham (“the City”).

The City owns the Birmingham Shuttlesworth International Airport (the “Airport”). Pursuant to a Lease Assignment and Operating Agreement (“Agreement”) dated September 16, 1986, and amended October 1, 2009, the City transferred to the Authority custody, control and management of the Airport for a term that currently expires September 15, 2045, subject to certain conditions contained in the Agreement. The Authority pays the sum of \$10 as annual rent to the City during the term of the Agreement. As of June 30, 2024, the Authority was in compliance with the terms and conditions of the Agreement.

Reporting Entity

The Authority meets the criteria set forth in accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB) for inclusion as a component unit within the City’s general purpose financial statements based on the City’s responsibility for the appointment of the Authority members, and their approval of capital programs and certain debt issuances and the Authority’s annual operating budget. As a component unit of the City, the Authority’s financial statements are discretely presented on the City’s general purpose financial statements. The accompanying financial statements present the financial position of the Authority only. The Authority does not have any component units and is not involved in any joint ventures.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accounting policies of the Authority conform to accounting principles accepted in the United States of America applicable to state and local governmental agencies.

Basis of Presentation - Fund Accounting

The Authority uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Authority has two categories of funds: proprietary and fiduciary.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds are classified as either enterprise or internal service. The Authority has no internal service funds.

The Authority is accounted for as a proprietary fund. Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the Authority is that the cost (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and custodial funds. Trust funds are used to account for assets held by the Authority under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the Authority's own programs.

The Authority maintains a trust fund for the other post-employment benefit (OPEB) plan fund that was established to meet its liability for the payment of the health and related benefits for its retired employees under long established employee benefit plans.

The Authority has a second trust fund to manage and maintain the funds for the qualified 401(a) Executive Pension Plan (EPP). Additional information Details regarding the EPP can be found in Note 12, Executive Pension Plan.

Measurement Focus

The basic financial statements presented are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. The financial statements are presented in accordance with GASB Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments, and related GASB pronouncements.

For proprietary funds, the statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the Authority finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds present a statement of changes in fiduciary net position which reports additions to and deductions from custodial trust funds.

New Accounting Pronouncements

In April 2022, the GASB issued Statement No. 99, "Omnibus 2022". The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023. The Authority has implemented the provisions of Statement No. 99 that are effective upon issuance in this annual report. The Authority is evaluating the effect of other provisions of Statement No. 99 not yet effective will have on the financial statements.

In June 2022, the GASB issued Statement No. 100, "Accounting Changes and Error Corrections – Amendment of GASB Statement No. 62". This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior period, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this statement are effective for financial statements for reporting period beginning after June 15, 2023. The Authority has implemented GASB Statement No. 100.

In June 2022, the GASB issued Statement No. 101, "Compensated Absences". This Statement clarifies the recognition and measurement guidance for compensated absences. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The requirements of this Statement are effective for financial statements for reporting periods beginning after December 15, 2023. The Authority has implemented GASB Statement No. 101.

New Accounting Pronouncements (Cont.)

In December 2023, the GASB issued Statements No. 102, “Certain Risk Disclosures”. The objective of this statement is to provide users of governmental financial statements with essential information about risks related to a government’s vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2024. The Authority is evaluating the impact that adoption of this Statement will have on its financial statements.

In April 2024, the GASB issued Statement No. 103, “Financial Reporting Model Improvements”. This Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The Authority is evaluating the impact that adoption of this Statement will have on its financial statements.

In September 2024, the GASB issued Statement No. 104, “Disclosure of Certain Capital Assets”. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement No. 34. This Statement also requires additional disclosures for capital assets held for sale. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The Authority is evaluating the impact that adoption of this Statement will have on its financial statements.

Use of Accounting Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Restricted Assets

Funds are set aside as restricted, and they are not available for current expenses when constraints placed on their use are legally enforceable due to either:

- Externally imposed requirements by creditors (such as through debt covenants), grantors or contributors.
- Laws or regulations of other governments.

Designated Assets

The Authority’s management designates funds for capital projects, debt service and other specific commitments; these funds would otherwise be available for operations.

Inventory

Inventories include the following on June 30, 2024, and 2023:

	2024	2023
Baggage Handling System Parts	\$270,437	\$168,242
Jet Bridge Parts	\$136,781	\$101,136
Total	\$407,218	\$269,378

Inventory is valued at cost. The cost is determined on a first in, first out basis.

Capital Assets

Capital assets are recorded at historical cost or estimated historical cost, if actual amounts are unavailable, except for donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement, which are reported at acquisition value at the time of contribution. There were no such service concession arrangements during fiscal year 2024 and 2023. Depreciation has been provided over the estimated useful lives using the straight line method. Estimated useful lives by asset category are as follows:

10–40 Years	5–30 Years	5–15 Years	5–15 Years
BUILDINGS	INFRASTRUCTURE IMPROVEMENTS	MACHINERY AND EQUIPMENT	FURNITURE AND FIXTURES

Cost of constructed fixed assets includes design and construction costs that accumulate until completion of the respective project. Interest incurred during capital asset construction periods is expensed in accordance with GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period. No depreciation is provided on construction in progress until construction is complete and the asset is placed in service. When property and equipment are disposed of, the related cost and accumulated depreciation are removed from the accounts with any gains or losses on disposition being reflected in current operations. The Authority capitalizes all capital assets in excess of \$5,000. Maintenance and repairs are expensed as incurred.

Deferred Outflows/Inflows of Resources

The statements of net position will sometimes report a separate section for deferred outflows of resources and/or deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and, therefore, not recognized as an outflow of resources (expense) until then. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and, therefore, not recognized as an inflow of resources (revenue) until then.

Airport Improvement Program

Certain expenditures for airport capital improvements are significantly funded through the Airport Improvement Program (“AIP”) of the Federal Aviation Administration (“the FAA”), with typically 10% of project expenditures provided by the Authority. Funding provided under government grants is considered earned as the related allowable expenditures are incurred.

Transportation Security Administration Grant

Certain expenditures for airport capital improvements are funded through a Transportation Security Administration (“TSA”) grant program, with 0% to 10% provided by the Authority. Funding provided under government grants is considered earned as the related allowable expenditures are incurred.

CARES, CRRSAA and ARPA Grants

On April 29, 2020, March 11, 2021, and October 29, 2021, the Authority received grant awards for funding under the Coronavirus Aid, Relief and Economic Security Act (CARES), the Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA), and the American Rescue Plan Act of 2021 (ARPA), respectively. Funding received under these acts was provided to help offset declining revenues arising from diminished airport operations and activities because of the COVID 19 Public Health Emergency. Funding provided for the Authority’s operational and maintenance expenses are presented in operating revenues. Funding provided for the Authority’s debt service and debt repayment are presented in non operating revenues as capital contributions. The Authority has been awarded and expended \$37,724,028 in combined COVID-19 grant relief funds.

Passenger Facility Charges

The Authority is authorized to impose a Passenger Facility Charge (“PFC”) on enplaning passengers. The PFC can be collected until the date on which the total PFC revenue collected, plus interest thereon, equals the allowable cost of the approved projects, which is \$200,091,019. The collection period ends on September 1, 2035. The PFC funds are available for authorized construction projects and debt service under an approved FAA application. PFCs, along with related interest earnings, are recorded as nonoperating revenue when earned.

Customer Facility Charges

On November 19, 2012, the Authority’s Board of Directors adopted a resolution authorizing Rental Car Agencies operating at the Airport to impose a Customer Facility Charge (“CFC”). The resolution was amended August 18, 2020, and again on January 19, 2021. The purpose of the CFC is to provide funding for a Quick Turn Around Facility to house all rental car companies. Effective January 1, 2013, companies that operate under a Rental Car Concession Agreement at the Airport began assessing each customer an initial CFC of \$5.00 per transaction day. The total amounts collected are reported and remitted monthly to the Authority by the rental car companies.

The Authority is authorized to pledge the CFCs collected, by resolution or trust indenture, to pay the costs and expenses of purchasing property, financing, designing, constructing, operating, relocating, and maintaining the

Quick Turn Around Facilities. On March 22, 2019, the Authority entered into an agreement with BBVA Compass to borrow a sum not to exceed \$10,000,000 and drew down \$7,000,000 in 2019. The Authority made monthly interest payments until the debt was paid in full on June 18, 2021.

CFCs are segregated from all other funds and assets of the Authority. The total amount collected net of borrowings, expenses and interest earned, was \$8,850,148 and \$6,960,120 as of June 30, 2024, and 2023, respectively. A certain portion of the CFCs have been set aside as reserve CFC funds based on mutual agreement between the Authority and the rental car companies.

Revenue Classifications

Revenue is recognized when earned. The Authority classifies revenues as operating or non- operating based on the following criteria:

Operating revenues are from the revenue sources that constitute the principal ongoing activity of the operations of the Airport. The major components of operating revenue consist of aviation revenue, concession revenue, airport rentals, aviation services, and other miscellaneous fees and charges. Landing fees and terminal building rates are charged based on recovery of actual costs for operating and maintaining the Airport airfield and terminal areas.

Non-operating revenues are from revenue sources related to financing activities and other activities which do not constitute the principal ongoing activities of the Authority’s operations. These include PFCs, CFCs, interest income, and grant revenue related to specific programs.

Expense Classifications

The Authority classifies expenses as operating or non-operating based on the following criteria: Operating expenses relate to the principal ongoing activities of the operations of the Airport. The major components of operating expenses consist of salaries and benefits, professional and contractual services, materials, supplies and maintenance, utilities, repairs and other services, and depreciation and amortization.

Non-operating expenses relate to financing activities and other activities which do not constitute the principal ongoing activities of the Authority’s operations. The primary non-operating expense is interest.

Federal Grants

When a grant agreement is approved and all eligibility requirements have been met, the expenditures are recorded as a federal grant receivable and as a capital grant contribution.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers cash on hand, bank deposits and highly liquid investments with an original maturity of three months or less to be cash and cash equivalents.

Investments

State statutes authorize the Authority to invest in U.S. government obligations or in bonds of the State of Alabama or in any county or municipality therein, or in certificates of deposit collaterally secured by a pledge of U.S. government obligations. Investments are accounted for in accordance with GASB Statement No. 72, Fair Value Measurement and Application, which requires that certain investments be recorded at fair value (e.g., quoted market prices).

Receivables

Accounts receivables are reported at their gross value when earned and are reduced by the estimated portion that is expected to be uncollectible. The allowance for uncollectible amounts is based on collection history, and current information regarding the creditworthiness of the tenants and others doing business with the Authority. When continued collection activity results in receipt of amounts previously written off, revenue is recognized for the amount collected.

Bonds Payable, Bond Issue Costs, Original Issue Discount and Deferred Loss on Bond Refundings

Bonds payable are recorded at the principal amount outstanding, net of any applicable premium or discount. Bonds outstanding, which have been refunded and economically defeased, are not included in long-term debt. The related assets are not included in investments. Any loss on refunding, which is the difference between the reacquisition price and the net carrying amount on the old debt, is recognized as deferred outflow of resources and amortized as a component of interest expense over the shorter of either 1) the original life of the refunded debt or 2) the life of the refunding debt. Bond issue costs, original issue discount and deferred loss on refunding on long term indebtedness are deferred and amortized using the effective interest method over the life of the debt to which it relates.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Birmingham Retirement and Relief System (Retirement and Relief System Tier I and Tier II or “the Plan”) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Additional information regarding the plan can be found in Note 11.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Authority’s Executive Pension Plan (the “EPP Plan”) and additions to/deductions from the EPP Plan’s fiduciary net position have been determined on the same basis as they are reported by the EPP Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Additional information regarding the plan can be found in Note 12.

Investments for all pension plans are reported at fair value.

Other Postemployment Liability

For purposes of measuring total/net other post-employment liability (“OPEB”), deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense have been determined on the same basis as they are reported by the OPEB Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Additional information regarding total/net other post-employment liability can be found in Note 13.

Compensated Absences

On January 1, 2023, the Authority converted its time off policy from one that utilized vacation and sick days to a paid time off (PTO) model. The PTO program was developed to give employees more flexibility in how they can use their earned time off. Employees earn PTO at graduated rates based on their length of service. Hourly employees earn 4.6 hours, per pay period, for the first year and up to 11.1 hours, per pay period, for ten or more years. Salaried employees are awarded their time on January 1st of each year and earn 15 days the first year, up to 36 days for ten or more years.

After the accumulation of 160 hours (20 days), at least 80 hours (10 days) of PTO must be taken each calendar year. PTO may carryover up to a maximum of 360 hours (45 days) into the next calendar year. Employees shall be paid by January 31st of the following calendar year for PTO time not taken, up to 208 hours (26 days) that has been earned beyond the referenced maximum. All PTO hours accumulated but unused at the employee’s separation will be paid out at the employee’s regular rate of pay on the first pay period after the termination, pending the return of all Airport issued property.

As of June 30, 2024, and June 30, 2023, the compensated absences accruals were \$1,368,261 and \$1,237,621 respectively.

Arbitrage Rebate

The U.S. Treasury has issued regulations on calculating the rebate due the Federal government on arbitrage profits, calculating arbitrage penalties, and determining compliance with the arbitrage rebate provisions of the Tax Reform Act of 1986. Arbitrage profits arise when the Authority temporarily invests the proceeds of tax exempt debt in securities with higher yields. For the years ended June 30, 2024, and 2023, the Authority had no arbitrage rebate liability.

Retention Payable

The Authority enters into construction contracts that may include retention provisions such that a certain percentage of the contract amount is held for payment until completion of the contract and acceptance by the Authority. The Authority’s policy is to record retention payable as contracted work is completed and accepted. Retention payable is included in construction contracts payable on the accompanying statements of net position.

Components of Net Position

The Authority’s net position classifications are as follows:

Net Investment in Capital Assets

This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted Net Position

This component of net position represents restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law or through constitutional provisions or enabling legislation.

Unrestricted Net Position

This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

Net Position Flow Assumption

Sometimes the Authority will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts reported as restricted net position and unrestricted net position, a flow assumption must be made about the order in which the resources are applied. It is the Authority’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

NOTE 3: CASH AND CASH EQUIVALENTS AND INVESTMENTS

It is the Authority’s policy to invest only in obligations of the U.S. Treasury, U.S. Government Agencies, State of Alabama obligations, and short term bank certificates of deposit.

The Authority’s cash and cash equivalents and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Authority’s deposits (in excess of FDIC insurance) may not be returned to it. The carrying amount of the Authority’s deposits, certificates of deposits and cash on hand was \$51,447,717 and \$40,615,557 and the related bank balance was \$51,446,117 and \$40,613,957

at June 30, 2024 and 2023, respectively. The Authority also had restricted cash deposited with a trustee, with a carrying and bank balance amount of \$35,744,851 and \$32,202,746 at June 30, 2024 and 2023, respectively.

The Authority’s deposit policy for custodial credit risk limits deposits to financial institutions that are members of the Alabama State Treasury’s Security for Alabama Funds Enhancement (“SAFE”) Program. Under the SAFE program, the Authority’s funds are protected through a collateral pool administered by the Alabama State Treasury. Banks doing business within the State of Alabama and holding deposits of public funds belonging to the state, counties, cities, or agencies of state and local governments must pledge securities to the SAFE program pool which are held as collateral against these deposits. In the event of the failure of a bank, securities pledged by that bank would be liquidated by the State Treasurer to replace the public deposits. If the securities pledged failed to produce adequate funds for that purpose, every bank participating in the pool would share the liability for the remaining balance.

Credit Risk

Credit risk is the possibility that the issuer/counterparty to an investment will be unable to fulfill its obligations. Unrestricted investments in U.S. Government T-Notes and U.S. Treasury Bills had a fair market value of \$76,935,433 and \$72,750,998 as of June 30, 2024, and 2023 respectively. U.S. Government obligations are not considered to have credit risk and do not require disclosure of credit quality.

Concentration of Credit Risk

Concentration of credit risk is the inability to recover the value of deposits, investments, or collateral securities in the possession of an outside party caused by a lack of diversification (investments acquired from a single issuer). The Authority’s cash deposits are held in several financial institutions and are fully insured by the Federal Deposit Insurance Corporation (FDIC), the U.S. Government, and the SAFE Program.

The Authority’s investment policy limits its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the Authority’s total investment portfolio will be invested in a single security type or with a single financial institution.

Interest Rate Risk

Interest rate risk is the possibility that an interest rate change could adversely affect an investment’s fair value.

Type of Investment	Less Than 1	1 to 5	6 to 10	More than 10	6/30/24 Total	6/30/23 Total
U.S. Treasury Bills	9,001,458	-	-	-	9,001,458	-
U.S. Government T-Notes	39,390,475	8,493,370	-	-	47,883,845	61,760,998
U.S. Treasury/SLGS Agency Securities	10,990,001	-	-	-	10,990,001	10,990,000
Total	\$59,381,934	\$8,493,370	-	-	\$67,875,304	\$72,750,998

The Authority’s investment policy is to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the Authority will not directly invest in securities maturing more than three years from the date of purchase. However, unrestricted investments, the Revenue Bond Reserve Funds, and Construction Bond Funds may be invested in securities exceeding three years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

NOTE 4: FAIR VALUE MEASUREMENTS AND FINANCIAL INSTRUMENTS REPORTED AT FAIR VALUE

The Authority categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure fair value of the asset. Level 1 inputs consist of quoted market prices in active markets for identical assets; Level 2 inputs consist of significant other observable inputs; Level 3 inputs consist of significant unobservable inputs. Certain items required to be reported at their net asset value (NAV) are not subject to level disclosure.

Type of Investment	Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	6/30/24 Total	6/30/23 Total
U.S. Treasury Bills	9,001,458	-	-	9,001,458	-
U.S. Government T-Notes	47,883,845	-	-	47,883,845	61,760,998
U.S. Treasury/ SLGS Agency Securities	10,990,001	-	-	10,990,001	10,990,000
Total Investments at Fair Value	\$67,875,304	-	-	\$67,875,304	\$72,750,998

Security Valuation Disclosure:

Debt securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 & 3 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices. Pricing source: ICE Interactive Data.

The fair value presented herein is based on pertinent information available to management as of June 30, 2024 and 2023. Although management is not aware of any factors that would significantly affect fair value amounts, future events, or other valuation techniques for determining fair value may differ significantly from the amounts presented herein.

NOTE 5: LEASES

Lease Arrangements With the Authority as the Lessor

The Authority is the lessor of terminal space, land, hangars, and buildings at the Airport to air carriers and other tenants under various operating leases for periods through 2054. Some of the leases, in addition to non-cancellable amounts at fixed rates, provide for additional payments based on usage or activity. For purposes of GASB No. 87 implementation, the Authority’s leases have been classified as:

1. Subject to GASB No. 87 – Non-Regulated Leases
2. Not Subject to GASB No. 87 – Short Term Leases and Regulated Leases

Leases Subject to GASB No. 87

In accordance with GASB No. 87, the Authority recognizes a lease receivable and a deferred inflow of resources for leases subject to GASB No. 87. For these leases, the Authority is reporting Lease Receivable of \$7.5 million for the fiscal year ended June 30, 2024. The Authority also reported lease revenue of \$3.4 million and interest revenue of \$429 thousand related to lease payments received. The leases managed by the Authority do not have an implicit rate of return, therefore the Authority has used their incremental borrowing rate of 4.75% to discount the lease revenue to the net present value.

The Leases Subject to GASB No. 87 are summarized below.

Non-Regulated Leases

Concessions

The Authority leases concession space throughout the terminal for food and beverage, and retail goods. The terms of these leases range from 7 to 8 years. The concession leases include a Minimum Annual Guarantee (“MAG”) and a variable revenue component based on a percentage of gross sales.

Rental Cars

The Authority leases land, office and counter space, and ready return parking spaces to the rental car companies for a term of 5 years. During the first year of the agreement the tenant is required to pay concession fees equal to 10% of gross revenues. Beginning in year two, the agreement includes a MAG and a variable revenue component based on a percentage of gross sales.

Building

The Authority leases office space in Building 9 (also known as the Outparcel Building or the Flight Service Center) to the TSA and the FAA. The terms of these agreements includes a fixed revenue component based on square footage. The length of these agreements are 5 and 10 years.

The future minimum lease receipts for the next five fiscal years and then each five-year increment are as follows:

Fiscal Year	Principal	Interest	Total
July 1, 2024 - June 30, 2025	3,593,181	277,381	3,870,562
July 1, 2025 - June 30, 2026	3,811,199	101,639	3,912,838
July 1, 2026 - June 30, 2027	14,953	2,925	17,877
July 1, 2027 - June 30, 2028	13,448	2,219	15,667
July 1, 2028 - June 30, 2029	11,815	1,643	13,458
July 1, 2029 - June 30, 2034	28,148	1,553	29,701
Total	\$7,472,744	\$387,359	\$7,860,103

Leases Not Subject to GASB No. 87

Short-Term Leases

In accordance with GASB No. 87, the Authority does not recognize a lease receivable and a deferred inflow of resources for a lease that is less than 12 months. This also includes leases that have expired and are in a month-to-month status.

Regulated Leases

In accordance with GASB No. 87, the Authority does not recognize a lease receivable and a deferred inflow of resources for regulated leases. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings. The U.S. Department of Transportation and the FAA regulate aviation leases between airports and air carriers and other aeronautical users. The Authority has regulated leases with four airlines and multiple hangar tenants.

The use and lease agreement between the airlines and the Authority includes exclusive, preferential, and joint use of certain spaces at the Airport. The square footage breakdown of the airline leased space is listed below.

	American	Delta	Southwest	United	Total
Terminal Sq. Ft.	16,047	15,393	17,255	9,650	58,345
Apron Sq. Ft.	118,761	158,348	79,174	79,174	435,457
Lease Gates	3	4	2	2	11

The Authority has hangar lease agreements with 24 different entities. The list of hangars and the related square footage under lease is listed below.

No.	Hangar Tenant	Sq. Ft. %
1	MPT of 69th Street (Hangar 25B & 25C)	248,242
2	Encompass Health Corp (Hangar 20)	177,357
3	Regions Bank Lease (Hangar 21B)	129,798
4	Harbert 24 LLC (Hangar 25)	124,107
5	Drummond Company (Hangar 2)	118,022
6	Southern Company (Hanger 32)	115,220
7	H28 LLC (Hanger 28)	110,853
8	Encompass Health (Hangar 20)	107,674
9	Hangar 24 LLC (Hanger 24)	105,563
10	Air Quarters LLC (Hangar 29)	99,735
11	Ergon Holding LLC (Hangar 32)	93,516
12	McWane Inc. (Hangar 1)	90,165
13	BHM Hanger LLC (Hangar 4)	84,375
14	Hangar 27 LLC (Hanger 27)	83,850
15	Robins and Morton LLC (Hangar 23)	71,829
16	OWL Hangar II (Hangar 30)	71,513
17	Ligon Air LLC (Hangar 26)	70,640
18	Building 31 LLC (Hangar 31)	66,151
19	SynFuel Holdings LLC (Hangar 29B)	57,901
20	LIV Development (Hanger 22)	52,475
21	Flag Air, Inc. (Hangar 21)	49,310
22	Thompson Tractor (Hangar 6)	39,073
23	Labcorp (Hangar 7)	31,350
24	Vulcan Materials (Hangar 5)	32,906
		2,231,625

The Authority recognized the following regulated lease revenue inflows in fiscal year 2024:

Airline Lease Revenue	5,003,821
Hangar Lease Revenue	4,293,806
Total Regulated Lease Revenue	\$9,297,627

The future expected minimum payments related to regulated leases are as follows:

Fiscal Year	Principal	Interest	Total
July 1, 2024 - June 30, 2025	5,232,801	-	5,232,801
July 1, 2025 - June 30, 2026	5,345,034	-	5,345,034
July 1, 2026 - June 30, 2027	5,690,170	-	5,690,170
July 1, 2027 - June 30, 2028	5,422,049	-	5,422,049
July 1, 2028 - June 30, 2029	4,782,718	-	4,782,718
July 1, 2029 - June 30, 2034	16,362,210	-	16,362,210
July 1, 2034 - June 30, 2039	12,056,987	-	12,056,987
July 1, 2039 - June 30, 2044	10,049,987	-	10,049,987
July 1, 2044 - June 30, 2049	6,822,092	-	6,822,092
July 1, 2049 - June 30, 2054	5,807,077	-	5,807,077
Total	\$77,571,125	\$ -	\$77,571,125

Lease Arrangements with the Authority as the Lessee

The Authority leases copy machines and postage equipment under agreements reported as operating leases and the annual lease payments are recorded as expenses. The current agreements have approximately three-year terms. The future payments associated with those leases are:

Fiscal Year	Principal	Interest	Total
July 1, 2024 - June 30, 2025	\$12,871	\$308	\$13,179

The assets leased to the Authority are as follows:

Right-of-Use Asset	
Office Equipment	42,512
Less: Accumulated Depreciation	(30,908)
Total	\$11,604

NOTE 6: SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Authority has entered into subscription-based information technology arrangements (“SBITA”) involving leasing and accounts receivable management, mass communication, gate management, and procurement and accounts payable. All SBITA have fixed, periodic payments over the subscription periods, which range from 2 – 5 years and expire no later than 2026. There are no commitments or outflows of resources related to SBITA that are not yet effective.

The subscription assets of leased to the Authority are as follows:

Right-of-Use Asset	
SBITA	245,036
Less: Accumulated Depreciation	(117,499)
Total	\$127,537

Future subscription payments as of June 30, 2024, are as follows:

Fiscal Year	Principal	Interest	Total
July 1, 2024 - June 30, 2025	65,843	5,644	71,487
July 1, 2025 - June 30, 2026	50,409	2,447	52,857
Total	\$116,253	\$8,091	\$124,344

NOTE 7: CHANGES IN CAPITAL ASSETS

A summary of the changes in capital assets for the years ended June 30, 2024, and 2023, is as follows:

	Balance at 7/1/23	Additions	Deductions	Balance at 6/30/24
CAPITAL ASSETS NOT BEING DEPRECIATED				
Land	199,347,716	-	-	199,347,716
Construction in Progress	12,428,987	37,664,524	(7,640,353)	42,453,158
Total Capital Assets Not Being Depreciated	\$211,776,703	\$37,664,524	(\$7,640,353)	\$241,800,874
CAPITAL ASSETS BEING DEPRECIATED				
Buildings	324,755,910	445,696	-	325,201,606
Infrastructure Improvements	236,227,627	5,473,158	-	241,700,785
Machinery and Equipment	71,711,413	2,295,493	(340,764)	73,666,142
Furniture and Fixtures	6,988,563	750,967	-	7,739,530
Total Capital Assets Being Depreciated	\$639,683,513	\$8,965,313	(\$340,764)	\$648,308,063
LESS: ACCUMULATED DEPRECIATION				
Buildings	123,360,607	7,627,022	-	130,987,629
Infrastructure Improvements	158,086,097	6,790,529	-	164,876,626
Machinery and Equipment	44,938,252	4,836,719	(340,764)	49,434,207
Furniture and Fixtures	3,261,896	532,808	-	3,794,704
Total Accumulated Depreciation	\$329,646,852	\$19,787,078	(\$340,764)	\$349,093,166
Total Capital Assets Depreciated, Net	\$310,036,661	(\$10,821,765)	\$-	\$299,214,897
LEASE RIGHT-OF-USE ASSETS				
Office Equipment	236,613	-	(194,101)	42,512
Less: Accumulated Amortization	20,400	10,508	-	30,908
Net Lease Right-of-Use Assets	\$216,213	(\$10,508)	(\$194,101)	\$11,604

SBITA RIGHT-OF-USE ASSETS

Software	53,746	191,293	-	245,039
Less: Accumulated Amortization	15,553	101,946	-	117,499
Net SBITA Right-of-Use Assets	\$38,193	\$89,347	-	\$127,540
Total Capital Assets, Net	\$522,067,770	\$26,921,598	(\$7,834,454)	\$541,154,909

	Balance at 7/1/22	Additions	Deductions	Balance at 6/30/23
CAPITAL ASSETS NOT BEING DEPRECIATED				
Land	198,857,427	493,740	(3,451)	199,347,716
Construction in Progress	25,591,033	10,087,660	(23,249,706)	12,428,987
Total Capital Assets Not Being Depreciated	\$224,448,460	\$10,581,400	(\$23,253,157)	\$211,776,703
CAPITAL ASSETS BEING DEPRECIATED				
Buildings	312,354,205	12,401,704	-	324,755,910
Infrastructure Improvements	227,382,432	8,845,198	-	236,227,627
Machinery and Equipment	70,037,148	1,674,266	-	71,711,413
Furniture and Fixtures	4,560,761	2,427,802	-	6,988,563
Total Capital Assets Being Depreciated	\$614,334,546	\$25,348,970	\$-	\$639,683,513
LESS: ACCUMULATED DEPRECIATION				
Buildings	115,530,471	7,830,136	-	123,360,607
Infrastructure Improvements	149,827,156	8,258,941	-	158,086,097
Machinery and Equipment	40,261,179	4,677,073	-	44,938,252
Furniture and Fixtures	2,716,062	545,835	-	3,261,896
Total Accumulated Depreciation	\$308,334,868	\$21,311,985	\$-	\$329,646,852
Total Capital Assets Depreciated, Net	\$305,999,678	\$4,036,985	\$-	\$310,036,661

Note 7: Changes in Capital Assets (Cont.)

LEASE RIGHT-OF-USE ASSETS				
Office Equipment	42,512	194,101	-	236,613
Less: Accumulated Amortization	2,567	17,833	-	20,400
Net Lease Right-of-Use Assets	\$39,945	\$176,268	-	\$216,213
SBITA RIGHT-OF-USE ASSETS				
Software	-	53,746	-	53,746
Less: Accumulated Amortization	-	15,553	-	15,553
Net SBITA Right-of-Use Assets	-	\$38,193	-	\$38,193
Total Capital Assets, Net	\$530,488,083	\$14,832,846	(\$23,253,157)	\$522,067,770

Depreciation expense in the amount of \$19,787,079 and \$21,311,985 was charged for the year ended June 30, 2024, and 2023, respectively.

NOTE 8: CHANGES IN LONG - TERM LIABILITIES

Changes in long-term liabilities for the years ended June 30, 2024, and 2023 are summarized as follows:

	Balance June 30, 2023	Additions	Deductions	Balance June 30, 2024	Due Within 1 Year
Revenue Bond Payable	102,130,000	-	(5,230,000)	96,900,000	5,490,000
Plus: Unamortized Premium	16,756,960	-	(1,934,210)	14,822,750	-
Revenue Bonds Payable, Net	\$118,886,960	-	(\$7,164,210)	\$111,722,750	\$5,490,000
Compensated Employee Absences	1,237,621	130,640	-	1,368,261	214,808
Net Pension Liability	18,279,294	2,740,767	(143,274)	20,876,787	-
Office Equipment	28,369	-	(15,190)	13,179	13,179
Subscription Based IT Arrangements	166,071	-	(41,727)	124,344	71,487

	Balance June 30, 2022	Additions	Deductions	Balance June 30, 2023	Due Within 1 Year
Revenue Bond Payable	102,130,000	-	-	102,130,000	5,230,000
Plus: Unamortized Premium	18,714,315	-	(1,957,355)	16,756,960	-
Revenue Bonds Payable, Net	\$120,844,315	-	(\$1,957,355)	\$118,886,960	\$5,230,000
Compensated Employee Absences	582,809	654,812	-	1,237,621	190,059
Net Pension Liability	19,772,699	-	(1,493,405)	18,279,294	-
Office Equipment	43,559	-	(15,190)	28,369	15,190
Subscription Based IT Arrangements	-	-	-	166,071	60,357

NOTE 9: REVENUE BONDS PAYABLE Series 2020

On July 9, 2020, the Authority issued the Birmingham Airport Authority Airport Revenue Refunding Bonds, Series 2020. The bonds consisted of a principal amount of \$102,130,000 and a premium of \$19,959,828, for a total of \$122,089,828. The Series 2020 Bonds were issued to provide funds to refund the Authority's Series 2010 Bonds outstanding in the principal amount of \$138,590,000. Other sources of funds used to refund the Series 2010 bonds included \$19,151,475 from debt service reserve and other reserve funds.

The Series 2020 Bonds mature no later than July 1, 2040, and require semiannual interest payments on January 1 and July 1, beginning January 1, 2021, at rates ranging between 4.0 and 5.0 percent. Principal payments on the Series 2020 Bonds are due annually beginning July 1, 2023.

The Series 2020 net bond proceeds of \$139,386,888 (after payment of \$1,853,034 in issuance cost) were deposited into the refunding escrow fund with Synovus Bank to refund the Series 2010 bonds.

A summary of the revenue bonds payable for the years ended June 30, 2024, and 2023 is as follows:

	Maturity Year	Original Interest Rate Range	Face Value Outstanding 6/30/24	Face Value Outstanding 6/30/23
Series 2020, \$102,130,000 Original Principal	2040	4% - 5%	96,900,000	102,130,000
Less: Current Maturities	-	-	(5,490,000)	(5,230,000)
Add: Unamortized Premium	-	-	16,756,960	16,756,960
Total Revenue Bonds Payable	-	-	\$108,166,960	\$113,656,960

The following shows debt service to maturity for the Series 2020 Bonds:

FYE June 30	Principal	Interest	Total	Balance
2025	5,490,000	4,367,750	9,857,750	91,410,000
2026	5,765,000	4,086,375	9,851,375	85,645,000
2027	6,055,000	3,790,875	9,845,875	79,590,000
2028–2032	31,625,000	14,064,625	45,689,625	47,965,000
2033–2037	24,420,000	7,456,025	31,876,025	23,545,000
2038–2041	23,545,000	1,929,700	25,474,700	-
Total	\$96,900,000	\$35,695,350	\$132,595,350	

NOTE 10: CAPITAL CONTRIBUTIONS

Since its inception, the Authority has received capital contributions from the City of Birmingham, in the form of net assets transferred as of the date of inception, and through Federal grants and Passenger Facility Charges as follows:

Capital Contributions

	Inception to Date	2024	2023
City of Birmingham	12,359,477	-	-
Federal	441,026,448	-	5,644,158
Passenger Facility Charges	129,970,703	6,186,368	5,555,672
Total	\$583,356,628	\$6,186,368	\$11,199,830

NOTE 11: PENSION PLAN

General Information

The City participates in one multi-employer agency defined benefit plan, the City of Birmingham Retirement and Relief System (Retirement and Relief System Tier I and Tier II), that has two participating entities, the City and the Jefferson County Department of Health (Health Department), and two single employer defined benefit pension plans, the City of Birmingham Firemen’s and Policemen’s Supplemental Pension System (Firemen’s and Policemen’s System) and, the City of Birmingham Unclassified Employees’ Pension and Relief System (Unclassified Pension and Relief System) which provides pension benefits for substantially all employees. Each of the three plans was established by state law and is administered by a separate board of managers.

The funding methods and determination of benefits payable were established by the legislative acts creating such plans and provide that the pension plan funds are to be funded from employee contributions, employer contributions, and income from the investment of accumulated funds. The cost of administering the plans is funded by the City. The City acts as the trustee for these plans. Separate financial statements are presented in this report for the pension funds.

Plan Description

Retirement and Relief System

This system covers all eligible civil service, appointed, elected, Airport Authority, and E911 employees, along with Health Department employees. Membership is mandatory for civil service and Airport Authority employees and is effective upon employment. Appointed, elected and E911 employees have the option of participating in this plan or in an alternative retirement plan. The plan is closed to Health Department new hires.

Benefits Provided

Retirement and Relief System (Tier I Participants)

A participant hired prior to July 1, 2017, may retire at (a) age 60 if they have completed 5 years of credited service, or (b) any age if he/she has completed 30 years of credited service, and receive a pension benefit of 2.50% of final average salary for each year of credited service. This amount cannot be greater than 75% of the final average salary nor less than \$400 per month. The service credit used to determine the benefit amount may be increased by credit granted for unused sick leave (on a percent of possible total basis). The final average salary is defined as the highest average compensation over any 36-month period of the employee’s last ten years of participation. A participant may retire early at age 55 if they have completed 25 years of credited service and will receive a benefit amount equal to 1.85% of final average salary for each year of credited service.

Disability

A Tier I participant is eligible for disability benefits after 5 years of credited service. The benefit amount is 2% of final average salary at disability for each year of credited services, payable immediately. This amount cannot be greater than 60% of the final average salary nor less than \$400.

Extraordinary Disability

If a Tier I or Tier II participant becomes disabled as the result of a job-related injury, they may be eligible for an extraordinary disability benefit regardless of years of service. The benefit begins on the date the participant ceases to receive a salary as a City employee, provided the Pension Board has approved the application. The benefit amount is 70% of the participant's monthly salary at the time of the accident.

Termination

A lump sum of contributions without interest is payable to a Tier I participant terminating prior to eligibility for a pension from the plan. Tier I participants terminating after 5 years of credited service who leave their contributions in the Plan have a non- forfeitable right to a monthly pension beginning at age 60. The form and amount of the pension are the same as the Normal pension.

Optional Benefit Forms

A participant retiring under the plan may choose, in lieu of an annuity for life, an optional form of benefit including a joint and survivor annuity reduced as described above, a partial lump sum option or a Social Security option. Optional forms will be calculated as the actuarial equivalent of the life annuity form.

Death Benefits

If a Tier I participant dies prior to his attainment of eligibility for vesting or retirement, if not married, a lump sum of contributions without interest is payable to the beneficiary. If an active vested Tier I participant or vested inactive Tier I participant dies, 60% of the accrued pension benefit, multiplied by the service percentage, is payable to the surviving spouse, if any, during their remaining lifetime. The service percentage is as follows: 5 years – 50%; 6 years – 60%; 7 years – 70%, 8 years - 80%; 9 years – 90%; 10 or more years – 100%. The spousal benefit is deferred to the date the Tier I participant would have been age 60 or would have accrued 20 years of credited service. The spouse may elect an immediate return of the participant's own contributions in lieu of the annuity.

Deferred Retirement Option Plan (DROP)

A Tier I participant with 33 years of service or who is at least age 63 with 23 years of service may elect up to a 36-month Back-DROP. The participant's monthly benefit will be calculated using credited service and final average salary as of the Back-DROP date, and the participant will receive a lump sum equal to the number of months dropped back times the retirement benefit, accumulated with interest.

Retirement and Relief System (Tier II Participants)

A participant hired on or after July 1, 2017, may retire at (a) age 62 if they have completed 10 years of credited service, or (b) any age if he/she has completed 30 years of credited service, and receive a pension benefit of 2.25% of final average salary for each year of credited service. This amount cannot be greater than 67.5% of the final average salary nor less than \$400 per month. The service credit used to determine the benefit amount may be increased by credit granted for unused sick leave (on a percent of possible total basis). The final average salary is defined as the highest average compensation over any 36-month period of the employee's last ten years of participation. A Tier II participant may retire early at age 55 if they have completed 25 years of credited service and will receive a benefit amount equal to 1.85% of final average salary for each year of credited service.

Disability

A Tier II participant is eligible for disability benefits after 10 years of credited service. The benefit amount is 2.00% of final average salary at disability for each year of credited services, payable immediately. This amount cannot be greater than 60% of the final average salary nor less than \$400.

Termination

A lump sum of contributions without interest is payable to a Tier II participant terminating prior to eligibility for a pension from the plan. Tier II participants terminating after 10 years of credited service who leave their contributions in the Plan have a non- forfeitable right to a monthly pension beginning at age 62. The form and amount of the pension are the same as the Normal pension.

Death Benefits

If a Tier II participant dies prior to his attainment of eligibility for vesting or retirement, if not married, a lump sum of contributions without interest is payable to the beneficiary. If an active vested Tier II participant or vested inactive Tier II participant dies, 60% of the accrued pension benefit, multiplied by the applicable service percentage, is payable to the surviving spouse, if any, during their remaining lifetime. The service percentage is as follows: 10 years of service – 50%; 11 years of service – 60%; 12 years of service – 70%, 13 years of service - 80%; 14 years of service – 90%; 15 or more years of service – 100%. The spousal benefit is deferred to the date the Tier II participant would have been age 62 or would have accrued 20 years of service. The spouse may elect an immediate return of the participant's own contributions in lieu of the annuity.

Optional Benefit Forms

A participant retiring under the plan may choose, in lieu of an annuity for life, an optional form of benefit including a joint and survivor annuity reduced as described above, a partial lump sum option or a Social Security option. Optional forms will be calculated as the actuarial equivalent of the life annuity form.

Deferred Retirement Option Plan (DROP)

A Tier II participant with 33 years of service or who is at least age 63 with 23 years of service may elect up to a 36-month Back-DROP. The participant's monthly benefit will be calculated using credited service and final average salary as of the Back-DROP date and the employee will receive a lump sum equal to the number of months dropped back times the retirement benefit, accumulated with interest.

Contributions

Prior to July 1, 2017, the City, Airport Authority, and E911 participants each contributed one-half of the required contribution payable as a percent of compensation for the year, exclusive of overtime and subject to statutory limits. The participants and City contributions were equal to 7.0% and 7.0%, respectively, effective July 1, 2015, and continuing through June 30, 2017. Effective July 1, 2017, however, the City contributions increased to 7.25%. Effective July 1, 2018, the City contributions increased to 8.50%. Between 2019 and 2022, employee contributions and City contributions changed on July 1 in accordance with the chart below.

Contributions

Effective Date	City Contributions	Employee Contributions
July 1, 2019	12.0%	7.0%
July 1, 2020	9.0%	7.0%
July 1, 2021	16.50%	7.5%
July 1, 2022	16.83%	7.5%
July 1, 2023	17.26%	7.5%
July 1, 2024	17.83%	7.5%

Effective July 1, 2020, the City E911 participants each contributed one-half of the required contribution payable as a percent of compensation for the year, exclusive participants contribute 6.00%. The plan is funded by contributions from participants, the City, Airport Authority, E911, Health Department and income from the investment of accumulated funds.

Membership Data

As of most recent measurement date of the net pension liability, membership data for the pension plans are as follows:

Retirement & Relief System

Measurement Date	June 30, 2024
Retirees and Beneficiaries Currently Receiving Benefits	3,724
Inactive Members Entitled to Benefits Yet Receiving Them Including 348 Future Pensioners Currently Receiving Benefits From the Supplemental System	413
Inactive Members Due a Refund of Contributions	220
Active Members	3,208
Total Participants	7,565

The stand-alone financial report for the plan is available on the City’s website at www.birminghamal.gov, Open Data, Finance.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

The net pension liability (NPL) is the difference between the “Total Pension Liability” (TPL) and the plan’s “fiduciary net position” (FNP). At June 30, 2024, the Authority reported a liability of \$21,020,061 for its proportionate share of the net pension liability. The City’s net pension liability was measured as of June 30, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority’s proportion of the net pension liability was based on the pay provided in the participant data provided for actuarial valuation purposes as of July 1, 2023. This basis is intended to measure the proportion of each employer’s long-term funding requirements.

Net Pension Liability	Retirement and Relief System	
Measurement Date	June 30, 2024	June 30, 2023
Total Pension Liability	\$1,716,576,504	\$1,673,684,313
Fiduciary Net Position	1,132,685,907	1,085,925,649
Net Pension Liability (Asset)	\$583,890,597	\$587,758,664
Plan Fiduciary Net Position As A Percentage of Total Pension Liability	65.99%	64.88%

The Authority’s proportionate share of NPL is 3.60% and 3.11% for the years ended June 30, 2024 and 2023, respectively.

Determination of Proportionate Share by Employer

	City	Airport Authority	Emergency Communication District	Total
FY 2024 Covered Employee Payroll	200,363,015	7,526,203	1,086,728	\$208,975,946
Percent of FY 2024 Covered Employee Payroll	95.88%	3.60%	0.52%	100%
Share of NPL as of June 30, 2024	559,834,305	21,020,061	3,036,231	\$583,890,597
FY 2023 Covered Employee Payroll	191,574,317	6,174,635	782,331	\$198,531,283
Percent of FY 2023 Covered Employee Payroll	96.50%	3.11%	0.39%	100%
Share of NPL as of June 30, 2023	567,187,111	18,279,294	2,292,259	\$587,758,664

For the year ended June 30, 2024 and 2023, the Authority recognized pension expense of -\$615,385 and -\$361,077 respectively.

Pension Expense — Total for All Employers

Reporting Date For Employer Under GASB 68	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2023
Components of Pension Expenses		
Service Cost	24,369,971	22,719,031
Interest	119,020,834	116,125,439
Expensed Portion of Current-Period in Proportion	-	-
Current-Period Benefit Changes	(184,107)	-
Expensed Portion of Current-Period Difference Between Expected and Actual Experience in the Total Pension Liability	3,115,180	3,137,235
Expensed Portion of Current-Period Changes of Assumptions	-	-
Member Contributions	(15,842,422)	(15,159,381)
Projected Earnings on Pension Plan Investments	(76,466,546)	(74,424,579)
Expensed Portion of Current-Period Differences Between Actual and Projected Earnings on Pension Plan Investments	(6,544,611)	(2,859,224)
Administrative Expense	518,452	230,296
Other	-	-
Recognition of Beginning of Year Deferred Outflows of Resources as Pension Expense	119,038,610	153,732,673
Recognition of Beginning of Year Deferred Inflows of Resources as Pension Expense	(194,988,480)	(197,092,090)
Net Amortization of Deferred Amounts from Changes in Proportion Pension Expense	-	-
Pension Expense	(27,963,119)	6,409,400

Schedule of Changes in Net Pension Liability

The Change in Net Pension Liability for Retirement and Relief System for the Fiscal Year ended June 30, 2024 is as follows:

Reporting Date For Employer Under GASB 68	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2023
Total Pension Liability		
Service Cost	24,369,971	22,719,031
Interest	119,020,834	116,125,439
Change in Benefit Terms	(184,107)	-
Differences Between Expected and Actual Experience	12,460,717	12,548,940
Current of Assumptions	-	-
Benefit Payments, Including Refunds of Member Contributions	(112,775,224)	(113,440,531)
Net change in Total Pension Liability	42,892,191	37,952,879
Total Pension Liability - Beginning	1,673,684,313	1,635,731,434
Total Pension Liability - Ending	1,716,576,504	1,673,684,313
Plan Fiduciary Net Position		
Contributions - Employer	35,021,915	39,829,501
Contributions - Employee	15,842,422	15,159,381
Net Investment Income	109,189,597	88,720,699
Benefit Payments, Including Refunds of Member Contributions	(112,775,224)	(113,440,531)
Administrative Expense	(518,452)	(230,296)
Other	-	-
Net Change in Plan Fiduciary Net Position	46,760,258	30,038,754
Plan Fiduciary Net Position - Beginning	1,085,925,649	1,055,886,895
Plan Fiduciary Net Position - Ending	1,132,685,907	1,085,925,649
Net Pension Liability - Ending	583,890,597	587,758,664
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.99%	64.88%
Covered Payroll	211,232,293	202,125,080
Plan Net Pension Liability as a Percentage of Covered Payroll	276.42%	290.79%

Assumptions and Other Data

Schedule of Assumptions

Valuation Date	July 1, 2023
Actuarial Cost Method	Entry Age
Amortization Method	Level percent of payroll, using 2.25% annual increases
Amortization Period	Closed, 29 years remaining as of July 1, 2022
Asset Valuation Method	Market Value of Assets Less Unrecognized Returns in Each of the Last Five Years
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expense, Including Inflation
Wage Inflation	2.25%
Salary Increases	2.25%, Plus Age-Related Salary Scale
Mortality Rates	
Pre-retirement	Sex-distinct Pri-2012 Employee Amount-weighted Mortality Table, with Rates Multiplied by 70%
Healthy	Sex-distinct Pri-2012 Healthy Retiree Amount-weighted Mortality Table with, Rates Multiplied by 110%
Disabled	Sex-distinct Pri-2012 Disabled Retiree Amount-weighted Mortality Table, with Rates Multiplied by 110%

The following table presents the Authority’s proportionate share of NPL.

Allocation of June 30, 2024 Net Pension Liability (NPL)

	Covered Employee Payroll	Proportion of Net Pension Liability	Proportionate Share of Net Pension Liability	Proportionate Share of Pension Expense
Retirement and Relief System	\$208,975,946	100%	\$583,890,597	(\$27,963,119)
Airport Authority	\$7,526,203	3.60%	\$21,020,061	(\$615,385)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Retirement and Relief System

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Large Cap Domestic Equity	31%	5.60%
Small and Mid Cap Domestic Equity	10%	6.10%
International Equity	20%	4.90%
Core Fixed Income	16%	1.30%
Short-Term High Yield Fixed Income	5%	3.00%
Private Equity	15%	9.60%
Cash	2%	0.60%
Other Fixed Income	1%	3.60%
Total	100%	

Discount Rate

The discount rate used to measure the TPL was 7.25% as of June 30, 2024 and June 30, 2023. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at 7.50% of compensation and that employer contributions will be made at rates equal to the actuarial determined contribution. In addition, there are anticipated contributions from the City and the Supplemental System to the Retirement and Relief System, on behalf of Fire and Police retirees who are receiving benefits from the Supplemental System. Based on those assumptions, the Plan FNP was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of both June 30, 2024 and June 30, 2023.

Sensitivity of the Net Pension Liability To Changes in the Discount Rate

The following presents the net pension liability (asset) for each of the City’s plans, calculated using the discount rate, as well as what the City’s net pension liability would have been if it were calculated using a discount rate that is 1-percentage-point lower and 1-percentage-point higher than the current rate:

As of June 30, 2024	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Retirement and Relief System	\$772,519,351	\$583,890,597	\$424,919,128
Airport Authority	\$27,810,697	\$21,020,061	\$15,297,089

As of June 30, 2023	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Retirement and Relief System	\$774,152,404	\$587,758,664	\$430,922,601
Airport Authority	\$24,076,140	\$18,279,294	\$13,401,693

Schedule of Deferred Outflows and Inflows of Resources

At June 30, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
As of June 30, 2024		
Differences Between Expected and Actual Experience	604,295	52,901
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	70,882	-
Changes of Assumptions	587,603	5,198,977
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	2,896,979	1,553,423
Total	\$4,159,759	\$6,805,301

	Deferred Outflows of Resources	Deferred Inflows of Resources
As of June 30, 2023		
Differences Between Expected and Actual Experience	365,228	169,139
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	1,101,860	-
Changes of Assumptions	2,400,055	8,982,677
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	535,709	2,513,518
Total	\$4,402,852	\$11,665,334

Amounts reported as deferred outflows of resources and deferred inflows of resources at June 30, 2024 will be recognized in pension expense as follows:

Year Ending June 30	
2024	N/A
2025	(135,058,149)
2026	37,083,175
2027	(6,288,655)
2028	(6,544,610)
2029	0
Thereafter	0

NOTE 12: EXECUTIVE PENSION PLAN

General Information

The Birmingham Airport Authority created the Qualified 401(a) Executive Pension Plan (EPP) effective January 1, 2022, to provide enhanced retirement benefits for select executive employees. The employees vesting period in the City of Birmingham Retirement and Relief System (R&R) was inadvertently misrepresented during the hiring process. This plan was established to supplement the benefits provided under the R&R by ensuring that the participants are placed in substantially the same position as the eligibility and benefit terms of Tier I participants of the R&R. The plan aims to offer qualified pension benefits to three specific participants, ensuring they receive appropriate retirement benefits even if they retire before becoming vested in the R&R. The plan is not open to new participants and is tailored specifically for the three eligible executives.

Plan Description

A participant may retire at age 60 if they have completed 5 years of credited service and receive a pension benefit of 2.50% of final average salary multiplied by years of service. This amount cannot be greater than 75% of the final average salary nor less than \$400 per month. The final average salary is defined as the highest average compensation over any 36-month period of the employee’s last ten years of participation.

Disability

A participant is eligible for disability benefits after 5 years of service, experience total disability, and meet other plan requirements. The benefit amount is 1.75% of final average salary at disability for each year of credited services. This amount cannot be greater than 52.5% of the final average salary nor less than \$400.

Termination

If a participant no longer meets the definition of an eligible employee due to severance of employment, they will remain a participant for all purposes other than contributions. Once contributions made to the plan are distributed or forfeited, the participant will no longer be considered a participant for any purpose. If a terminated participant is rehired, they will not be eligible to participate in the plan for purposes of benefit accrual or vesting during their period of rehire. Upon subsequent termination, the participant will remain entitled to any benefits they were eligible for at the time of their initial severance of employment, prior to any period of rehire. If a participant severs employment before being eligible to receive a benefit, any Employer Contributions made to the Pension Fund will be forfeited to the Pension Fund.

Employee Rollover Contribution

The Employee Rollover Contribution refers to the direct rollover of employee contributions from the R&R to the EPP. The Employee Rollover Contribution ensures that employee contributions made to the R&R are transferred to the EPP if the participant retires before becoming vested in the R&R. This rollover is crucial for the Participant to receive their full benefits under the Executive Pension Plan and avoid reductions.

Death Benefits

Death benefits are payable if a vested participant dies while receiving a normal retirement benefit or is eligible to receive a normal retirement benefit. If a participant dies before becoming eligible for a normal retirement benefit, the total employee rollover contributions made to the plan, without interest and less one-half of any disability retirement benefits paid, will be refunded to the surviving spouse or child, or the designated severance beneficiary.

If the participant is married, the surviving spouse is entitled to a monthly benefit equal to 60% of the normal or disability retirement benefit the participant was receiving or would have been entitled to receive. Payments cease if the surviving spouse remarries but may resume if the subsequent marriage ends due to annulment, divorce, or death. If the deceased Participant is unmarried, the surviving child(ren) will receive the same benefit as the surviving spouse (60% of the Participant’s benefit).

Contributions

Contributions to the EPP are made by both the employer and the employee. Employer contributions include general contributions to fully fund the annual cost and retroactive contributions to amortize unfunded liabilities. Employee contributions are made to the R&R and may be rolled over to the EPP if the participant terminates employment before becoming vested in the R&R. For the fiscal years ended June 30, 2024 and 2023, the Authority’s contributions to the EPP were \$340,738 and \$0, respectively.

Retirement after 10 Years of Service

When a participant retires after 10 years of service, they are vested in both the EPP and the R&R. The EPP will pay the difference between the benefit calculated under its formula and the benefit provided by the R&R. The funds in the EPP are used to ensure the participant receives their full promised benefit, with no forfeiture of vested amounts.

Participant Data

As of most recent measurement date of the net pension liability, participant data for the pension plans are as follows:

Demographic Data	June 30, 2024
Active Participants	3
Average Age	63.5
Average Years of Service	4.7
Average Compensation	\$241,904

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Relate to EPP

Pension Expense

For the year ended June 30, 2024 and 2023, the Authority recognized pension expense related to the EPP of \$191,728 and \$594,725, respectively. The components of the pension expense for the EPP for Fiscal Year ended June 30, 2024, is as follows:

Reporting Date For Employer Under GASB 68	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2023
Components of Pension Expenses		
Service Cost	\$145,653	\$134,441
Interest	53,677	40,203
Current-Period Benefit Changes	-	420,081
Expensed Portion of Current-Period Difference Between Expected and Actual Experience in the Total Pension Liability	6,634	-
Expensed Portion of Current-Period Changes of Assumptions	-	-
Member Contributions	-	-
Projected Earnings on Pension Plan Investments	(12,352)	-
Expensed Portion of Current-Period Differences Between Actual and Projected Earnings on Pension Plan Investments	(1,884)	-
Administrative Expense	-	-
Other	-	-
Recognition of Beginning of Year Deferred Outflows of Resources as Pension Expense	-	-
Recognition of Beginning of Year Deferred Inflows of Resources as Pension Expense	-	-
Net Amortization of Deferred Amounts From Changes in Proportion	-	-
Pension Expense	\$191,728	\$594,725

Schedule of Changes in Net Pension Liability

The EPP's change in Net Pension Liability for the Fiscal Year ended June 30, 2024, is as follows:

Reporting Date For Employer Under GASB 68	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2023
Total Pension Liability		
Service Cost	\$145,653	\$134,441
Interest	53,677	40,203
Change In Benefit Terms	-	420,081
Differences Between Expected And Actual Experience	19,902	-
Changes Of Assumptions	-	-
Benefit Payments, Including Refunds of Member Contributions	-	-
Net Change in Total Pension Liability	\$219,232	\$594,725
Total Pension Liability - Beginning	594,725	-
Total Pension Liability - Ending	\$813,957	\$594,725
Plan Fiduciary Net Position		
Contributions - Employer	\$340,738	\$0
Contributions - Employee	-	-
Net Investment Income	21,768	-
Benefit Payments, Including Refunds of Member Contributions	-	-
Administrative Expense	-	-
Other	-	-
Net Change in Plan Fiduciary Net Position	\$362,506	\$0
Plan Fiduciary Net Position - Beginning	-	-
Plan Fiduciary Net Position - Ending	\$362,506	\$0
Net Pension Liability - Ending	\$451,451	\$594,725
Plan Fiduciary Net Position as a Percentage of The Total Pension Liability	44.54%	0.00%
Covered Payroll	\$704,257	\$650,636
Plan Net Pension Liability as a Percentage of Covered Payroll	64.10%	91.41%

Actuarial Assumptions

The total pension liability as of June 30, 2024 and June 30, 2023, which was determined based on the results of actuarial valuations as of July 1, 2023 and July 1, 2022, respectively used the following actuarial assumptions, applied to all periods included in the measurement:

Assumption Type	Assumption
Wage Inflation	2.25%
Salary Increases	6.00%
Net investment Rate of Return	7.25%
Mortality	
Pre-Retirement	Sex-distinct Pri-2012 Employee Amount-weighted Mortality Table with rates multiplied by 70%
Healthy	Sex-distinct Pri-2012 Healthy Retiree Amount-weighted Mortality Table, with rates multiplied by 110%
Disabled	Sex-distinct Pri-2012 Disabled Retiree Amount-weighted Mortality Table, set back two years for males and set forward two years for females
Future Improvement	Generational projection using MP-2021 improvement scale

Detailed information regarding all actuarial assumptions can be found in the July 1, 2023 and July 1, 2022 actuarial valuations.

Determination of Discount Rate and Investment Rates of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The target allocation (approved by the Board) and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equities	47%	6.10%
International Equities	9%	6.20%
Core Fixed Income	35%	1.90%
High Yield Fixed Income	2%	3.50%
Cash and Equivalents	7%	1.10%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.25% as of June 30, 2024, and June 30, 2023. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Plan fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability as of both June 30, 2024, and June 30, 2023.

Discount Rate Sensitivity

The following presents the net pension liability of the sensitivity of the EPP as of June 30, 2024, calculated using the discount rate of 7.25%, as well as what the EPP's net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate.

Net Pension Liability with Discount Rate Sensitivity

	1% Decrease in Discount Rate (6.25%)	Current in Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Net Pension Liability as of June 30, 2024	\$532,735	\$451,451	\$381,416

Schedule of Deferred Outflows and Inflows of Resources

At June 30, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to the EPP from the following sources:

Deferred Outflows of Resources and Deferred Inflows of Resources

Reporting Date For Employer Under GASB 68	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2023
Deferred Outflows of Resources		
Changes of Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-
Difference between expected and actual experience in the Total Pension Liability	13,268	-
Total deferred outflows of resources	\$13,268	\$0
Deferred inflows of resources		
Changes of assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	7,532	-
Difference between expected and actual experience in the Total Pension Liability	-	-
Total Deferred Inflows of Resources	\$7,532	\$0

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont.)

Reporting Date For Employer Under GASB 68	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2023
Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Will Be Recognized as Follows:		
Reporting Date for Employer Under GASB 68 Year Ended June 30, 2024	N/A	\$0
2025	4,751	-
2026	4,751	-
2027	(1,883)	-
2028	(1,883)	-
2029	-	-
Thereafter	-	-

Note: Average expected remaining service is three years as of June 30, 2024.

NOTE 13: OTHER POST EMPLOYMENT BENEFITS

General Information About the OPEB Plan

Plan Description

The Authority’s defined benefit other post employment benefits (OPEB) Plan and the Birmingham Airport Retiree Medical and Life Insurance Plan (BARMLIP), provides OPEB for all permanent full time employees of the Authority. BARMLIP is a single employer defined benefit OPEB plan administered by the Authority. Article III of the Lease and Use agreement with the City of Birmingham grants the Authority the right to establish benefit terms and financing requirements. The plan does not have a stand alone financial report.

On October 22, 2018, the Authority’s Board of Directors authorized the creation and funding of an investment OPEB Trust to meet the requirements of GASB 85. The purpose of the OPEB Trust was for the Authority to meet its liability for the payment of health and related benefits for its retired employees under long established employee benefit plans. Management has a plan whereby cash contributions are intended to be made to help offset the anticipated increased outflows in future years to cover retiree benefits.

The Plan is administered by the management of the Authority, and it’s governed by the Chief Financial Officer and in his absence by the CEO/President. The Authority’s Board of Directors authorized an OPEB Trust Investment Policy on November 11, 2018.

As of June 30, 2024, the OPEB Trust has a balance of \$1,886,680 and is overfunded by \$412,604.

Benefits Provided

The Authority provides healthcare and life insurance benefits for retirees. The Authority adopted a policy to pay for the cost of post-employment health insurance for eligible employees. Participants in the BAA OPEB plan must meet one of the retirement eligibility requirements below and must also retire directly from active employment to be eligible to receive benefits upon retirement.

- Attain age 60 with at least 5 years of service with the Authority, or
- Attain age 55 with at least 25 years of service with the Authority, or
- Complete at least 30 years of service with the Authority.

Retirees who meet the eligibility requirements, as listed above, are entitled to receive a subsidy amount equal to the amount the Authority pays for single coverage for an active employee. Retirees may receive the subsidy until they reach the age of 65, become Medicare eligible, are covered under another policy or deceased. The benefits paid under this plan are reimbursements for the cost of coverage, and proof of coverage is required.

The retiree is responsible for paying the applicable balance of the monthly health insurance premium. The retiree may elect to have their portion of the health insurance deducted from their monthly pension benefit or elect to mail a check to the Authority by the 10th of each month for their portion.

The plan also provides all retirees with life insurance benefits up to a maximum of \$100,000, of which the Authority pays 100% of the premiums. The benefit reduces by 50% once the retiree reaches age 70.

Retirees, dependent spouses, and other dependents can participate in the Authority’s dental plan. However, the Retiree is responsible for 100% of the premium cost.

Employees covered by benefit terms:

At June 30, 2024, the following employees were covered by the benefit terms:

Active Participants in Valuation		Retired Participants	
Active Members	115	Number with Life Insurance	42
Average Age	47.5	Average Age	74
Average Years of Service	5.8	Number Receiving Health Insurance Reimbursement	0
Total Payroll	\$8,446,342	Dependents/Spouses	
		Number with Dental Insurance	8

The Net OPEB Liability was determined by an actuarial valuation as of the measurement date, calculated based on the discount rate and actuarial assumptions contained within the note

NET OPEB LIABILITY		
Reporting Date For Employer Under GASB 75	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2023
Components of Net OPEB Liability		
Total OPEB Liability	\$1,474,076	\$1,494,156
Plan Fiduciary Net Position	1,886,680	1,805,957
Net OPEB Liability	(412,604)	(311,801)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	127.99%	120.87%
Covered Payroll	8,446,342	7,626,414
Net OPEB liability as a Percentage of Covered Payroll	-4.89%	-4.09%

Sensitivity Analysis

The following presents the NOL of Airport Authority, calculated using the discount rate of 3.93%, as well as what the Airport Authority's NOL would be if it were calculated using a discount rate that is 1 percentage point lower (2.93%) or 1 percentage point higher (4.93%) than the current rate. Also, shown is the NOL as if it were calculated using healthcare cost trend rates that were 1 percentage point lower or 1 percentage point higher than the current healthcare trend rates.

As of June 30, 2024	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Net OPEB liability (Asset)	(\$200,516)	(\$412,604)	(\$586,841)
	1% Decrease in Health Care Cost Trend Rates	Current Health Care Cost Trend Rates	1% Increase in Health Care Cost Trend Rates
Net OPEB liability (Asset)	(\$456,773)	(\$421,604)	(\$359,331)
As of June 30, 2023	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Net OPEB liability (Asset)	(\$142,558)	(\$311,801)	(\$455,224)
	1% Decrease in Health Care Cost Trend Rates	Current Health Care Cost Trend Rates	1% Increase in Health Care Cost Trend Rates
Net OPEB liability (Asset)	(\$311,801)	(\$311,801)	(\$311,801)

Schedule of Changes in Net OPEB Liability – Last Two Fiscal Years

Reporting Date For Employer Under GASB 75		
Total OPEB Liability	June 30, 2024	June 30, 2023
Service Cost	\$98,288	\$115,460
Interest on Total OPEB Liability	62,998	44,523
Effect of Plan Changes	-	-
Effect of Economic/Demographic (Gains) or Losses	(409,254)	200,336
Effect of Assumption Changes or Inputs	263,215	200,336
Benefit Payments	(35,327)	(63,577)
Net Change In Total OPEB Liability	(\$20,080)	\$320,387
Toal OPEB Liability – Beginning	1,494,156	1,173,769
Total OPEB Liability – Ending	\$1,474,076	\$1,494,156

Reporting Date For Employer Under GASB 75

Plan Fiduciary Net Position	June 30, 2024	June 30, 2023
Employer Contributions	\$35,327	\$63,577
Member Contributions	-	-
Net Investment Income	88,086	64,167
Benefit Payments	(35,327)	(63,577)
Administrative Expense	(7,363)	(7,069)
Net Change in Plan Fiduciary Net Position	\$80,723	\$57,098
Plan Fiduciary Net Position – Beginning	1,805,957	1,748,859
Plan Fiduciary Net Position – Ending	\$1,866,680	\$1,805,957
Net OPEB Liability – Ending	(\$412,604)	(\$311,801)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	127.99%	120.87%
Covered Payroll	\$8,446,342	\$7,626,414
Plan Net OPEB Liability as Percentage of Covered Payroll	-4.89%	-4.09%

Deferred Outflows of Resources and Deferred Inflows of Resources

The following charts reflect the deferred inflows and outflows of resources related to OPEB. Deferred inflows and outflows are differences between actual and expected experience that are not reflected in the current year's expenses.

Reporting Date For Employer Under GASB 75	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2023
Deferred Outflows of Resources		
Differences Between Expected and Actual Experience	\$167,970	\$201,564
Changes of Assumptions	408,980	222,126
Net Difference Between Projected and Actual Earnings	5,804	37,623
Contributions Made Subsequent to Measurement Date	-	-
Total Deferred Outflows of Resources	\$582,754	\$461,313

Deferred Outflows of Resources and Deferred Inflows of Resources (Cont.)

Reporting Date For Employer Under GASB 75	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2023
Deferred Inflows of Resources		
Differences Between Expected and Actual Experience	(\$725,249)	\$456,512
Changes of Assumptions	(298,121)	373,352
Net Difference Between Projected And Actual Earnings	-	-
Contributions Made Subsequent to Measurement Date	-	-
Total Deferred Inflows of Resources	(\$1,023,370)	\$829,864

Amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other post-employment benefits will be recognized in OPEB expenses as follows:

2025	2026	2027	2028	2029	Thereafter*
(\$94,481)	(\$102,543)	(\$111,353)	(\$55,642)	(\$55,736)	(\$20,861)

* Note that additional future deferred inflows and outflows of resources may impact these numbers.

OPEB EXPENSE		
Reporting Date For Employer Under GASB 75	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2023
Service Cost	\$98,288	\$115,460
Interest on Total OPEB Liability	62,998	44,523
Effect Of Plan Changes	-	-
Administrative Expense	7,363	7,069
Member Contributions	-	-
Expected Investment Return Net of Investment Expenses	(72,092)	(52,360)
Recognition of Deferred Inflows/Outflows Or Resources	-	-

OPEB EXPENSE		
Reporting Date For Employer Under GASB 75	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2023
Recognition of Economic/Demographic Gain or Losses	(106,923)	(48,455)
Recognition of Assumption Changes or Inputs	1,130	(36,473)
Recognition of Investment Gains or Losses	15,825	20,139
OPEB Expense	\$6,589	\$49,903

CHANGES IN NET OPEB LIABILITY		
Reporting Date For Employer Under GASB 75	June 30, 2024	June 30, 2023
Beginning Net OPEB Liability	(\$311,801)	(\$575,090)
Changes for the Year		
Service Cost	98,288	115,460
Interest on Total OPEB Liability	62,998	44,523
Effect of Plan Changes	-	-
Effect of Economic/Demographic Gains or Losses	(409,254)	200,336
Effect of Assumptions Changes or Inputs	263,215	23,645
Benefit Payments	-	-
Employer Contributions	(35,327)	(63,577)
Member Contributions	-	-
Net Investment Income	(88,086)	(64,167)
Administrative Expenses	7,363	7,069
Ending Net OPEB Liability	(\$412,604)	(\$311,801)

Actuarial Assumptions and Actuarial Cost Method

The following actuarial methods and assumptions were used in the June 30, 2024 funding valuation.

Rationale for Assumptions:	The information and analysis used in selecting each assumption that has a significant effect on this actuarial valuation are shown in the Birmingham Retirement and Relief System Experience Study Report for the five year period ended June 30, 2020. Based on the results of that study as well as professional judgment, no additional demographic changes are warranted at this time and will be assessed again in the next five year review. The Birmingham Airport Authority participates in this pension plan, and the demographic assumptions for “General Employees” of that plan apply to the Birmingham Airport Authority.
Payroll Increases:	2.25%
Discount Rates:	3.93% for June 30, 2024 and 4.00% for June 30, 2023. The discount rate was assumed to be rate suggested by the Bond Buyer General Obligation 20-Bond Municipal Index as of June 30, 2024 and the OPEB trusts long-term expected rate of return.
Long-Term Expected Rate of Return on Plan Assets:	3.24% for June 30, 2024 and 4.00% for June 30, 2023.
Mortality Pre-Retirement:	Pri-2012 Employee Amount-weighted Mortality Table, with rates modified by 70%, projected generationally using Scale MP-2021.
Mortality w Post-retirement:	Pri-2012 Healthy Retiree Amount-weighted Mortality Table, with rates modified by 110%, projected generationally using Scale MP-2021.
Mortality Disabled Annuitants:	Pri-2012 Disabled Retiree Amount-weighted Mortality Table, set back two years for males and set forward two years for females, projected generationally using Scale MP-2021.

Disability Rates before Retirement

AGE	20	25	30	35	40	45	50	55	60
Disability	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.65%	0.65%	0.65%

*20% of disability is assumed to be on the job disability.

TERMINATION RATES BEFORE RETIREMENT										
Years of Service	< 1	1	2	3	4	5	6	7	8	9
Rate (%) Withdrawal	13.00	13.00	13.00	10.00	10.00	10.00	10.00	6.50	6.50	6.50
Years of Service	10	11	12	13	14	15	16-19	20-24	25-29	30+
Rate (%) Withdrawal	6.50	4.00	4.00	4.00	4.00	4.00	2.50	1.50	1.00	0.00

Retirement Rates

Employees are assumed to retire, after meeting the service requirements, in accordance with the following rates:

PRIOR TO JULY 1, 2021		SALARY SCALE	
Age	Rate %	Age	Rate %
Under 50	0.0	20	7.00
50-52	35.0	25	5.75
53-54	25.0	30	5.75
55-61	12.0	35	5.00
62-73	25.0	40	4.50
74 & over	100.0	45	4.00
ON OR AFTER JULY 1, 2021		50	4.00
Age	Rate %	55	3.00
Under 55	0.0	60	2.65
55-61	12.0	65	2.65
62-73	25.0	70 & over	2.25
74 & Over	100.0		

The salary scale assumption includes an allowance for inflation of 2.25% per year. The assumption is based on the Airport Authority’s pay plan, along with analysis completed in conjunction with an Experience Study Report for the five year period ended June 30, 2020.

Per Capita Cost Development	Per capita costs are based on the Health Subsidy (\$681.81) with no age-adjustments. It is assumed that no implicit rate of subsidy is associated with those benefits.
Assumed 2024 Average Health Subsidy (Single Employee)	\$681.81
Life Insurance Premium	The monthly life insurance premium is \$2.90 per \$1,000 and is 100% paid by the Airport Authority.
Dental	Retirees can elect coverage for self, spouse, or dependents. Retiree is responsible for 100% of the premium cost.
Dependents	Not covered
Actuarial Cost Method	Entry Age Normal, Level Percentage of Pay.

NOTE 14: DEFERRED COMPENSATION PLAN

The Authority offers all employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan is placed in an account when paid that is controlled by the employee, not the Authority. It is the opinion of the Authority’s legal counsel that the Authority has no liability for losses under the plan.

In fiscal year 2024, the Authority’s Board of Director’s created a new 457(f) plan with the CEO as the sole participant. The plan credits defined amounts each year to the participant’s account between fiscal years 2024 and 2028. The funds are controlled by the Authority and are not made available until 30 days after the participant reaches the age of 66, is determined to have a disability, is terminated without cause, or dies. The Authority recognizes the scheduled amount credited to the account, plus interest, as a liability.

NOTE 15: MAJOR CUSTOMERS

On June 17, 2022, the Authority entered into a new three year lease agreement with each of the four major airlines serving Birmingham. The new agreement became effective on July 1, 2022, and will expire on June 30, 2025. There are several differences in the new agreement which are overall more beneficial to the Authority. The most important changes in the lease are:

- a. The signatory and non-signatory classifications for airlines has been eliminated. All airlines pay the same rates for landing fees and use of the terminal.
- b. Terminal concession revenue sharing has been eliminated.
- c. The Authority can recover airport funded capital projects via amortization.
- d. The joint use calculation is based on enplanements and now includes TSA passenger screening and CBRA areas.
- e. The Authority may utilize a discretionary credit to lower airline rates and charges.

NOTE 16: RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of damage to and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The Authority has purchased commercial insurance for all risk above minimal deductible amounts. In addition, all tenants and users of the Airport are required to have commercial insurance coverage naming the Authority as additional insured.

During fiscal year 2024, the Authority obtained commercial property and automobile coverage valued at \$504,578,595 for a premium of \$649,009. The Authority also maintains crime, cyber, terrorism, premises and

professional liability insurance policies valued at \$213,000,000 for premiums of \$207,812. No liability is recorded as of June 30, 2024, for outstanding claims or for any potential claims incurred but not reported as of that date. Settled claims have not exceeded these commercial coverages by any material amounts during the year ended June 30, 2024.

NOTE 17: LITIGATION/CONTINGENCY

The Authority is a defendant in various lawsuits and is aware of pending claims arising in the ordinary course of its activities. These lawsuits seek monetary damages that could potentially have an impact on the operations of the Authority. The outcome of these lawsuits is not presently determinable and the status ranges from an early discovery stage to various levels of appeal of judgements. The Authority intends to defend itself vigorously against all suits; however, no prediction can be made, as of the date thereof, with respect to the liability of the Authority for such claims or the outcome of such suits.

NOTE 18: RELATED PARTY TRANSACTIONS

The Authority reimburses the City for the cost of providing police and fire protection services to the Airport. Amounts charged by the City are reported as operating expenses during the year incurred and totaled \$4,313,113 and \$4,928,614 for the fiscal years ended June 30, 2024, and 2023, respectively.

NOTE 19: COMMITMENTS

On June 30, 2024, the Authority was committed under contracts for the following construction and planning projects:

PROJECT DESCRIPTION	COMMITTED AMOUNT
Taxiway Bravo, Foxtrot and Overflow Apron	6,548,895
Airfield Safety and Capacity Program Definition Study	29,397
Air Cargo Facility, Phase I - Design & Construction	2,778,139
Rapid Intervention Vehicle	404,559
Rwy 6, 24, & 36 Safety Area Improvements	2,313,840
Taxiway H Connectors Rehabilitation	6,568,549

Commitments (Cont.)

MEASUREMENT DATE	COMMITTED AMOUNT
Hangar 7 Taxilane Rehabilitation	1,026,560
Taxiway P&N Crack Seal & Seal Coat	1,723,940
Cargo Apron Joint Seal	255,408
Terminal Apron Joint Seal	3,588,238
Twy H Strengthening & Realignment	754,514
CCTV Upgrade	153,344
Utility Master Plan	148,840
Pump Station Control Panel	896,270
Jet Bridge Control Interface	42,114
Replace Generator For Parking Deck Elevators	472,900
Cooling Tower Replacement	1,105,835
2025 Airfield Regulators Replacement Program	150,000
2025 Vehicle Replacement Program	400,000
Sustainable Management Plan	617,341
TSA CBRA Expansion	4,596,267
Total All Projects	\$34,574,949

NOTE 20: RISKS AND UNCERTAINTIES

There are certain risks within the aviation industry that are unknown at this time that could affect the Airport. The industry is subject to the strength of the economy and can be negatively impacted by additional national and global situations that are beyond the control of the Authority. Some of these uncertainties, including war, terrorism, pandemics, and the price of jet fuel, could adversely affect the financial performance of the Airport and other airports and airlines nationwide.

NOTE 21: CORRECTION OF ERROR

While preparing the financial statements for the year ended June 30, 2024, an error was discovered in the classification of balances in the Authority’s net position. The error included deferred inflows of resources related to leases which led to an understatement in net investment in capital assets and a resulting overstatement in unrestricted net position. The two amounts offset each other and the total net position was not impacted.

The financial statements for the year ended June 30, 2023, have been restated as follows:

STATEMENTS OF NET POSITION	As Originally Reported	As Restated	Change
Net Position			
Net Investment in Capital Assets	390,924,343	401,217,302	10,292,959
Restricted	27,922,749	27,922,749	-
Unrestricted	91,981,974	81,689,015	(10,292,959)
Total Net Position	\$510,829,066	\$510,829,066	-

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Last 10 Fiscal Years (1)

Schedule of the Plan’s Fiduciary Net Position As Percentage of Total

	2024	2023	2022
Total Pension Liability	\$1,716,576,504	\$1,673,684,313	\$1,635,731,434
Less: Plan Fiduciary Net Pension	\$1,132,685,907	\$1,085,925,649	\$1,055,885,895
City's Net Pension Liability	\$583,890,597	\$587,758,664	\$579,844,539
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	65.99%	64.88%	64.55%

	2021	2020	2019	2018	2017
Total Pension Liability	\$1,550,750,248	\$2,227,765,845	\$1,973,741,484	\$1,783,042,202	\$1,745,211,041
Less: Plan Fiduciary Net Pension	\$1,222,136,520	\$993,999,847	\$1,042,877,491	\$1,055,421,690	\$1,038,084,945
City's Net Pension Liability	\$328,613,728	\$1,233,765,998	\$930,863,993	\$727,620,512	\$707,126,096
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	78.81%	44.62%	52.84%	59.19%	59.48%

Schedule of Proportionate Share of Net Pension Liability

The following tables present the Authority’s allocation of Net Pension Liability:

Allocation of June 30, 2024 to Net Pension Liability (NPL)			
EMPLOYER	COVERED EMPLOYEE	PERCENTAGE	NPL
Authority	7,526,203	3.60%	21,020,061
Total for All Employers	208,975,946		583,890,597

Allocation of June 30, 2023 to Net Pension Liability (NPL)			
EMPLOYER	COVERED EMPLOYEE	PERCENTAGE	NPL
Authority	6,174,635	3.11%	18,279,294
Total for All Employers	\$198,531,283		\$587,758,664

Allocation of June 30, 2022 to Net Pension Liability (NPL)			
EMPLOYER	COVERED EMPLOYEE	PERCENTAGE	NPL
Authority	6,509,037	3.41%	19,772,699
Total for All Employers	\$190,612,100		\$579,844,539

Allocation of June 30, 2021 to Net Pension Liability (NPL)			
EMPLOYER	COVERED EMPLOYEE	PERCENTAGE	NPL
Authority	6,781,292	3.36%	11,041,421
Total for All Employers	\$202,026,478		\$339,988,924

Allocation of June 30, 2020 to Net Pension Liability (NPL)			
EMPLOYER	COVERED EMPLOYEE	PERCENTAGE	NPL
Authority	7,104,956	3.55%	43,798,694
Total for All Employers	\$200,234,161		\$1,233,765,998

Allocation of June 30, 2019 to Net Pension Liability (NPL)			
EMPLOYER	COVERED EMPLOYEE	PERCENTAGE	NPL
Authority	6,991,168	3.36%	31,277,030
Total for All Employers	\$208,175,344		\$930,863,993

NOTES:

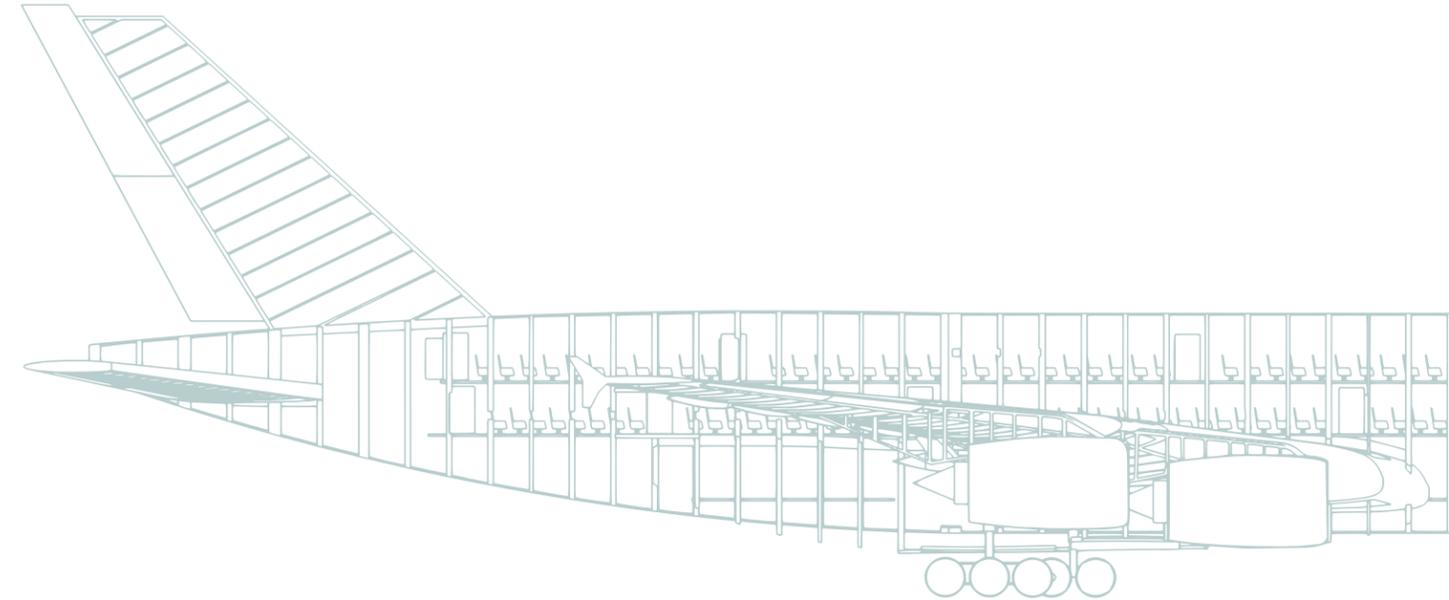
(1) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full 10 year trend is presented.

Schedule of Proportionate Share of Net Pension Liability (Cont.)

The following tables present the Authority's allocation of Net Pension Liability:

Allocation of June 30, 2018 to Net Pension Liability (NPL)			
EMPLOYER	COVERED EMPLOYEE	PERCENTAGE	NPL
Authority	7,494,780	3.67%	26,703,673
Total for All Employers	\$203,984,897		\$727,620,512

Allocation of June 30, 2017 to Net Pension Liability (NPL)			
EMPLOYER	COVERED EMPLOYEE	PERCENTAGE	NPL
Authority	6,561,793	3.28%	23,193,736
Total for All Employers	\$200,205,482		\$707,126,096



Schedule of the Employer Contributions - Pension Plan

	2024	2023	2022
Actuarially Determined Contribution*	35,027,358	32,795,771	\$33,322,262
Contribution in Relation to the Actuarially Determined Contribution	35,021,915	33,917,517	\$34,988,353
Contribution Deficiency (Excess)	5,443	(1,121,746)	(1,666,091)
Covered Payroll**	211,232,293	202,125,080	189,292,160
Contributions As Percentage of Covered Payroll	16.58%	16.78%	18.48%

	2021	2020	2019	2018	2017
	\$33,322,262	\$32,166,230	\$31,146,931	\$30,063,990	\$30,564,212
	28,280,924	24,225,209	19,652,651	17,276,073	16,554,808
	5,041,338	7,941,021	11,494,280	12,787,917	14,009,404
	186,487,229	201,581,514	197,988,943	202,177,529	200,441,743
	15.17%	12.02%	9.93%	8.55%	8.26%

(1) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full 10 year trend is presented.

NOTES TO THE SCHEDULE:

*The actuarially determined contribution is equal to the total calculated contribution in the most recent actuarial valuation, minus the portion expected to be covered by employee contributions.

** Payroll is estimated based on employee contribution rates as follows: FY 2017 - 7.25%, FY 2018 - 8.50%, FY 2019, 20 - 7.00%, FY 2021, 24 - 7.50%. The City's contributions as a percentage of covered-employee payroll are greater than the City's statutory contribution rate, since they reflect contributions made by the City on behalf of retired members in the Firemen's and Policemen's Supplemental Pension Plan, as well as transfers from the Supplemental Plan.

NOTES:

Valuation date: Actuarially determined contribution rates are calculated using a July valuation date as of the beginning of the fiscal year in which contributions are reported.

The following methods and assumptions are used to determine contribution rates:

Actuarial Cost Method	Entry age actuarial cost method
Amortization Method	Level Percent of Payroll, using 2.25% annual increases
Remaining Amortization Period	Closed, 29 years remaining as of July 1, 2022
Asset Valuation Method	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between actual and expected returns on a market value basis and is recognized over a five-year period. The deferred return is further adjusted, if necessary, so that the actuarial value of assets will stay within 20% of the market value of assets.

Actuarial Assumptions 2024

Investment Rate of Return	7.25%, net of pension plan investment expense, including inflation
Inflation Rate	2.25%
Projected Salary Increases	2.25%, plus age-related (General Employees) or service-related (Fire and Police) salary scale

Actuarial Assumptions 2023

Investment Rate of Return	7.25%, net of pension plan investment expense, including inflation
Inflation Rate	2.25%
Projected Salary Increases	2.25%, plus age-related (General Employees) or service-related (Fire and Police) salary scale

Actuarial Assumptions 2022

Investment Rate of Return	7.25%, net of pension plan investment expense, including inflation
Inflation Rate	2.25%
Projected Salary Increases	2.25%, plus age-related (General Employees) or service-related (Fire and Police) salary scale

Actuarial Assumptions 2021

Investment Rate of Return	7.50%, including inflation, net of pension plan investment expense
Inflation Rate	2.50%
Projected Salary Increases	2.50%, plus age-related salary scale based on participant group

Schedule of Proportionate Share of Net Pension Liability - Airport Authority

Reporting Date for Employer under GASB 68 and of June 30	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability	Covered Payroll (2)	Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2024	3.60%	21,020,061	7,526,203	276.42%	65.99%
2023	3.11%	18,279,294	6,174,635	290.79%	64.88%
2022	3.41%	19,772,699	6,509,037	306.32%	64.55%
2021	3.36%	11,041,421	6,781,292	162.82%	78.81%
2020	3.55%	43,798,692	7,104,956	616.45%	44.62%
2019	3.36%	31,277,030	6,991,168	447.38%	52.84%
2018	3.67%	26,073,673	7,494,780	347.89%	59.19%
2017	3.28%	23,196,736	6,561,763	353.47%	59.48%

(1) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full 10 year trend is presented.

(2) Payroll is estimated on the actual employee contributions received and a 7.5% contribution rate.

Schedule of Statutorily Established Employer and Employee Contributions

Year Ended June 30	Statutorily Required Contributions	Contributions in Relation to the Statutorily Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2024	1,260,985	1,260,789	196	7,526,203	16.58%
2023	1,019,948	1,238,697	(218,749)	6,174,635	20.06%
2022	Not available	1,418,504	(1,418,504)	6,509,037	21.79%
2021	Not available	1,117,176	(1,117,176)	6,781,292	16.47%
2020	Not available	1,013,244	(1,013,244)	7,104,956	14.26%
2019	Not available	(660,239)	660,239	6,991,168	-9.44%
2018	Not available	(634,032)	634,032	7,494,780	-8.46%
2017	Not available	Not available	Not available	6,561,793	Not available

(1) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full 10 year trend is presented.

Schedule of Contributions - Other Post-Employment Benefit Plan

Year Ended June 30:	Actuarially Determined Contributions (2)	Actual Employer Contribution (3)	Contribution Deficiency/ (Excess)	Covered Employee Payroll (4)	Contributions as a Percentage of Covered Employee Payroll
2024	133,254	35,327	97,927	8,446,342	0.42%
2023	116,752	63,577	53,175	7,626,414	0.83%
2022	174,683	382,465	(207,782)	5,638,486	6.78%
2021	-	4,874	(4,874)	7,119,300	0.07%
2020	-	2,597	(2,597)	7,157,316	0.04%
2019	228,002	1,373,750	(1,145,748)	6,937,207	19.80%
2018	228,002	15,211	212,791	7,726,430	0.20%
2017	250,339	17,066	233,273	9,014,199	0.19%

(1) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full 10 year trend is presented.

(2) All "Actuarially Determined Contributions" through June 30, 2017, were determined as the "Annual Required Contribution" under GASB 43 and 45

(3) Employer contributions include trust contributions and explicit subsidy payments directly to retirees from the Authority's own resources.

(4) Covered employee payroll represents earnable compensation for those eligible for future benefits under the Plan.

(5) Information for fiscal years ending June 30, 2017 through June 30, 2023 were taken from the June 30, 2023 GASB 75 disclosure report completed by the prior actuary. The fiscal 2024 actuarially determined contribution was also calculated by the prior actuary.

NOTES TO SCHEDULE:

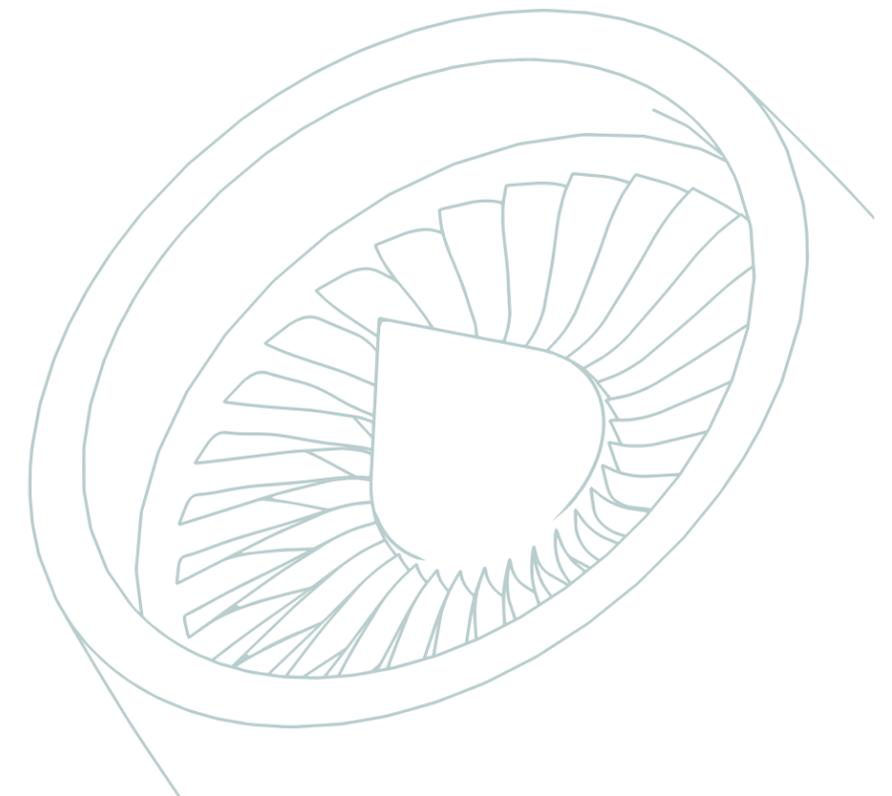
Methods and assumptions used to determine contribution rates:

Valuation Date	Actuarially determined contribution rates are calculated as of July 1
Discount Rate	Beginning of year GASB 75 discount rate
Asset Method	Market Value
Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	30 years, open, level dollar
Remaining Amortization Period	30 years

Schedule of Investment Returns - Other Post-Employment Benefit Plan

Year	Net Money-Weighted Rate of Return
2024	4.89%
2023	3.68%
2022	0.19%
2021	0.10%
2020	1.85%
2019	1.12%
2018	Not available
2017	Not available

(1) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full 10 year trend is presented.



Schedule of Changes in Net OPEB Liability - Other Post Employment Benefit Plan

REPORTING DATE FOR EMPLOYER UNDER GASB 75	2024	2023
MEASUREMENT DATE	2024	2023
Total OPEB Liability		
Service Cost	98,288	115,460
Interest on Total OPEB Liability	62,998	44,523
Effect of Plan Changes	-	-
Effect of Economic/Demographic (Gains) or Losses	(409,254)	200,336
Effect of Assumption Changes or Inputs	263,215	23,645
Benefit Payments	(35,327)	(63,577)
Net Change in Total OPEB Liability	(20,080)	320,387
Total OPEB Liability – Beginning	1,494,156	1,173,769
Total OPEB Liability – Ending	1,474,076	1,494,156
Plan Fiduciary Net Position		
Employer Contributions	35,327	63,577
Member Contributions	-	-
Net Investment Income	88,086	64,167
Benefit Payments	(35,327)	(63,577)
Administrative Expense	(7,363)	(7,069)
Net Change in Plan Fiduciary Net Position	80,723	57,098
Plan Fiduciary Net Position – Beginning	1,805,957	1,748,859
Plan Fiduciary Net Position – Ending	1,886,680	1,805,957
Net OPEB Liability – Ending	(\$412,604)	(\$311,801)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	127.99%	120.87%
Covered Employee Payroll (2)	8,446,342	7,626,414
Plan Net OPEB Liability as a Percentage of Covered Employee Payroll	(4.89%)	(4.09%)

(1) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full 10 year trend is presented.

(2) Covered employee payroll represents earnable compensation for those eligible for future benefits under the Plan.

2022	2021	2020	2019	2018
2022	2021	2020	2019	2018
159,598	114,677	104,857	149,784	157,857
57,041	43,252	44,000	58,565	50,036
-	-	-	-	-
(484,675)	44,771	(64,227)	(110,006)	(21,092)
(289,709)	224,573	93,854	(304,568)	(51,762)
(20,349)	(4,874)	(2,597)	(7,420)	(15,211)
(\$578,094)	\$422,399	\$175,887	(\$213,645)	\$119,828
1,751,863	1,329,464	1,153,577	1,367,222	1,247,394
\$1,173,769	\$1,751,863	\$1,329,464	\$1,153,577	\$1,367,222
382,465	4,874	2,597	1,373,750	15,211
-	-	-	-	-
2,986	1,422	25,428	7,671	-
(20,349)	(4,874)	(2,597)	(7,420)	(15,211)
(5,990)	(5,570)	(5,534)	-	-
359,112	(4,148)	\$19,894	\$1,374,001	\$-
1,389,747	1,393,895	1,374,001	-	-
1,748,859	1,389,747	\$1,393,895	\$1,374,001	\$-
(\$575,090)	\$362,116	(\$64,431)	(\$220,424)	\$1,367,222
149.00%	79.33%	104.85%	119.11%	0.00%
7,726,430	6,937,207	7,157,316	6,937,207	7,726,430
(7.44%)	5.22%	(0.90%)	(3.18%)	17.70%

Schedule of the Executive Pension Plan’s Fuduciary Net Position as a Percentage of Total

	2024	2023
Total Pension Liability	813,957	594,725
Less: Plan Fiduciary Net Pension	362,506	-
Net Pension Liability ²	\$451,451	\$594,725
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	44.54%	0.00%

(1) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full 10 year trend is presented.

(2) These funded percentages are not necessarily appropriate for assessing the sufficiency of Plan assets to cover the estimated cost of settling the Plans’s benefit obligation or the need for or the amount of future contributions.

Schedules of the Employer Contributions - Executive Pension Plan

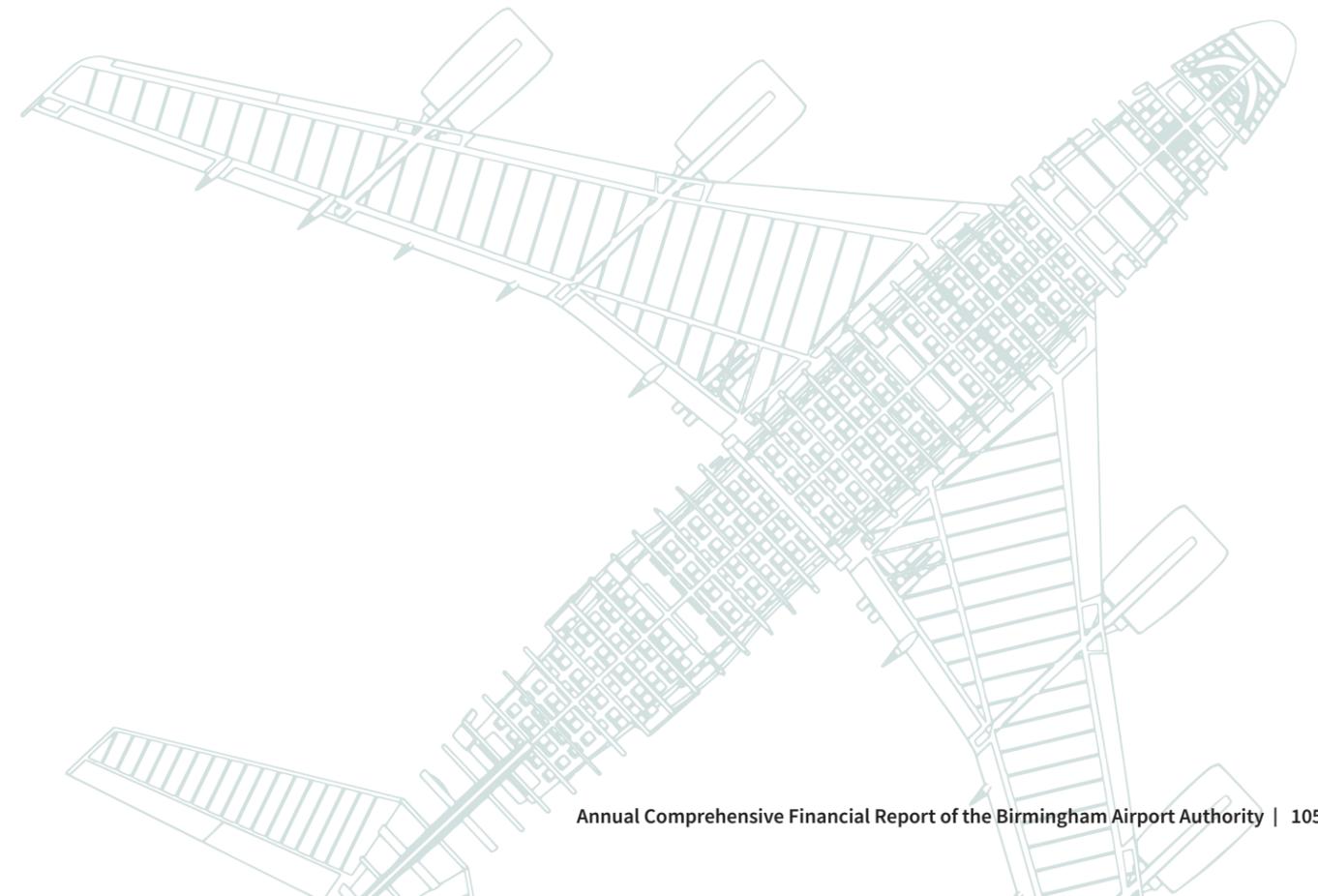
	2024	2023
Actuarially Determined Contribution	314,527	-
Contribution in Relation to the Actuarially Determined Contribution	340,738	-
Contribution Deficiency (Excess)	(26,211)	-
Covered Payroll	704,257	650,636
Contributions as Percentage of Covered Payroll	48.38%	0.00%

(1) Information in this schedule is presented for the year in which the information is available. Information will be added each year until a full 10 year trend is presented.

Notes to Schedule:

Methods and assumptions used to determine contribution rates for the year ended June 30, 2024 are based on the July 1, 2022 actuarial valuation:

Valuation Date	Actuarially determined contribution is calculated using a July valuation date as of the beginning of the fiscal year in which contributions are reported
Actuarial Cost Method	Entry Age
Amortization Method	Level percent of payroll, using 6.00% annual increases
Remaining Amortization Period	3 years as of July 1, 2022
Asset Valuation Method	Market Value
Investment Rate of Return	7.25%
Inflation Rate	2.25%
Projected Salary Increases	6.00%
Mortality	<ul style="list-style-type: none"> — Pre-retirement: Sex-distinct Pri-2012 Employee Amount-weighted Mortality Table with rates multiplied by 70%, projected generationally using Scale MP-2021 — Healthy annuitant: Sex-distinct Pri-2012 Healthy Retiree Amount-weighted Mortality Table, with rates multiplied by 110%, projected generationally using Scale MP-2021 — Disabled: Sex-distinct Pri-2012 Disabled Retiree Amount-weighted Mortality Table, set back two years for males and set forward two years for females, projected generationally using Scale MP-2021
Other Information	Same as those used in the July 1, 2022 funding actuarial valuation





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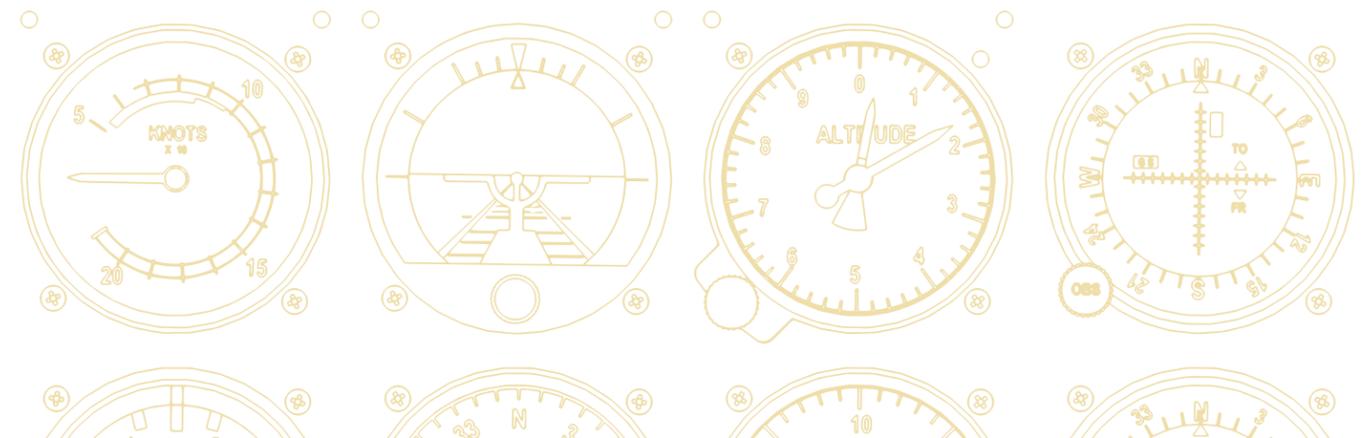
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Tables and/or Graphs That Present Data Exhibiting the Demographic and Socioeconomic Environment of the Authority's Primary Service Region

144 | Birmingham-Hoover MSA Population

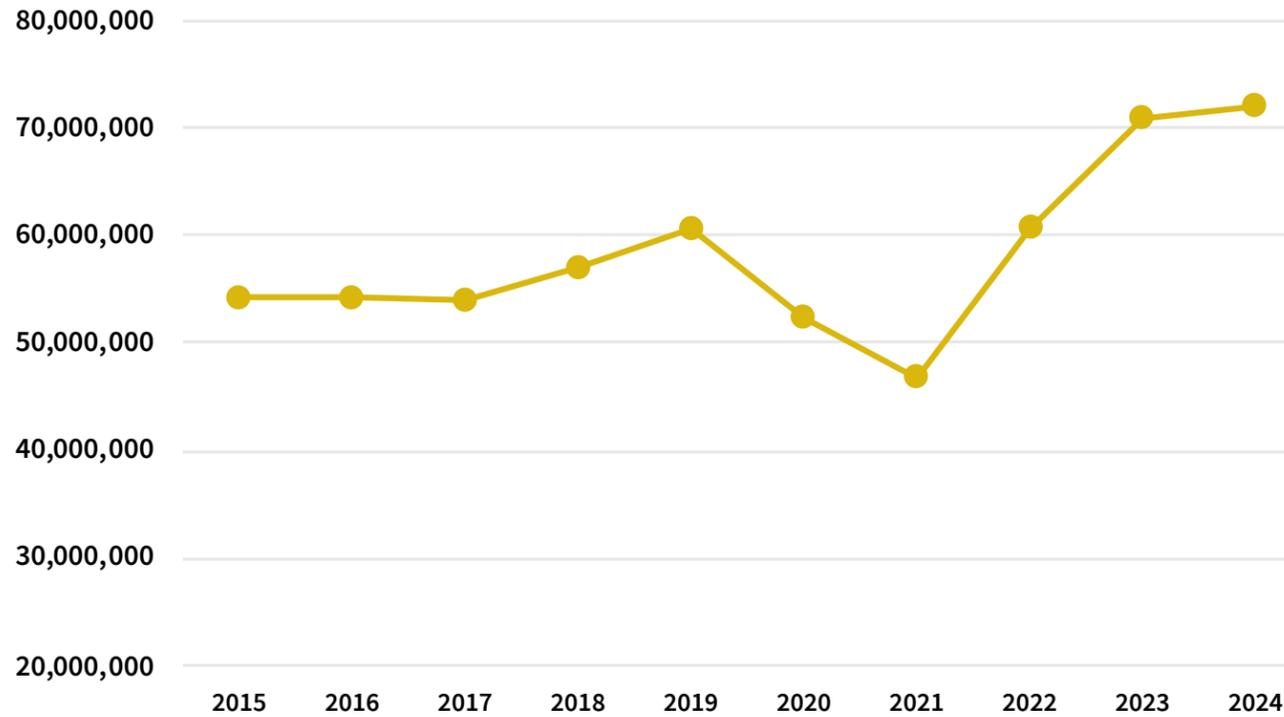
144 | Birmingham-Hoover MSA Largest Ten Employers

145 | Birmingham-Hoover MSA Statistical Summary

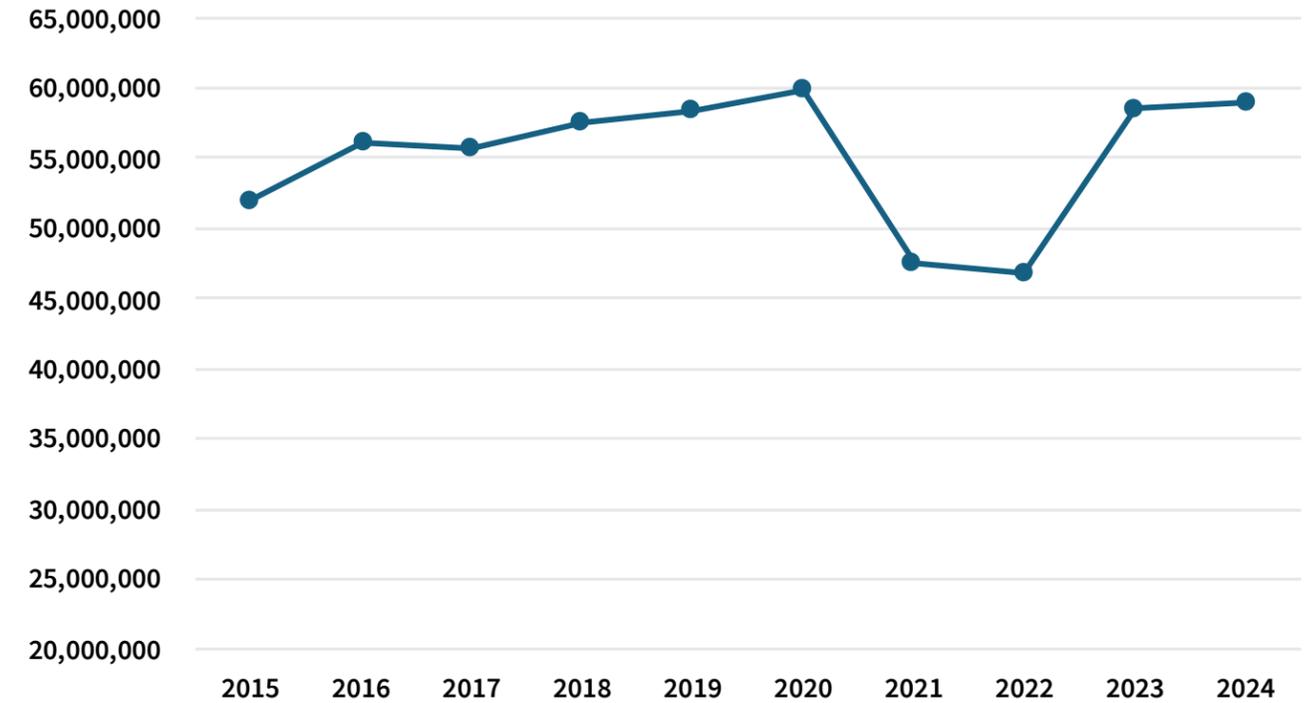


FINANCIAL TREND DATA

Revenues 2015 – 2024



Expenses 2015 – 2024



	2015	2016	2017	2018
Revenues	\$54,151,129	\$54,355,603	\$54,082,564	\$56,952,622
Expenses	\$52,078,824	\$56,152,004	\$55,647,182	\$57,466,091

	2019	2020	2021	2022	2023	2024
Revenues	\$60,739,232	\$52,284,524	\$46,743,651	\$60,642,211	\$70,840,582	\$72,056,909
Expenses	\$58,306,369	\$59,869,194	\$47,471,342	\$46,820,034	\$58,571,911	\$56,952,642

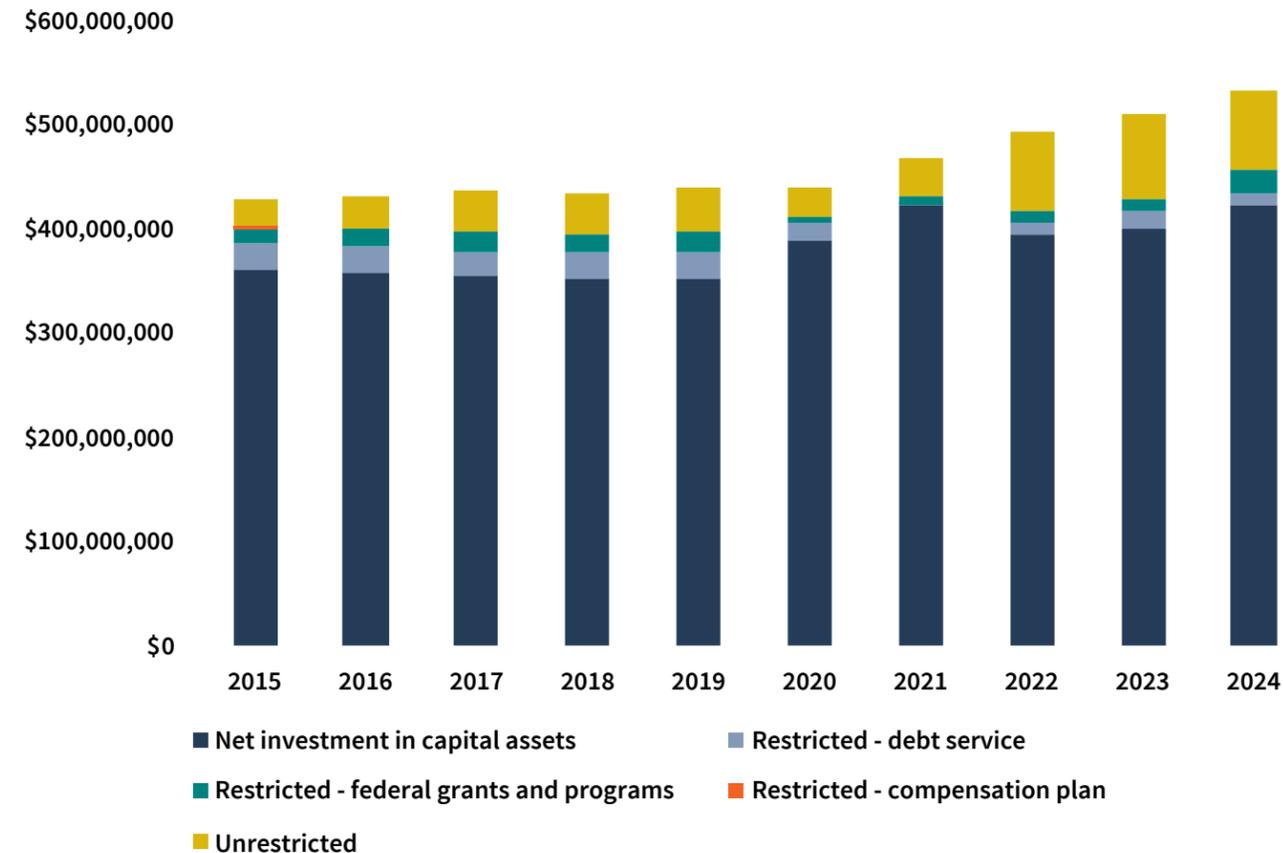
SOURCE: Birmingham Airport Authority Records

Net Positions at Year End

	2015	2016	2017	2018
Net Investments in Capital Assets	\$361,560,555	\$358,269,422	\$353,534,611	\$351,827,237
Restricted Net Position				
Restricted for Debt Service	23,108,351	23,613,285	24,041,654	24,581,248
Federal Grants and Programs	14,186,556	19,075,186	18,903,430	17,802,172
Compensation Plan	-	-	-	-
Unrestricted	27,179,399	30,881,474	39,014,644	40,779,939
Total Net Position	\$426,034,861	\$431,839,367	\$435,494,339	\$434,990,596

	2019	2020	2021	2022	2023	2024
	\$353,013,496	\$388,862,507	\$421,175,955	\$393,718,715	\$401,217,302	\$422,812,674
Restricted Net Position						
	25,294,000	15,733,499	55,637	10,794,475	16,572,355	11,924,235
	17,609,106	5,380,857	10,201,543	11,120,183	11,350,394	21,196,814
	-	-	-	-	-	-
	43,879,762	29,782,950	36,129,045	77,607,568	81,689,015	77,779,011
Total Net Position	\$439,796,364	\$439,759,813	\$467,562,183	\$493,240,941	\$510,829,066	\$533,712,734

Net Position as of June 30 for Each of the Years Presented



PFC Collections

	2015	2016	2017	2018	2019
PFC Collections and Interest Income	\$5,263,847	\$5,095,712	\$5,223,462	\$5,710,690	\$6,139,766
Year-over-Year Change	-3.83%	-3.19%	2.51%	9.33%	7.51%

	2020	2021	2022	2023	2024
PFC Collections and Interest Income	\$4,075,347	\$3,182,058	\$5,148,351	\$5,628,587	\$6,497,736
Year-over-Year Change	-33.62%	-21.92%	61.79%	9.33%	15.44%

Change in Net Position

OPERATING REVENUES				
	2015	2016	2017	2018
Aviation Revenues	\$20,229,860	\$18,231,429	\$18,624,349	\$19,335,890
Concession Revenues	20,661,480	22,478,650	21,940,863	22,810,454
Airport Rentals	1,826,981	1,783,837	1,672,487	2,022,078
Aviation Services	720,894	750,965	763,630	804,324
Miscellaneous Revenues	614,307	801,314	827,949	732,591
Total Operating Revenues	\$44,053,522	\$44,046,195	\$43,829,278	\$45,705,337
NON-OPERATING REVENUES				
Federal grants - CARES, CRRSAA, ARPA	-	-	-	-
Passenger Facility Charges	5,241,743	5,258,436	5,208,341	5,708,601
Customer Facility Charges	4,725,271	4,830,565	4,745,406	4,908,780
Interest Income	130,593	110,407	239,243	480,042
Gain (Loss) on Disposal of Capital Assets	-	110,000	-	-
Settlement - Insurance and Others	-	-	27,283	(10,925)
Unrealized Gain on Investments (Net)	-	-	33,013	160,787
Total Non-Operating Revenues	\$10,097,607	\$10,309,408	\$10,253,286	\$11,247,285
TOTAL REVENUES	\$54,151,129	\$54,355,603	\$54,082,564	\$56,952,622

OPERATING REVENUES						
	2019	2020	2021	2022	2023	2024
Aviation Revenues	\$19,037,947	\$17,489,109	\$16,397,963	\$17,835,735	\$25,717,176	\$21,264,145
Concession Revenues	24,431,197	19,226,592	12,698,687	22,152,856	26,382,904	29,010,527
Airport Rentals	2,975,630	3,041,033	2,752,883	3,002,030	3,803,996	4,139,757
Aviation Services	834,290	811,239	769,061	996,365	1,078,820	1,810,828
Miscellaneous Revenues	629,893	534,674	397,445	487,092	572,343	600,544
Total Operating Revenues	\$47,908,957	\$41,102,647	\$33,016,039	\$44,474,078	\$57,555,239	\$56,825,801
NON-OPERATING REVENUES						
Federal grants - CARES, CRRSAA, ARPA	-	2,374,536	7,147,198	5,594,884	324,704	-
Passenger Facility Charges	6,135,296	4,057,275	3,175,906	5,141,308	5,555,672	6,186,368
Customer Facility Charges	5,168,987	3,806,147	2,989,088	3,855,981	4,316,754	4,711,327
Interest Income	1,141,005	948,041	271,625	1,502,452	2,055,919	3,922,155
Gain (Loss) on Disposal of Capital Assets	-	-	171,464	21,605	6,306	-
Settlement - Insurance and Others	9,332	(4,591)	(27,667)	51,903	19,071	(1,298,815)
Unrealized Gain on Investments (Net)	375,655	469	-	-	1,006,917	1,710,073
Total Non-Operating Revenues	\$12,830,275	\$11,181,877	\$13,727,614	\$16,168,133	\$13,285,343	\$15,231,108
TOTAL REVENUES	\$60,739,232	\$52,284,524	\$46,743,651	\$60,642,211	\$70,840,582	\$72,056,909

SOURCE: Birmingham Airport Authority Records

Change in Net Position (Cont.)

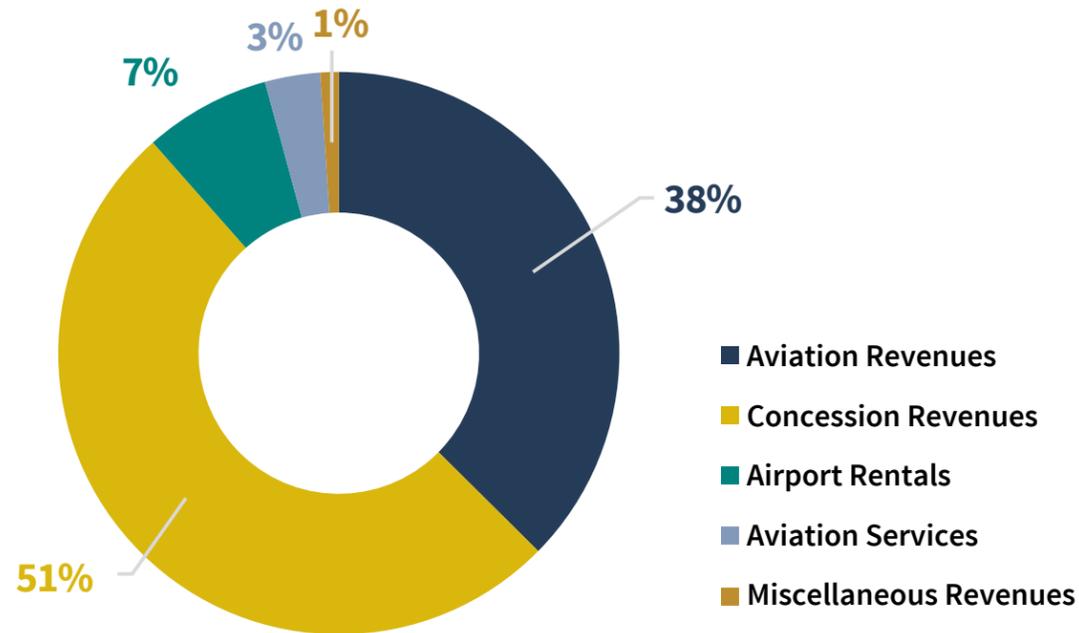
OPERATING EXPENSES				
	2015	2016	2017	2018
Salaries and Benefits	\$13,337,566	\$16,073,206	\$15,068,098	\$15,890,399
Professional/Contracted Services	7,374,387	7,550,984	7,659,450	8,944,073
Materials/Supplies/ Maintenance	1,644,463	1,217,508	1,347,247	1,306,763
Other Operating Expenses	5,129,546	5,383,871	4,657,123	4,815,406
Total Operating Expenses	\$27,485,962	\$30,225,569	\$28,731,918	\$30,956,641
Depreciation and Amortization	15,572,715	16,311,707	17,342,863	17,258,899
NON-OPERATING EXPENSES				
Interest Expenses	9,011,341	9,606,613	9,572,401	9,250,551
Loss on Extinguishment of Debt	-	-	-	-
Bond Issuance Cost	-	-	-	-
Unrealized Loss on Investments (Net)	8,806	8,115	-	-
Total Non-Operating Expenses	\$9,020,147	\$9,614,728	9,572,401	9,250,551
TOTAL EXPENSES	\$52,078,824	\$56,152,004	\$55,647,182	\$57,466,091
Federal Contributions	\$6,844,392	\$7,600,907	\$4,937,446	\$9,726
TOTAL CHANGE IN NET POSITION	\$8,916,697	\$5,804,506	\$3,372,828	\$(503,743)

OPERATING EXPENSES						
	2019	2020	2021	2022	2023	2024
Salaries and Benefits	\$15,507,055	\$17,261,949	\$8,544,770	\$7,061,838	\$10,780,739	\$11,501,265
Professional/Contracted Services	10,206,340	9,250,780	8,087,158	7,933,618	10,237,504	10,121,045
Materials/Supplies/ Maintenance	1,426,681	1,373,997	1,739,358	2,035,599	3,191,022	2,929,185
Other Operating Expenses	4,869,138	4,552,272	4,043,414	6,323,897	9,876,260	9,822,499
Total Operating Expenses	\$32,009,214	\$32,438,998	\$22,414,700	\$23,354,952	\$34,085,525	\$34,373,994
Depreciation and Amortization	17,361,529	18,006,437	19,597,391	17,450,371	19,442,814	18,061,340
NON-OPERATING EXPENSES						
Interest Expenses	8,935,626	8,777,415	4,142,760	5,085,440	5,043,572	4,517,308
Loss on Extinguishment of Debt	-	434,313	-	-	-	-
Bond Issuance Cost	-	212,031	1,268,183	-	-	-
Unrealized Loss on Investments (Net)	-	-	48,308	929,271	-	-
Total Non-Operating Expenses	8,935,626	\$9,423,759	\$5,459,251	\$6,014,711	\$5,043,572	\$4,517,308
TOTAL EXPENSES	\$58,306,369	\$59,869,194	\$47,471,342	\$46,820,034	\$58,571,911	\$56,952,642
Federal Contributions	\$2,372,906	\$7,548,115	\$28,530,055	\$11,856,581	\$5,319,454	\$7,779,401
TOTAL CHANGE IN NET POSITION	\$4,805,769	\$(36,555)	\$27,802,366	\$25,678,758	\$17,588,125	\$22,883,668

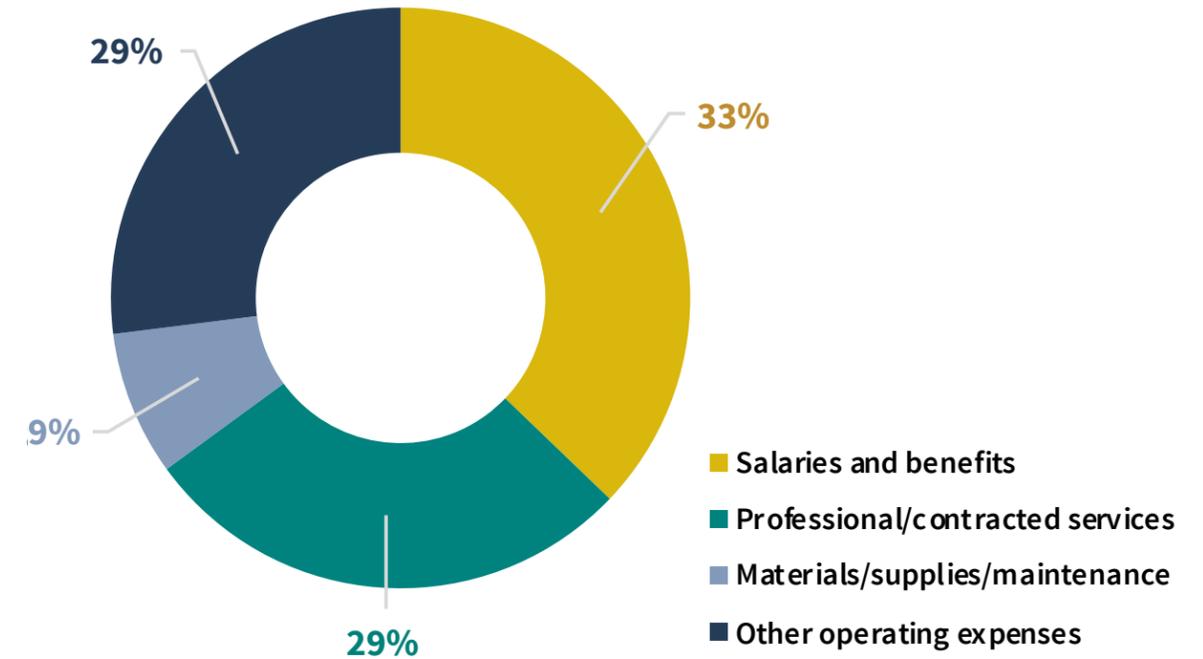
SOURCE: Birmingham Airport Authority Records

REVENUE CAPACITY DATA

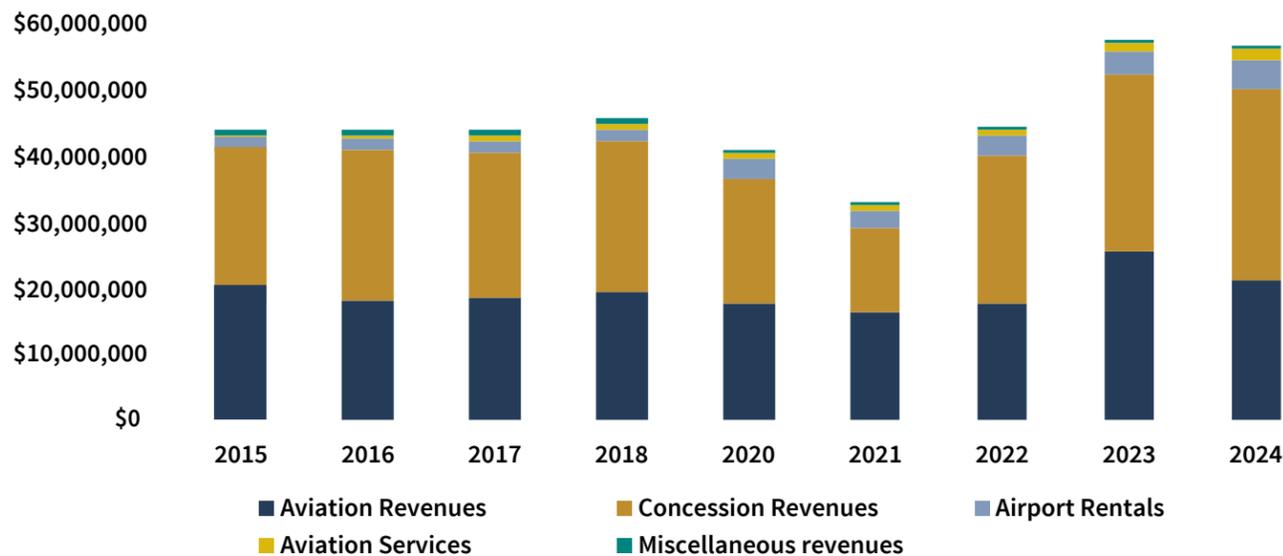
FY2024 Operating Revenue Composition



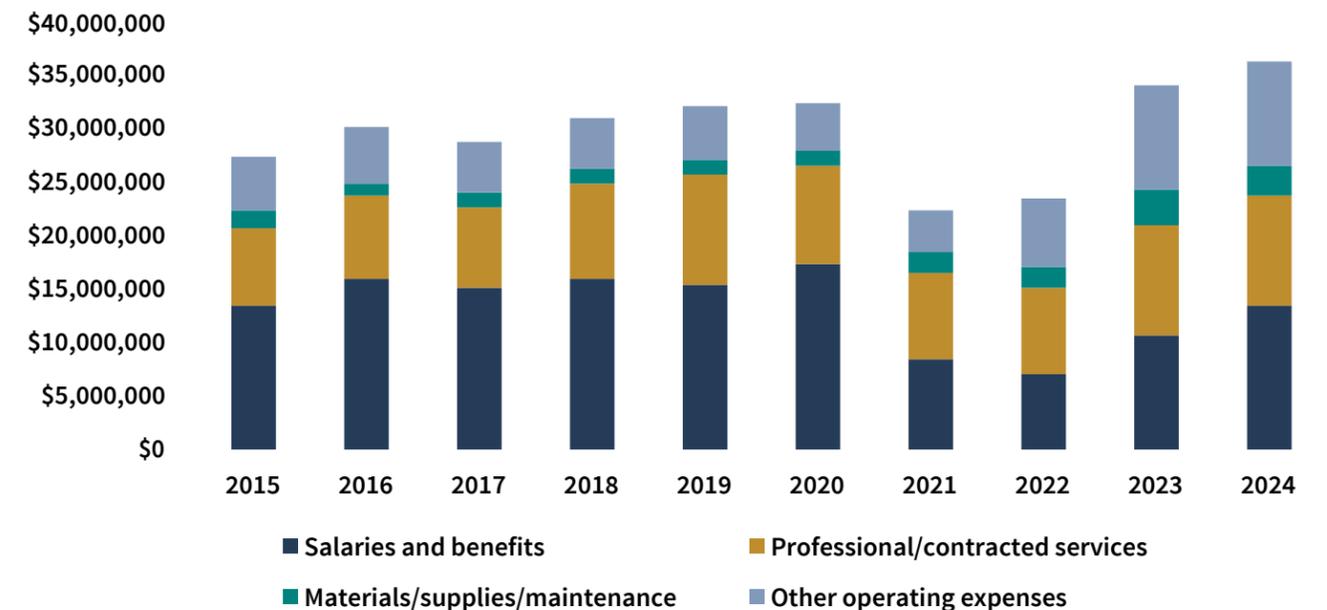
FY2024 Operating Expense Composition



10 Year Revenue Composition



10 Year Expense Composition



DEBT CAPACITY DATA

Pledged Revenue

AVIATION REVENUES				
	2015	2016	2017	2018
Landing Fees	10,277,188	10,114,416	10,303,116	11,136,231
Airline Space Rentals	9,233,501	7,347,579	7,280,533	7,076,646
Other Airline Fees and Charges ¹	719,171	769,434	1,040,700	1,123,013
Subtotal	\$20,229,860	\$18,231,429	\$18,624,349	\$19,335,890
CONCESSION REVENUES				
Automobile Parking	12,764,253	14,344,228	13,751,891	14,412,546
Rental Car Operations	5,437,472	5,627,300	5,620,811	5,758,239
Restaurant and Retail	1,748,578	1,906,579	2,071,587	2,089,437
Ground Transportation	428,958	271,037	186,782	217,861
Terminal Advertising	219,381	279,327	262,755	282,802
Vending, Other Concession and Lessor Fees	62,838	50,179	47,037	49,569
Subtotal	\$20,661,480	\$22,478,650	\$21,940,863	\$22,810,454
AIRPORT RENTALS				
Terminal Office Space	-	-	-	-
Building Leases	1,826,981	1,783,837	1,672,487	2,022,078
Subtotal	\$1,826,981	\$1,783,837	\$1,672,487	\$2,022,078

	2019	2020	2021	2022	2023	2024
	10,605,258	8,832,724	8,230,502	9,031,592	11,451,763	8,036,191
	7,319,174	7,558,016	7,417,827	7,677,845	13,263,253	11,966,385
	1,113,515	1,098,369	749,636	1,126,298	1,002,160	1,261,569
	\$19,037,947	\$17,489,109	\$16,397,963	\$17,835,735	\$25,717,176	\$21,264,145
	15,537,390	11,646,835	6,895,580	14,118,883	16,403,034	18,361,981
	6,036,642	5,281,777	4,495,813	5,874,735	6,953,249	7,160,634
	2,193,078	1,693,004	886,413	1,582,444	1,997,683	2,410,970
	254,537	215,366	107,315	136,098	159,689	224,172
	350,518	264,683	208,142	223,258	328,171	256,974
	59,032	124,927	105,424	217,438	541,078	595,796
	\$24,431,197	\$19,226,592	\$12,698,687	\$22,152,856	\$26,382,904	\$29,010,527
	-	435,778	-	279,672	275,816	49,624
	2,975,630	2,605,255	2,752,883	2,722,358	3,528,180	4,090,133
	\$2,975,630	\$3,041,033	\$2,752,883	\$3,002,030	\$3,803,996	\$4,139,757

SOURCE: Birmingham Airport Authority Records

NOTES:
 (1) Apron, ramp overnight parking, and per turn fees

Pledged Revenues (Cont.)

AVIATION SERVICES				
	2015	2016	2017	2018
Airfield Operations ²	404,266	418,992	419,109	425,459
Fuel Commissions and Sales	316,628	331,973	344,521	378,865
Subtotal	\$720,894	\$750,965	\$763,630	\$804,324
MISCELLANEOUS REVENUES				
Airport Services Sold ³	490,156	603,267	690,303	694,864
Miscellaneous Income ⁴	124,151	198,047	137,646	37,727
Subtotal	\$614,307	\$801,314	\$827,949	\$732,591
TOTAL OPERATING REVENUES				
Total	\$44,053,522	\$44,046,195	\$43,829,278	\$45,705,337

2019	2020	2021	2022	2023	2024
435,327	460,464	445,373	540,309	630,248	1,438,921
398,963	350,775	323,688	456,056	448,572	371,907
\$834,290	\$811,239	\$769,061	\$996,365	\$1,078,820	\$1,810,828
629,893	534,674	139,412	193,311	176,033	225,000
-	-	258,033	293,781	396,310	375,544
\$629,893	\$534,674	\$397,445	\$487,092	\$572,343	\$600,544
\$47,908,957	\$41,102,647	\$33,016,039	\$44,474,078	\$57,555,239	\$56,825,801

SOURCE: Birmingham Airport Authority Records

NOTES:
 (2) FBO and services provided to airlines
 (3) ATM, utilities reimbursement, TSA law enforcement reimbursement
 (4) Event and meeting room rental, settlements and claims, other misc. revenue

Pledged Revenues and Debt Service Ratios

NET REVENUES				
	2015	2016	2017	2018
Operating Revenue	\$44,053,522	\$44,046,195	\$43,829,278	\$45,705,337
Interest Income, Including Lease Interest Income	130,593	110,407	239,243	480,042
Other Non-Operating Revenues	9,967,014	10,199,001	10,014,043	10,767,243
Gross Revenues	54,151,129	54,355,603	54,082,564	56,952,622
Less: Operating Expenses Before Depreciation	(27,485,962)	(30,225,569)	(28,731,918)	(30,956,641)
Net Pledged Revenue	\$26,665,167	\$24,130,034	\$25,350,646	\$25,995,981
DEBT SERVICE				
Principal	\$6,295,000	\$6,590,000	\$6,930,000	\$7,270,000
Interest	10,143,900	9,864,700	9,572,401	9,250,551
Debt Service Subtotal	\$16,438,900	\$16,454,700	\$16,502,401	\$16,520,551
Less PFC Revenue Available for Debt Service	(4,999,338)	(5,001,138)	(5,000,738)	(5,003,738)
Total Debt Service	\$11,439,563	\$11,453,563	\$11,501,663	\$11,516,814
COVERAGE OF DEBT SERVICE				
	1.62	1.47	1.54	1.57
Net Required Revenue Per Bond Rate Covenant	\$14,299,453	\$14,316,953	\$14,377,079	\$14,396,017
RATIO OF REQUIRED REVENUE				
	1.86	1.69	1.76	1.81

NET REVENUES						
	2019	2020	2021	2022	2023	2024
Operating Revenue	\$47,908,957	\$41,102,647	\$33,016,039	\$44,474,078	\$57,555,239	\$56,825,801
Interest Income, Including Lease Interest Income	1,141,005	948,041	271,625	1,502,452	2,055,919	3,922,155
Other Non-Operating Revenues	11,689,270	10,233,836	13,455,989	14,665,681	11,229,424	11,308,953
Gross Revenues	60,739,232	52,284,524	46,743,653	60,642,211	70,840,582	72,056,909
Less: Operating Expenses Before Depreciation	(32,009,214)	(32,438,998)	(22,414,700)	(23,354,952)	(34,085,525)	(34,373,994)
Net Pledged Revenue	\$28,730,018	\$19,845,526	\$24,328,953	\$37,287,259	\$36,755,057	\$37,682,915
DEBT SERVICE						
Principal	\$7,625,000	\$8,015,000	-	-	-	\$5,230,000
Interest	8,935,626	8,581,675	4,660,578	4,766,500	4,766,500	4,635,750
Debt Service Subtotal	\$16,560,626	\$16,596,675	\$4,660,578	\$4,766,500	\$4,766,500	\$9,865,750
Less PFC Revenue Available for Debt Service	(5,000,713)	(5,002,463)	-	-	-	(5,230,000)
Total Debt Service	\$11,559,913	\$11,594,212	\$4,660,578	\$4,766,500	\$4,766,500	\$4,635,750
COVERAGE OF DEBT SERVICE						
	1.73	1.20	5.22	7.82	7.71	3.82
Net Required Revenue Per Bond Rate Covenant	\$14,449,891	\$14,492,765	\$5,825,723	\$5,958,125	\$5,958,125	\$5,794,688
RATIO OF REQUIRED REVENUE						
	1.99	1.37	4.18	6.26	6.17	6.50

SOURCE: Birmingham Airport Authority Records

Pledged Revenues for the QTA

	2015	2016	2017	2018
Customer Facility Charge Collections	\$4,673,396	\$4,577,500	\$4,351,870	\$5,553,524
Customer Facility Charge Bond	-	-	-	-
CFC Interest Income	4,544	36,039	64,079	107,691
Total Resources Available for Debt Service	\$4,677,940	\$4,613,539	\$4,415,949	\$5,661,215
Total Annual CFC Expenses	-	(207,097)	(3,930,703)	(7,206,521)
Net Pledged Revenue	\$4,677,940	\$4,406,442	\$485,246	\$(1,545,306)

	2019	2020	2021	2022	2023	2024
Customer Facility Charge Collections	\$5,085,336	\$4,162,963	\$2,736,842	\$3,909,950	\$4,355,116	\$4,640,950
Customer Facility Charge Bond	-	7,000,000	-	-	-	-
CFC Interest Income	166,017	51,082	1,866	1,505	57,126	153,492
Total Resources Available for Debt Service	\$5,251,353	\$11,214,045	\$2,738,708	\$3,911,455	\$4,412,242	\$4,794,442
Total Annual CFC Expenses	(7,276,963)	(22,245,840)	(2,457,773)	(1,337,065)	(1,610,456)	(3,013,020)
Net Pledged Revenue	\$(2,025,610)	\$(11,031,795)	\$280,935	\$2,574,390	\$2,801,786	\$1,781,422

SOURCE: Birmingham Airport Authority Records

NOTES:

On November 19, 2012, the Authority's Board of Directors elected to impose a Customer Facility Charge of \$5.00 per transaction day to fund a Quick Turn Around Facility ("QTA") at the Airport.

The Authority borrowed \$7,000,000 from BBVA Compass to pay the costs of the QTA Facility and the costs of issuing the bond. The bond, which was secured by CFC revenue, was repaid in full on June 18, 2021.

No other Airport Funds are pledged toward the payment of QTA expenses.

Outstanding Debt and Debt Per Enplaned Passenger

OUTSTANDING DEBT BY TYPE (1)				
	2015	2016	2017	2018
2003a Revenue Bonds, Fixed Rate (2)	\$19,665,000	\$17,440,000	\$15,105,000	\$12,640,000
2007 Revenue Bonds, Fixed Rate (2)	28,720,000	25,980,000	23,110,000	20,085,000
2010 Revenue Bonds, Fixed Rate (3)	147,470,000	146,140,000	144,755,000	143,315,000
2020 Revenue Bonds, Fixed Rate	-	-	-	-
Subtotal, Revenue Bonds Payable	\$195,855,000	\$189,560,000	\$182,970,000	\$176,040,000
Unamortized Discount/Premium	(479,776)	(481,232)	(483,323)	(485,985)
Total Outstanding Debt Payable	\$195,375,224	\$189,078,768	\$182,486,677	\$175,554,015
Short and Long Term Lease Liability	-	-	-	-
Total Outstanding Debt Payable and Lease Liability	\$195,375,224	\$189,078,768	\$182,486,677	\$175,554,015
Total Enplaned Passengers	1,330,235	1,349,032	1,336,065	1,409,531
Outstanding Debt Per Enplaned Passenger	\$146.87	\$140.16	\$136.59	\$124.55

OUTSTANDING DEBT BY TYPE (1)						
	2019	2020	2021	2022	2023	2024
	\$10,055,000	\$-	\$-	\$-	\$-	\$-
	16,915,000	-	-	-	-	-
	141,800,000	140,235,000	-	-	-	-
	-	-	102,130,000	102,130,000	102,130,000	96,900,000
Subtotal, Revenue Bonds Payable	\$168,770,000	\$140,235,000	\$102,130,000	\$102,130,000	\$102,130,000	\$96,900,000
Unamortized Discount/Premium	(489,159)	(7)	20,571,750	18,714,315	16,756,960	14,822,750
Total Outstanding Debt Payable	\$168,280,841	\$140,234,993	\$122,701,750	\$120,844,315	\$118,886,960	\$111,722,750
Short and Long Term Lease Liability	-	-	-	40,852	183,642	133,152
Total Outstanding Debt Payable and Lease Liability	\$168,280,841	\$140,234,993	\$122,701,750	\$120,885,167	\$119,070,602	\$111,855,902
Total Enplaned Passengers	1,533,824	1,119,455	747,272	1,289,296	1,434,680	1,577,506
Outstanding Debt Per Enplaned Passenger	\$109.71	\$125.27	\$164.20	\$93.76	\$82.99	\$70.91

SOURCE: Birmingham Airport Authority Records

NOTES:

(1) Includes both current and long-term liabilities (See Note 8)

(2) Defeased by the Authority on December 31, 2019

(2) Defeased by the Authority on August 10, 2020

OPERATING INFORMATION

Passenger Stats by Carrier

AIRLINES	Fiscal Year 2015		Fiscal Year 2016		Fiscal Year 2017		Fiscal Year 2018	
	TOTAL PASSENGER	MARKET SHARE						
American Airlines, Inc - AA	121,600	4.6%	3,851	0.1%	734	0.0%	684	0.0%
Envoy Air - AA	81,678	3.1%	88,414	3.3%	73,721	2.8%	111,816	4.0%
Air Wisconsin - AA	-	0.0%	134,336	5.0%	81,879	3.1%	6,010	0.2%
ExpressJet - AA	-	0.0%	2,168	0.1%	4,816	0.2%	29,175	1.0%
Mesa Airlines - AA	-	0.0%	146,613	5.4%	168,447	6.3%	156,101	5.5%
PSA Airlines - AA	-	0.0%	232,405	8.6%	266,838	10.0%	314,256	11.1%
Piedmont Airlines - AA	-	0.0%	-	0.0%	12,003	0.4%	13,038	0.5%
Tran State - AA	-	0.0%	-	0.0%	17,739	0.7%	23,600	0.8%
BahamasAir - AA	986	0.0%	-	0.0%	-	0.0%	-	0.0%
Republic America - AA	-	-	-	-	-	-	-	-
SkyWest - AA	-	0.0%	-	0.0%	-	0.0%	15,185	0.5%
American Airlines, Inc. Subtotal	204,264	7.7%	607,787	22.6%	626,177	23.5%	669,865	23.8%
US Airways Express	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Aero Mexico - US	772	0.0%	-	0.0%	-	0.0%	-	0.0%
Air Wisconsin - US	94,477	3.5%	-	0.0%	-	0.0%	-	0.0%
Mesa Airlines - US	56,627	2.1%	-	0.0%	-	0.0%	-	0.0%
PSA Airlines - US	250,609	9.4%	-	0.0%	-	0.0%	-	0.0%
US Airways Express Subtotal	402,485	15.1%	-	0.0%	-	0.0%	-	0.0%

AIRLINES	Fiscal Year 2019		Fiscal Year 2020		Fiscal Year 2021		Fiscal Year 2022		Fiscal Year 2023		Fiscal Year 2024	
	TOTAL PASSENGER	MARKET SHARE										
American Airlines, Inc - AA	544	0.0%	42,690	1.9%	20,631	1.4%	151,666	5.9%	259,188	10.1%	112,174	3.9%
Envoy Air - AA	109,501	3.6%	101,876	4.5%	121,337	8.1%	175,037	6.8%	171,592	6.7%	262,009	10.2%
Air Wisconsin - AA	-	0.0%	-	0.0%	-	0.0%	-	0.0%	2,547	0.1%	7,836	0.3%
ExpressJet - AA	7,493	0.2%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Mesa Airlines - AA	226,843	7.4%	123,173	5.5%	65,024	4.4%	42,261	1.6%	23,113	0.9%	-	0.0%
PSA Airlines - AA	334,649	10.9%	306,600	13.7%	250,492	16.8%	363,261	14.1%	348,719	13.5%	440,753	17.1%
Piedmont Airlines - AA	41,667	1.4%	9,672	0.4%	5,989	0.4%	19,611	0.8%	51	0.0%	1,957	0.1%
Tran State - AA	6,116	0.2%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
BahamasAir - AA	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Republic America - AA	-	-	-	-	29,635	2.0%	11,822	0.5%	10,786	0.4%	57,427	2.2%
SkyWest - AA	275	0.0%	9,488	0.4%	11,119	0.7%	19,201	0.7%	5,830	0.2%	4,002	0.2%
American Airlines, Inc. Subtotal	727,088	23.7%	593,499	26.4%	504,227	33.8%	782,859	30.4%	821,826	31.9%	886,158	34.4%
US Airways Express	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Aero Mexico - US	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Air Wisconsin - US	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Mesa Airlines - US	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
PSA Airlines - US	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
US Airways Express Subtotal	-	0.0%										

SOURCE: Airline Reports

Passenger Stats by Carrier (Cont.)

AIRLINES	Fiscal Year 2015		Fiscal Year 2016		Fiscal Year 2017		Fiscal Year 2018	
	TOTAL PASSENGER	MARKET SHARE						
Delta Airlines	726,460	27.3%	746,020	27.7%	724,089	27.1%	765,772	27.2%
ExpressJet (ASA) - DL	104,167	3.9%	134,821	5.0%	94,620	3.5%	46,408	1.6%
Endeavor Air - DL	8,250	0.3%	21,524	0.8%	12,185	0.5%	17,611	0.6%
GoJet - DL	25,704	1.0%	-	0.0%	28,429	1.1%	95,930	3.4%
Shuttle America - DL	-	0.0%	2,383	0.1%	-	0.0%	-	0.0%
SkyWest - DL	1,251	0.0%	-	0.0%	23,676	0.9%	2,596	0.1%
Republic - DL	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Delta Airlines Subtotal	865,832	32.5%	904,748	33.6%	882,999	33.1%	928,317	32.9%
Southwest Airlines	904,018	34.0%	883,260	32.8%	855,357	32.1%	852,572	30.2%
United Airlines	-	0.0%	-	0.0%	-	0.0%	480	0.0%
Express Jet - UA	222,047	8.3%	164,076	6.1%	185,951	7.0%	139,756	5.0%
Mesa Airlines - UA	123	0.0%	64	0.0%	-	0.0%	13,435	0.5%
SkyWest - UA	62,304	2.3%	135,060	5.0%	93,068	3.5%	104,017	3.7%
Republic Airways - UA	-	0.0%	-	0.0%	23,154	0.9%	57,291	2.0%
Air Wisconsin - UA	-	0.0%	-	0.0%	-	0.0%	4,670	0.2%
Go Jet - UA	-	0.0%	-	0.0%	-	0.0%	25,820	0.9%
Commut Air - UA	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Tran State - UA	-	0.0%	-	0.0%	-	0.0%	-	0.0%
United Airlines Subtotal	284,474	10.7%	299,200	11.1%	302,173	11.3%	345,469	12.3%

AIRLINES	Fiscal Year 2019		Fiscal Year 2020		Fiscal Year 2021		Fiscal Year 2022		Fiscal Year 2023		Fiscal Year 2024	
	TOTAL PASSENGER	MARKET SHARE										
Delta Airlines	804,660	26.2%	595,680	26.5%	254,121	17.0%	709,176	27.5%	756,681	29.4%	783,331	30.4%
ExpressJet (ASA) - DL	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Endeavor Air - DL	56,997	1.9%	13,849	0.6%	95,693	6.4%	72,324	2.8%	74,032	2.9%	145,521	5.6%
GoJet - DL	36,966	1.2%	30,460	1.4%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Shuttle America - DL	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
SkyWest - DL	92,542	3.0%	75,519	3.4%	-	0.0%	10,803	0.4%	14,143	0.5%	26,948	1.0%
Republic - DL	-	0.0%	21,359	1.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Delta Airlines Subtotal	991,165	32.3%	736,867	32.8%	349,814	23.4%	792,303	30.7%	844,856	32.8%	955,800	37.1%
Southwest Airlines	903,211	29.5%	608,480	27.1%	428,227	28.7%	726,242	28.2%	885,601	34.4%	976,706	37.9%
United Airlines	1,673	0.1%	2,624	0.1%	269	0.0%	468	0.0%	685	0.0%	6,837	0.3%
Express Jet - UA	108,650	3.5%	55,518	2.5%	6,959	0.5%	-	0.0%	-	0.0%	-	0.0%
Mesa Airlines - UA	55,504	1.8%	60,999	2.7%	61,361	4.1%	45,130	1.8%	51,948	2.0%	115,428	4.5%
SkyWest - UA	90,458	3.0%	120,365	5.4%	99,840	6.7%	144,038	5.6%	136,216	5.3%	167,921	6.5%
Republic Airways - UA	11,191	0.4%	18,657	0.8%	21,616	1.4%	19,857	0.8%	4,663	0.2%	6,523	0.3%
Air Wisconsin - UA	14,753	0.5%	12,009	0.5%	2,455	0.2%	15,051	0.6%	39,934	1.5%	-	0.0%
Go Jet - UA	81,722	2.7%	1,709	0.1%	3,905	0.3%	1,687	0.1%	5,309	0.2%	39,990	1.6%
Commut Air - UA	-	0.0%	-	0.0%	14,494	1.0%	50,055	1.9%	83,230	3.2%	13,848	0.5%
Tran State - UA	8,620	0.3%	8,552	0.4%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
United Airlines Subtotal	372,571	12.2%	280,433	12.5%	210,899	14.1%	276,286	10.7%	321,985	12.5%	350,547	13.6%

SOURCE: Airline Reports

Passenger Stats by Carrier (Cont.)

AIRLINES	Fiscal Year 2015		Fiscal Year 2016		Fiscal Year 2017		Fiscal Year 2018	
	TOTAL PASSENGER	MARKET SHARE						
Xtra Airways	1,265	0.0%	-	0.0%	1,304	0.0%	288	0.0%
Republic Airways	121	0.0%	-	0.0%	-	0.0%	-	0.0%
Frontier Airlines	-	0.0%	-	0.0%	-	0.0%	22,854	0.8%
ViaAir	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Total Passengers	2,662,459	100.0%	2,694,995	100.0%	2,668,010	100.0%	2,819,365	100.0%

Fiscal Year 2019		Fiscal Year 2020		Fiscal Year 2021		Fiscal Year 2022		Fiscal Year 2023		Fiscal Year 2024	
TOTAL PASSENGER	MARKET SHARE										
-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
71,290	2.3%	25,337	1.1%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
903	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
3,066,228	100.0%	2,244,616	100.0%	1,493,167	100.0%	2,577,690	100.0%	2,874,268	100.0%	3,169,211	100.0%

SOURCE: Airline Reports

OPERATIONAL STATISTICS

Total Passengers

FISCAL YEAR	TOTAL	PERCENTAGE CHANGE
2015	2,662,459	1.9%
2016	2,694,995	1.2%
2017	2,668,010	-1.0%
2018	2,819,365	5.7%
2019	3,066,228	8.8%
2020	2,244,616	-26.8%
2021	1,493,167	-33.5%
2022	2,577,690	72.6%
2023	2,874,268	11.5%
2024	3,169,211	10.3%

Passenger Enplanements

FISCAL YEAR	TOTAL	PERCENTAGE CHANGE
2015	1,330,235	1.7%
2016	1,349,032	1.4%
2017	1,336,065	-1.0%
2018	1,409,531	5.5%
2019	1,533,824	8.8%
2020	1,119,455	-27.0%
2021	747,272	-33.2%
2022	1,289,296	72.5%
2023	1,434,680	11.3%
2024	1,577,506	10.0%

Passenger Aircraft Operations

FISCAL YEAR	TOTAL	INCREASE (DECREASE)	PERCENTAGE CHANGE
2015	37,630	324	0.9%
2016	38,492	862	2.3%
2017	37,706	(786)	-2.0%
2018	38,982	1,276	3.4%
2019	41,364	2,382	6.1%
2020	33,288	(8,076)	-19.5%
2021	23,540	(9,748)	-29.3%
2022	30,864	7,324	31.1%
2023	31,866	1,002	3.2%
2024	37,320	5,454	17.1%

Passenger Aircraft Landing Weight

(in thousands of pounds)

FISCAL YEAR	TOTAL	INCREASE (DECREASE)	PERCENTAGE CHANGE
2015	1,635,170	(7,198)	-0.4%
2016	1,624,706	(10,464)	-0.6%
2017	1,656,428	31,722	2.0%
2018	1,738,586	82,158	5.0%
2019	1,833,622	95,036	5.5%
2020	1,487,485	(346,137)	-18.9%
2021	1,064,578	(422,907)	-28.4%
2022	1,494,718	430,140	40.4%
2023	1,629,185	134,467	9.0%
2024	1,882,499	253,314	15.5%

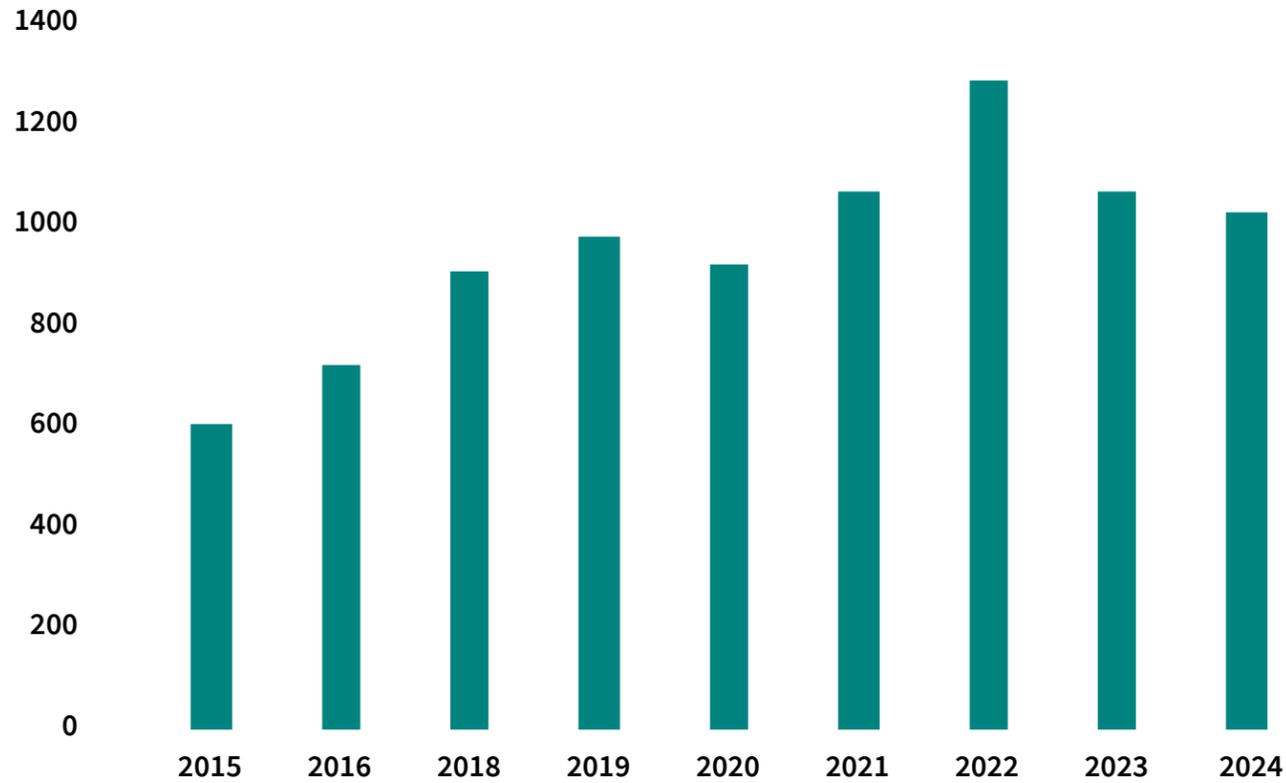
SOURCE: Airline Reports

Cash Available for Operations

	2015	2016	2017	2018
Unrestricted Cash and Cash Equivalents	\$26,453,879	\$28,488,429	\$34,430,543	\$39,525,666
Unrestricted Investments	14,983,266	20,168,903	25,926,563	26,398,830
Total Cash Available for Operations	\$41,437,145	\$48,657,332	\$60,357,106	\$65,924,496
Operating Expenses Less Non-Cash Pension Expense	25,853,901	25,432,220	25,230,897	27,060,856
Days in Fiscal Year	365	366	365	365
Days Funded	585	700	873	889

	2019	2020	2021	2022	2023	2024
	\$32,075,429	\$53,142,353	\$39,682,286	\$36,913,811	\$40,971,297	\$51,808,550
	40,599,347	10,146,525	30,208,732	56,945,002	61,575,792	47,412,768
Total Cash Available for Operations	\$72,674,776	\$63,288,878	\$69,891,018	\$93,858,813	\$102,547,089	\$99,221,318
Operating Expenses Less Non-Cash Pension Expense	27,606,851	25,600,510	24,383,945	27,013,701	35,685,300	36,058,439
Days in Fiscal Year	365	366	365	365	364	365
Days Funded	961	905	1,046	1,268	1,046	1,004

Days Cash on Hand



AIRPORT INFORMATION



LOCATION
4 Miles Northeast
of Downtown
Birmingham



RUNWAYS
18 / 36 - 7,099 ft x 150ft
6 / 24 - 12,007 ft x 150ft



**RENTAL CAR
FACILITY**
8 Rental Car Agencies



AREA
2170 Acres



ELEVATION
650 ft MSL



**COMMERCIAL
AIRLINE APRON**
1,812,216 ft



AIRPORT CODE
BHM



**NUMBER OF GATES
HARDSTAND POSITION**
19/4

TERMINAL SPACE

Airlines	88,527 SF
Concession and Office Space	149,122 SF
Circulation Space	147,250 SF
Utilities	17,162 SF
Other	23,062 SF
Total	425,123 SF

PUBLIC PARKING SPACES

Parking Garage	4,678
Economy Lot	919
Overflow Parking	380
Cell Phone Waiting Lot	40
Total	6,017

SOURCE: Birmingham Airport Authority Records



Summary of Certain Rates and Charges (I)

	2015	2016	2017	2018
SIGNATORY				
Landing Fees (2)	\$5.74	\$5.59	\$5.66	\$5.55
Terminal Space Rentals (3)	\$70.80	\$69.45	\$66.98	\$70.30
Apron Fees (3)	\$1.60	\$1.50	\$1.26	\$1.31
NON-SIGNATORY (4)				
Landing Fees (2)	\$7.18	\$6.99	\$7.08	\$6.94
Terminal Space Rentals (3)	\$88.50	\$86.81	\$83.73	\$87.88
Apron Fees (3)	\$2.00	\$1.88	\$1.58	\$1.64
Aircraft Overnight Parking (per occurrence)	\$105.00	\$105.00	\$105.00	\$105.00
PARKING RATES (5)				
Parking Deck Daily	\$12.00	\$12.00	\$12.00	\$12.00
Parking Deck Hourly	\$24.00	\$24.00	\$24.00	\$24.00
Economy Lot	\$10.00	\$10.00	\$10.00	\$10.00

	2019	2020	2021	2022	2023	2024
SIGNATORY						
Landing Fees (2)	\$5.20	\$5.18	\$6.71	\$5.39	\$5.85	\$3.66
Terminal Space Rentals (3)	\$68.42	\$72.25	\$65.89	\$66.49	\$106.90	\$95.43
Apron Fees (3)	\$1.31	\$1.15	\$1.02	\$1.09	\$32,893	\$28,800
NON-SIGNATORY (4)						
Landing Fees (2)	\$6.50	\$6.48	\$8.39	\$6.74	N/A	N/A
Terminal Space Rentals (3)	\$85.53	\$90.31	\$82.36	\$83.11	N/A	N/A
Apron Fees (3)	\$1.64	\$1.44	\$1.28	\$1.36	N/A	N/A
Aircraft Overnight Parking (per occurrence)	\$105.00	\$105.00	\$113.00	\$133.51	\$90.12	\$78.91
PARKING RATES (5)						
Parking Deck Daily	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00
Parking Deck Hourly	\$24.00	\$24.00	\$24.00	\$24.00	\$24.00	\$24.00
Economy Lot	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00

NOTES:

- (1) Airline rates and charges are post-audit
- (2) Per 1,000 pounds of landing weight
- (3) Per square foot per year up to FY 2022; changed to per gate in FY 2023
- (4) Non-signatory rate premium was eliminated in FY 2023
- (5) Maximum per day

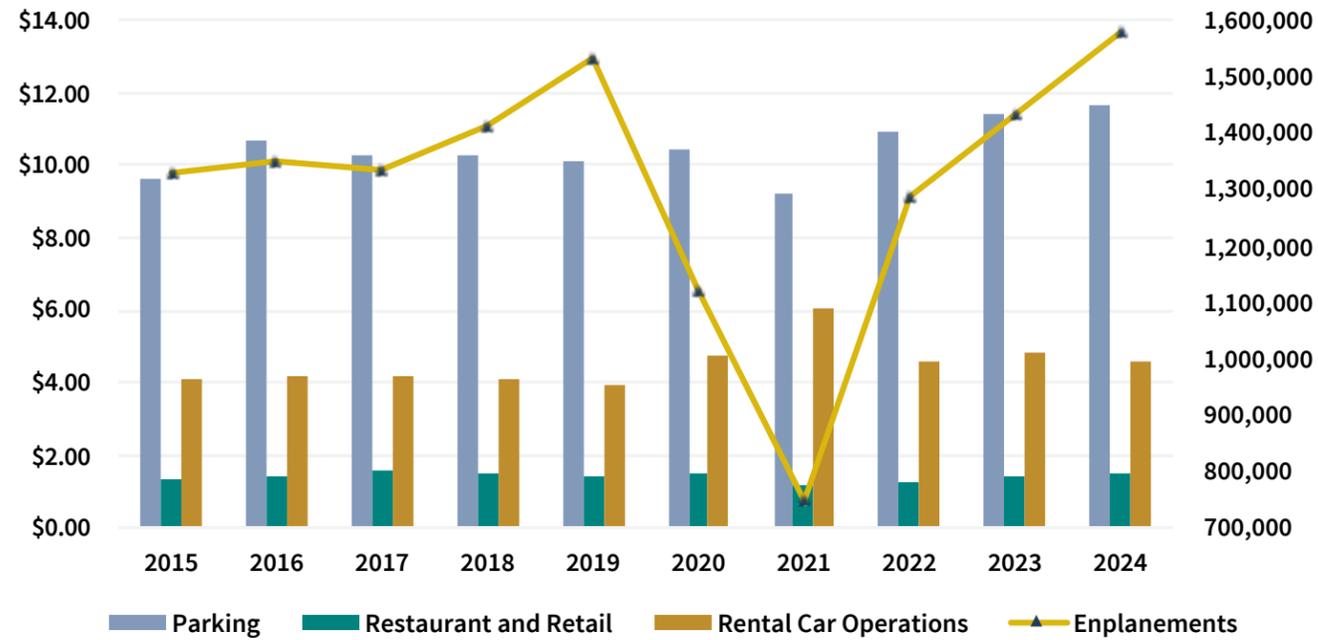
SOURCE: Birmingham Airport Authority Records

Employee Staffing

	2015	2016	2017	2018
NUMBER OF EMPLOYEES	133	131	158	166

	2019	2020	2021	2022	2023	2024
NUMBER OF EMPLOYEES	160	155	125	100	107	118

Key Revenue Sources Per Enplanement



Operating Revenue Per Enplanement

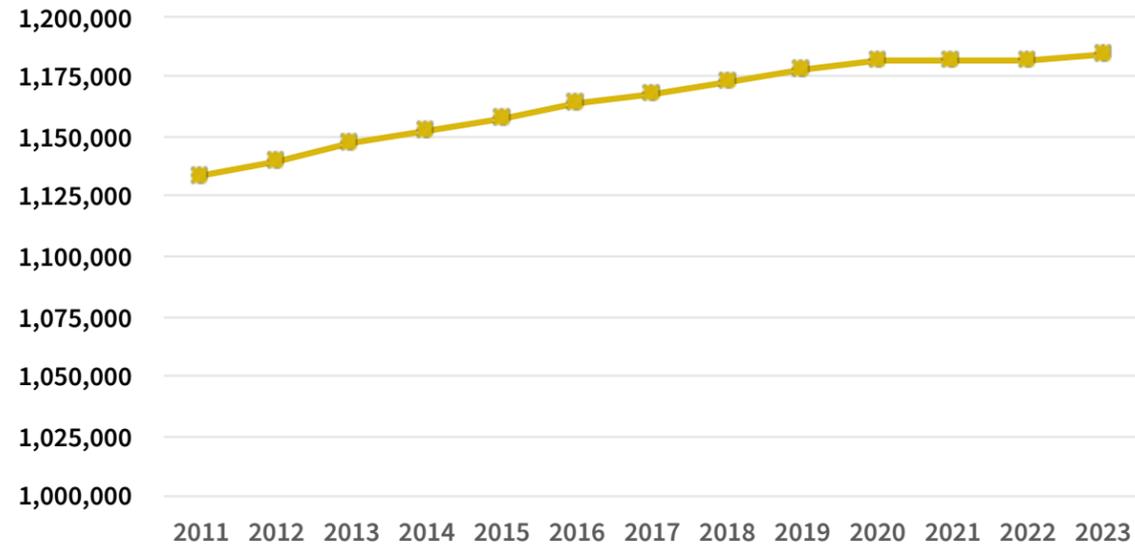
REVENUE	2015	2016	2017	2018
Parking	\$9.60	\$10.63	\$10.29	\$10.23
Restaurant and Retail	\$1.31	\$1.41	\$1.55	\$1.48
Rental Car Operations	\$4.09	\$4.17	\$4.21	\$4.09

2019	2020	2021	2022	2023	2024
\$10.13	\$10.40	\$9.23	\$10.95	\$11.43	\$11.64
\$1.43	\$1.51	\$1.19	\$1.23	\$1.39	\$1.53
\$3.94	\$4.72	\$6.02	\$4.56	\$4.85	\$4.54

SOURCE: Birmingham Airport Authority Records

DEMOGRAPHIC & ECONOMIC STATISTICS

Birmingham-Hoover MSA Population (2011-2023)



Birmingham-Hoover MSA Largest Ten Employers (2023 Compared to 2014)

NAME	2023			2014		
	LOCAL EMPLOYEES	RANK	% OF MSA EMPLOYMENT	LOCAL EMPLOYEES	RANK	% OF MSA EMPLOYMENT
University of Alabama at Birmingham	28,000	1	4.9%	23,000	1	4.5%
Walmart	7,600	2	1.3%	-	-	-
Mercedes-Benz U.S. International Inc.	6,300	3	1.1%	3,500	9	0.7%
Regions Financial Corp.	5,927	4	1.0%	7,668	2	1.5%
Brookwood Baptist Health	5,800	5	1.0%	3,200	10	0.6%
Publix Super Markets, Inc.	5,500	6	1.0%	-	-	-
Ascension St. Vincent's Health System, Inc.	4,800	7	0.8%	4,644	4	0.9%

SOURCE: Birmingham Business Journal, Book of Lists (2015 and 2024)
 NOTE: Due to rounding, percentages may not add up precisely to the total provided

Birmingham-Hoover MSA Largest Ten Employers (2023 Compared to 2014) Cont.

NAME	2023			2014		
	LOCAL EMPLOYEES	RANK	% OF MSA EMPLOYMENT	LOCAL EMPLOYEES	RANK	% OF MSA EMPLOYMENT
Honda Manufacturing of Alabama	4,500	8	0.8%	4,500	5	0.9%
Children's of Alabama	4,400	9	0.8%	4,497	6	0.9%
Alabama Power Company	3,670	10	0.6%	3,982	8	0.8%
AT&T	-	-	-	5,750	3	1.1%
Blue Cross Blue Shield of Alabama	-	-	-	4,000	7	0.8%
Total	76,497	-	13.5%	64,741	-	12.7%
Est. MSA Employment	566,300	-	-	516,200	-	-

Birmingham-Hoover MSA Statistical Summary

Year	Average Employment ²	Personal Income (\$000s) ¹	Per Capita Personal Income ¹	Median Age ¹	School Enrollment ¹	Average Unemployment Rate (%) ²
2014	516,200	\$47,199,423	\$43,457	38.4	278,605	6.0
2015	521,900	\$49,627,782	\$45,440	38.2	281,264	5.5
2016	526,500	\$50,504,342	\$46,011	38.8	282,094	5.5
2017	531,800	\$53,065,467	\$48,120	38.6	282,680	4.1
2018	541,200	\$55,474,303	\$50,091	39.1	277,096	3.5
2019	549,500	\$57,725,797	\$51,906	38.8	258,399	2.7
2020	526,100	\$61,190,055	\$54,798	38.7	262,344	5.5
2021	540,500	\$68,071,032	\$60,940	39.4	263,196	3.2
2022	555,700	\$70,322,209	\$62,993	39.3	270,347	2.4
2023	566,300	\$74,452,605	\$66,502	39.4	275,123	2.3

NOTES:
 (1) U.S. Census Bureau; Bureau of Economic Analysis
 (2) U.S. Bureau of Labor Statistics



COMPLIANCE

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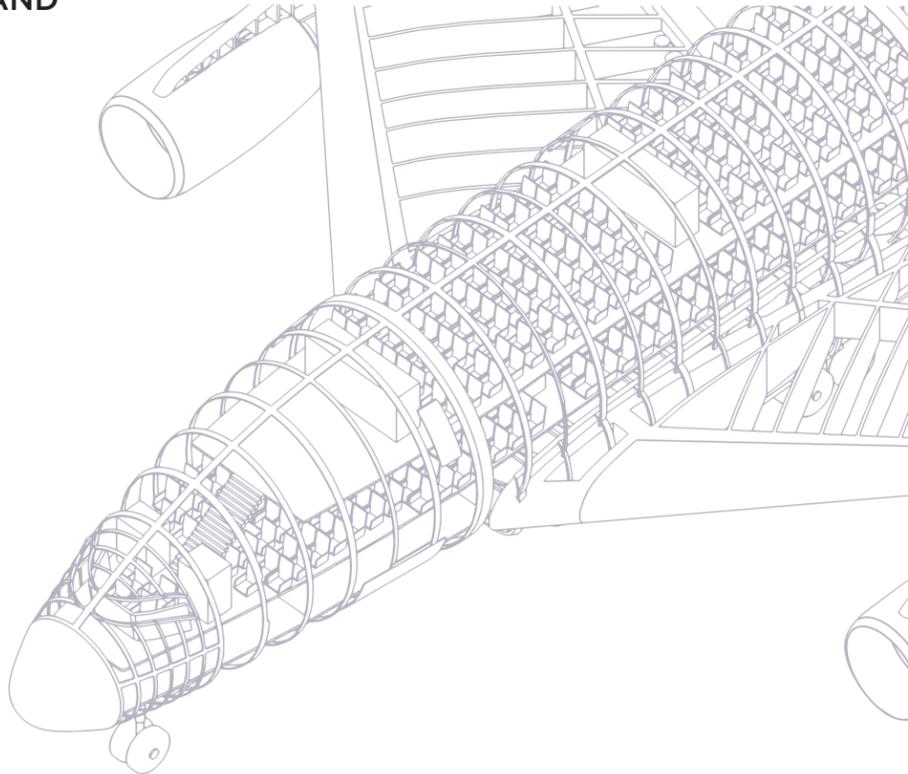
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AUDITOR'S REPORT

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*



To the Board of Directors of the,
Birmingham Airport Authority
Birmingham, Alabama

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of the Birmingham Airport Authority (“the Authority”), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Authority’s basic financial statements, and have issued our report thereon dated March 28, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Authority’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Birmingham, Alabama
March 28, 2025

Banks, Finley White & Co.

AUDITOR'S REPORT (Cont.)

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance



To the Board of Directors of the,
Birmingham Airport Authority
Birmingham, Alabama

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Birmingham Airport Authority's ("the Authority") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2024. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's, internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

AUDITOR’S REPORT (Cont.)

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor’s Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Birmingham, Alabama
March 28, 2025

Schedule of Expenditure’s of Federal Awards Year Ended June 30, 2024

FEDERAL GRANTOR	CFDA NUMBER	ID NUMBER	EXPENDITURES
U.S. DEPARTMENT OF TRANSPORTATION			
FEDERAL AVIATION ADMINISTRATION			
Airport Improvement Program			
ARPA	20.106	3-01-0014-113-2022	\$1,298,815
	20.106	3-01-0014-114-2022	\$61,462
	20.106	3-01-0014-115-2023	-
	20.106	3-01-0014-117-2022	\$1,147
	20.106	3-01-0014-118-2022	\$145,774
	20.106	3-01-0014-119-2023	\$2,653,320
	20.106	3-01-0014-120-2023	\$384,612
	20.106	3-01-0014-123-2023	\$3,225,348
	20.106	3-01-0014-126-2024	\$8,550
	20.106	3-01-0014-129-2024	\$373
Total U.S. Department of Transportation			\$7,779,401
U.S. DEPARTMENT OF HOMELAND SECURITY			
Transportation Security Administration	97.117	70T04022T7672N007	\$115,718
Total Expenditures of Federal Awards			\$7,895,119

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Birmingham Airport Authority (“the Authority”) under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Authority.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

The Authority has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.



SCHEDULE OF FINDINGS & QUESTIONED COSTS

Section I - Summary of Auditor’s Results

Financial Statements

TYPE OF AUDITOR’S REPORT ISSUED (UNMODIFIED)		
Internal control over financial reporting:		
Material weakness(es) identified?	YES	NO
Significant deficiencies identified that are not considered to be material weaknesses?	YES	None Reported
Noncompliance material to financial statements noted?	YES	NO

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	YES	NO
Significant deficiencies identified that are not considered to be material weaknesses?	YES	None Reported
Type of auditor’s report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)?	YES	NO

IDENTIFICATION OF MAJOR PROGRAMS		
Federal Assistance Listing Numbers		20.106
Name of Federal Program		Airport Improvement Program
Dollar threshold used to distinguish between Type A and Type B programs:		\$750,000
Auditee Qualified as Low-Risk Auditee?	YES	NO

Section II - Financial Statement Findings

No matters were reported.

AUDITOR'S REPORT

Independent Auditor's Report on Compliance with Requirements Applicable to the Passenger Facility Charge Program and on Internal Control Over Compliance in Accordance with Requirements Issued by the Federal Aviation Administration



To the Board of Directors of the,
Birmingham Airport Authority
Birmingham, Alabama

Report on Compliance for Passenger Facility Charge Program

Opinion

We have audited the Birmingham Airport Authority's ("the Authority") compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration ("the Guide"), that could have a direct and material effect on its Passenger Facility Charge ("PFC") Program for the year ended June 30, 2024.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the PFC program for the year ended June 30, 2024.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the PFC Guide issued by the FAA. Our responsibilities under those standards and the PFC Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements of referred to above, and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of

laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the PFC Program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the PFC Guide will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the PFC Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the PFC Guide, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to

AUDITOR'S REPORT (Cont.)

prevent, or to detect and correct, noncompliance with a type of compliance requirement of the Guide on a timely basis.

A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the Guide will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a PFC program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the PFC Guide issued by the FAA. Accordingly, this report is not suitable for any other purpose.

Report on Passenger Facility Charge Revenues and Disbursements Schedules Required by the PFC Guide

We have audited the basic financial statements of the Authority, as of and for the year ended June 30, 2024, and have issued our report thereon dated March 28, 2025, which contained an unmodified opinion on those financial statements and a reference to other auditors. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying passenger facility charge revenues and disbursements schedules are presented for purposes of additional analysis as required by the Guide and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing

and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the passenger facility charge revenues and disbursements schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Birmingham, Alabama
March 28, 2025

Bank, Finley White & Co.

SCHEDULE OF PFCs COLLECTED AND EXPENDED

For the year ended June 30, 2024

QUARTER ENDED	PFC CHARGES RECEIVED	INTEREST EARNED	TOTAL RECEIVED
Beginning Balance	\$123,850,865	\$1,514,879	\$125,365,744
9/30/2023	1,177,340	57,905	\$1,235,245
12/31/2023	1,840,690	71,952	\$1,912,642
3/31/2024	1,440,751	83,741	\$1,524,492
6/30/2024	1,660,798	97,771	\$1,758,568
Total 2024	\$6,119,579	\$311,368	\$6,430,947
Total Program to Date	\$129,970,444	\$1,826,247	\$131,796,691

QUARTER ENDED	EXPENDITURES ON APPROVED PROJECTS	NET PER FINANCIAL STATEMENTS
Beginning Balance	\$119,078,723	\$6,287,021
9/30/2023	-	\$1,235,245
12/31/2023	-	\$1,912,642
3/31/2024	-	\$1,524,492
6/30/2024	-	\$1,758,568
Total 2024	-	\$6,430,947
Total Program to Date	\$119,078,723	\$12,717,968
Receivable at June 30, 2023	-	\$518,837
PFC Funds to be used for future debt service payments and capital projects	-	\$13,236,805

NOTES TO THE SCHEDULE OF PASSENGER FACILITY CHARGES COLLECTED & EXPENDED

Note 1: Basis of Presentation

The accompanying Schedule of Passenger Facility Charges Collected and Expended includes all the PFCs and the interest earnings thereon collected by the Authority from August 1, 1997 (original date of approval) through June 30, 2024. The schedule also includes all funds expended life to date. The Authority currently collects \$4.50 per enplaned passenger. The current approval for charges as approved by the Federal Aviation Administration is estimated to end on September 1, 2035.

Note 2: Basis of Accounting

The Schedule of Passenger Facility Charges Collected and Expended was prepared on the accrual basis of accounting. PFCs are recorded as revenue when earned and expenditures for debt service and approved capital projects are recorded as expenditures are incurred. Expenditures are incurred in accordance with the approved FAA application for use.

Note 3: Program Costs

The amounts shown as current year revenues and expenses represent only the Passenger Facility Charges portions of the project costs. Entire project costs may be more than shown.

Note 4: Reconciliation to Statements of Revenues, Expenses, and Changes in Net Position

Passenger facility charges are reported on an accrual basis in the Authority’s Statement of Revenues, Expenses, and Changes in Net Position in the Annual Comprehensive Financial Report. Reporting standards adopted by the FAA require, for purposes of the Schedule of PFC Collected and Expended, that such charges be reported on a cash basis. A reconciliation between cash collections and revenues reported on the accrual basis is as follows:

FISCAL YEAR 2024	
Passenger Facility Charges	
PFC Funds Received per Schedule of PFC Collected and Expended	\$6,119,579
Less Prior Year Accrual	(452,048)
Add Current Year	518,837
Amount Per Statement of Revenues, Expenses, and Changes in Net Position	\$6,186,368



BY THE NUMBERS

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INTERNATIONAL MARKETS

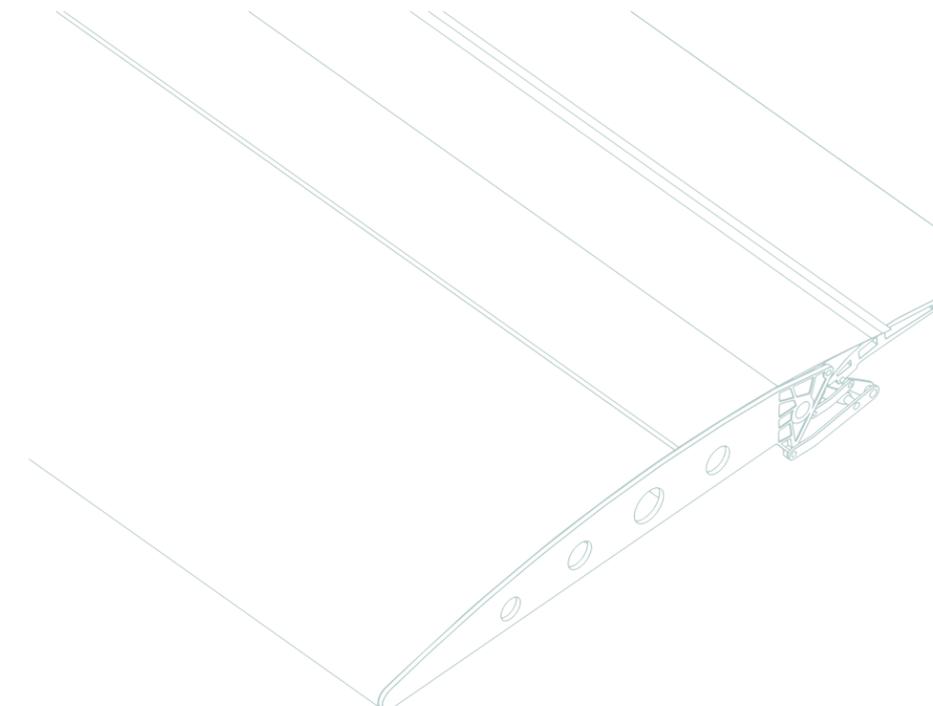
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DESTINATIONS



FISCAL YEAR 2024 BAA PROJECT SUMMARIES



Terminal Apron Joint Seal and Concrete Repair

The Terminal Apron consists of approximately 44 acres of concrete slabs that provide commercial service aircraft access to and from passenger gates at BHM. Much of the apron is over 15 years of age and due for repair. This project will replace all the joint seals between the concrete slabs that prevent water and moisture from penetrating the apron pavement, extending its useful life. Additionally, the \$3.1 million project will address numerous areas of concrete cracking and damage.



Air Cargo Facility

Due to increasing demand for additional air cargo space at the airport, the BAA embarked on an ambitious project to construct a new air cargo facility. Construction of the new facility began in June of 2023 and was completed in June of 2024. The 53,000 square foot air cargo facility provides for international air cargo business directly into the Birmingham region. The \$31 million project was paid for completely using internal funds.



Taxiway 'H' Connectors Rehabilitation

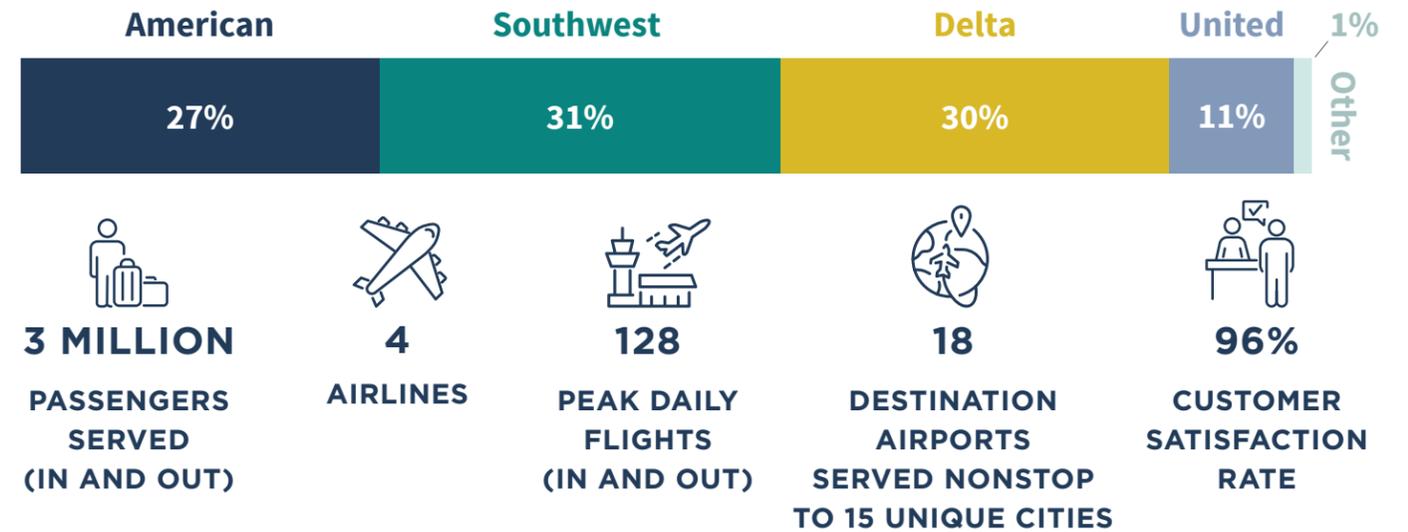
Years of aircraft operations have significantly impacted the pavement condition of the Taxiway 'H' connectors that serve numerous aircraft operators along the west side of the airfield, including the Air National Guard. This project will re-construct critical airfield infrastructure, extending the life of the Taxiway 'H' connectors to our general aviation and military community. The nearly \$6 million project began in August of 2024 and will be completed in July of 2025. The Taxiway H2 connector was the first to be completed, in October of 2024.



Runway Safety Area Improvements

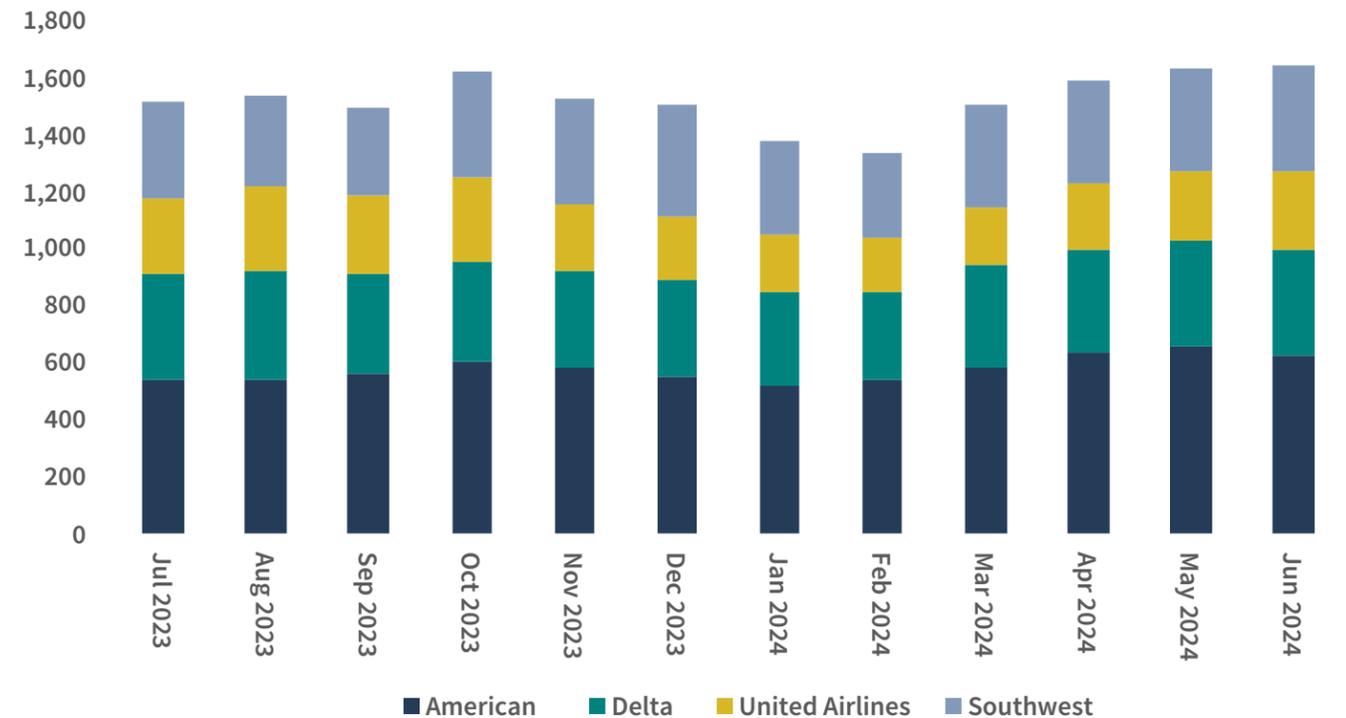
The runway safety area at BHM is an area extending 1,000 feet beyond the runway end that is used as a safety zone for aircraft running off the runway pavement in the event of an emergency. This project improved the safety of the airfield by re-grading the Runway Safety Areas at the end of runways 6, 24 and 36. The \$3.6 million grading and drainage project enhanced safety by providing smooth and firm terrain beyond each runway at three of the four runway ends at BHM.

MARKET O&D PASSENGER MARKET SHARE



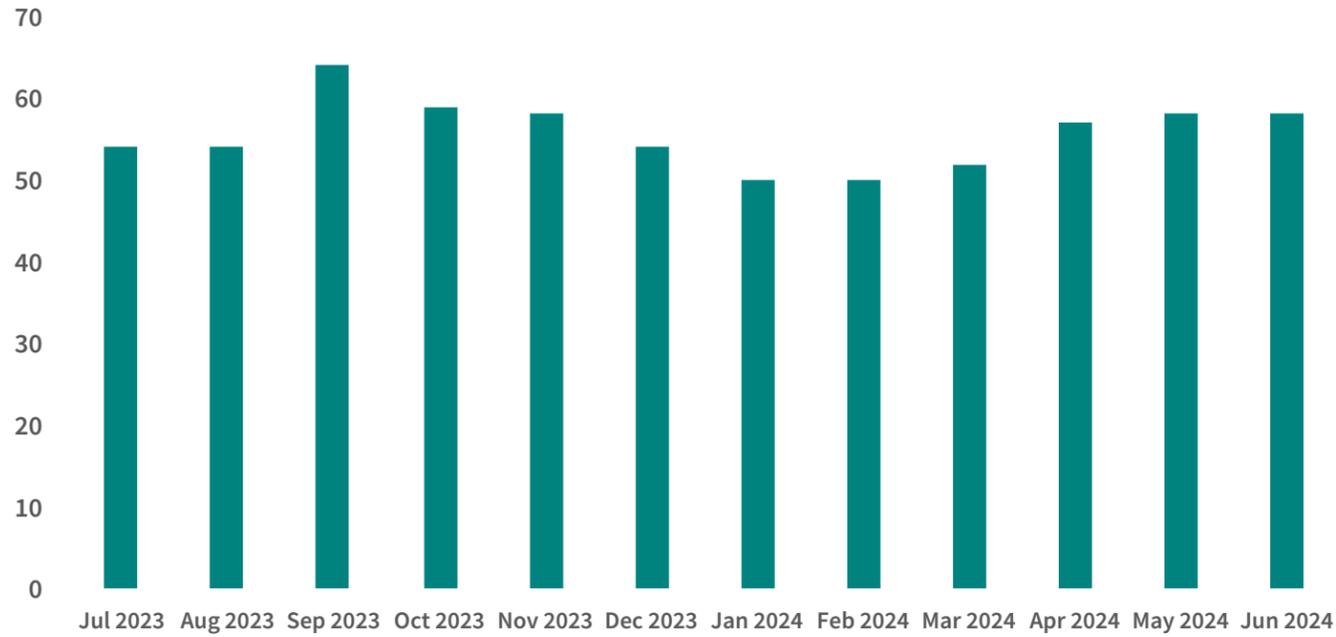
BHM DAILY DEPARTURES

Daily Departures by Airline

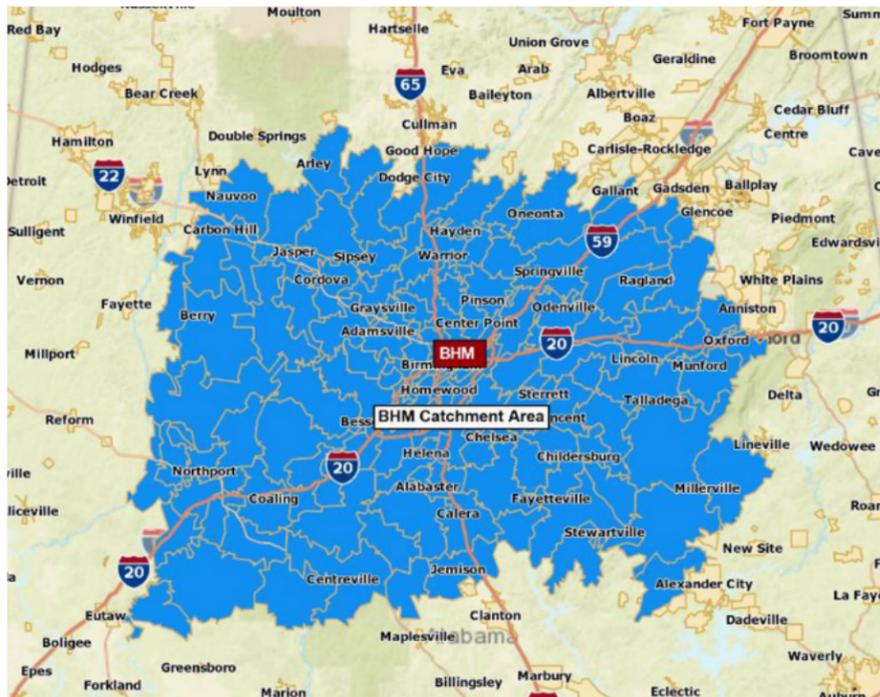


Source: Diio Mi - T-100 BHM outbound flown monthly departures (ops > 3) and peak day of scheduled flights by month

Scheduled Peak Daily Departures



BHM CATCHMENT AREA | 60 MINUTE DRIVE



The Birmingham Catchment Area was defined as the geographic region surrounding the Birmingham-Shuttlesworth International Airport that is approximately a 60 minute drive from the airport.

TOP DOMESTIC O&D MARKETS

Rank	Destination	O&D Passengers	O&D Revenue (\$)	Average Fare (\$)	YOY % Change		
					Pax	Rev	Fare
1	Orlando, FL (MCO)	172,306	25,770,647	150	16%	15%	(1%)
2	New York, NY (LGA)	126,156	29,267,244	232	40%	32%	(6%)
3	Dallas, TX (DFW)	109,939	24,756,672	225	13%	18%	4%
4	Denver, CO	108,856	22,665,122	208	1%	1%	(1%)
5	Tampa, FL	101,508	15,648,897	154	4%	17%	12%
6	Dallas, TX (DAL)	100,042	15,289,178	153	16%	22%	5%
7	Washington, DC (DCA)	93,166	20,987,234	225	10%	7%	(3%)
8	Las Vegas, NV	89,594	22,797,174	254	23%	23%	0%
9	Houston, TX (IAH)	80,053	16,690,940	208	8%	16%	7%
10	Chicago, IL (MDW)	69,773	10,096,848	145	(5%)	3%	9%
11	Chicago, IL (ORD)	68,156	14,822,846	217	11%	19%	8%
12	Baltimore, MD	68,116	11,227,494	165	2%	12%	10%
13	Houston, TX (HOU)	62,214	9,067,419	146	(4%)	(0%)	3%
14	Philadelphia, PA	55,628	13,702,248	246	17%	11%	(5%)
15	Charlotte-Douglas, NC	53,899	13,491,011	250	20%	17%	(3%)
16	Phoenix, AZ (PHX)	52,261	14,516,975	278	11%	15%	3%
17	Detroit, MI	50,992	13,534,480	265	8%	4%	(3%)
18	Los Angeles, CA	48,391	15,568,106	322	(1%)	1%	2%
19	Miami, FL	43,089	11,109,870	258	16%	9%	9%
20	Austin, TX	42,619	8,617,665	202	(6%)	4%	11%
Total All Markets		3,030,754	778,851,655	257	10%	9%	(0%)

Overall, passengers were up 10% YoY, while O&D revenue increased 9%, average fares remained unchanged.

Source: Diio Mi, YE Q2 2024

TOP INTERNATIONAL O&D MARKETS

Rank	Destination	O&D Passengers	O&D Revenue (\$)	Average Fare (\$)	YOY % Change		
					Pax	Rev	Fare
1	London, UK (LHR)	14,363	8,952,133	623	19%	14%	(4%)
2	Cancun, Mexico	13,636	3,592,254	263	6%	(3%)	(8%)
3	Montego Bay, Jamaica	10,464	2,943,890	281	21%	6%	(12%)
4	Mexico City, Mexico	9,799	3,141,083	321	11%	4%	(7%)
5	Toronto, Canada	9,738	2,900,020	298	26%	20%	(5%)
6	Punta Cana, Dominican Republic	9,325	3,150,268	338	41%	33%	(6%)
7	Paris-De Gaulle, France	7,877	4,869,958	618	22%	24%	1%
8	Rome-Da Vinci, Italy	6,321	4,677,039	740	18%	19%	1%
9	San Jose del Cabo, Mexico	5,967	1,791,858	300	(2%)	(12%)	(10%)
10	Nassau, Bahamas	5,014	1,411,710	282	6%	(12%)	(17%)
10	Vancouver, Canada	4,881	1,955,694	401	25%	9%	(13%)
11	Frankfurt, Germany	3,869	3,022,686	781	(19%)	(24%)	(7%)
13	Montreal, Canada	3,771	1,257,377	333	26%	23%	(2%)
14	Queretaro, Mexico	3,723	1,082,080	291	35%	18%	(13%)
15	Amsterdam, Netherlands	3,575	2,426,184	679	(5%)	15%	22%
16	Leon/Guanajuato, Mexico	3,574	1,135,215	318	10%	8%	(2%)
17	Liberia, Costa Rica	3,496	1,177,125	337	70%	36%	(20%)
18	Guadalajara, Mexico	3,391	1,031,903	304	(5%)	(11%)	(6%)
19	Tokyo-Haneda, Japan	3,385	4,426,887	1,308	31%	31%	5%
20	Calgary, Canada	3,164	1,183,370	374	59%	48%	(7%)
Total All Markets		270,822	146,557,564	541	14%	9%	(4%)

International markets made up 9% of total O&D passengers and 19% of O&D revenue; overall, international traffic was up 14% year-over-year.

Source: Diio Mi, YE Q2 2024

DEMOGRAPHICS REPORT FOR POSTAL CODES WITHIN 50 MILES OF BHM

Note: 2023 data is sourced from the US Census American Community Survey (ACS) 2023 5-year estimates. 2020 data is sourced from US Census 2020 Redistricting Data (PL 94-171). 2010 data is sourced from US Census 2010 Redistricting Data (PL 94-171).

GENERAL	2023	2020	2010
Households	602,685	598,396	494,244
Median Household Value	\$162,100	\$147,230	\$109,300
Average Household Income	\$77,053	\$67,766	\$61,402
Per Capita Income	\$34,966	\$29,463	\$24,643
POPULATION			
Total	1,354,140	1,350,442	1,290,391
White	883,628	864,400	913,890
African American	360,070	355,924	330,251
Hispanic	74,024	72,360	N/A
Asian	18,595	20,422	14,902
Hawaiian/Other Pacific Islander	497	630	288
Native American/Alaska Native	3,877	5,416	3,499
Other	13,449	31,290	15,490

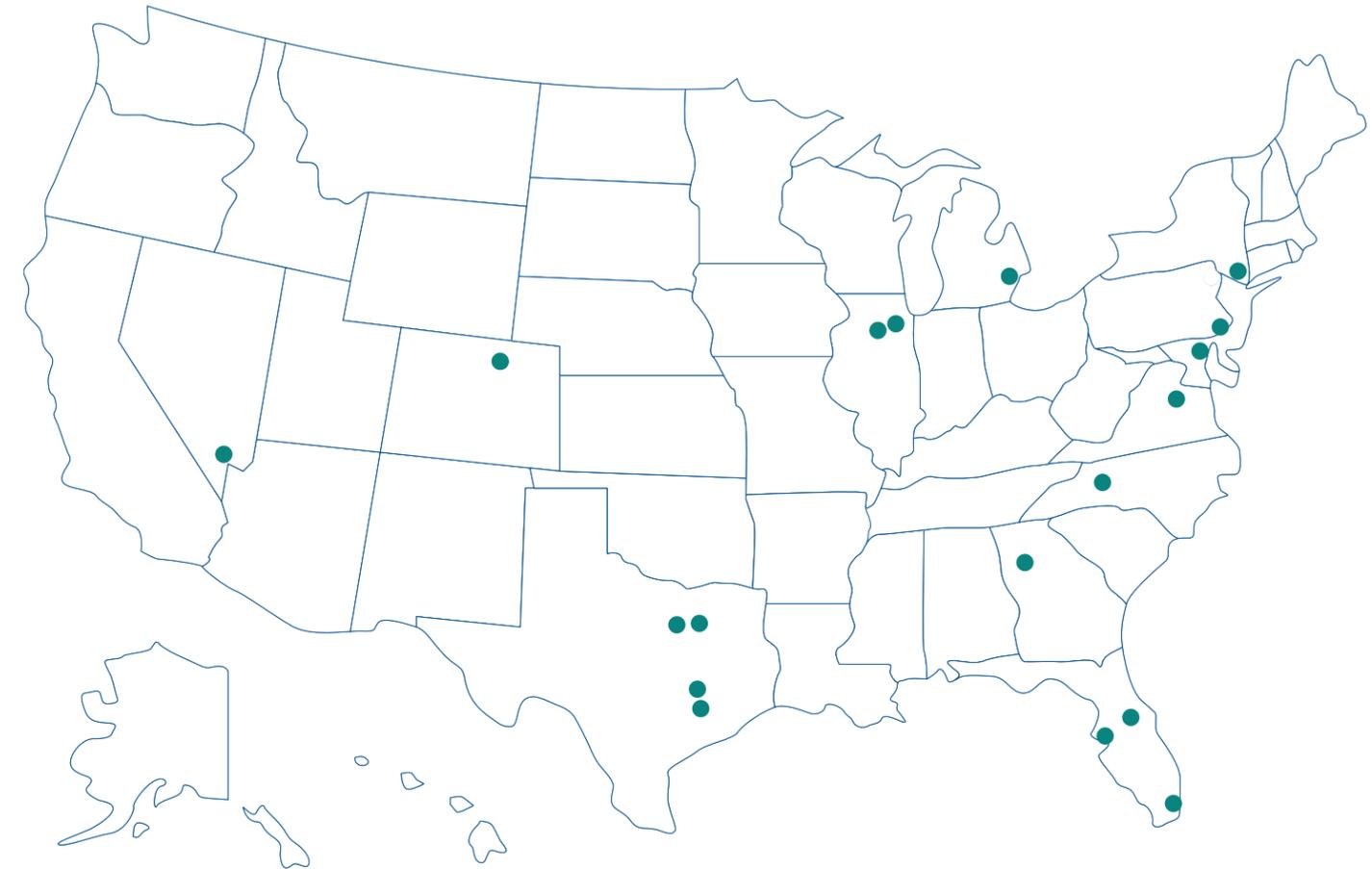
BIRMINGHAM AIRPORT AUTHORITY INTERSTATE ACCESS MAP



BHAM FOOTPRINT

BHM is conveniently located about 4.5 miles east of downtown Birmingham and the uptown entertainment district. Complete with restaurants, bars, hotels, event facilities, and a 45,000 seat stadium adjacent to interstates 20 and 59 with easy access to interstates 459, 65 and 22.

BHM NONSTOP ROUTE MAP SUMMER 2024 MAP



DELTA	AMERICAN	SOUTHWEST	UNITED
Atlanta (ATL)	Charlotte (CLT)	Baltimore (BWI)	Chicago O'Hare (ORD)
Detroit (DTW)	Chicago O'Hare (ORD)	Chicago-Midway (MDW)	Denver (DEN)
New York-La Guardia (LGA)	Dallas/Fort Worth (DFW)	Dallas-Love (DAL)	Houston-Intercontinental (IAH)
	Miami (MIA)	Denver (DEN)	
	Philadelphia (PHL)	Houston-Hobby (HOU)	
	Washington-National (DCA)	Las Vegas (LAS)	
	New York-La Guardia (LGA)	Orlando (MCO)	
		Tampa (TPA)	

BHAM GLOBAL ACCESS ONE-STOP DESTINATIONS



BHM offers global access to 373 destinations (21 nonstop and 352 one-stop).

5 airlines to 21 non-stop destinations: ATL, BNA, BWI, CLT, DAL, DCA, DEN, DFW, DTW, FLL, HOU, IAH, LAS, LGA, MCO, MDW, MIA, ORD, PHL, PHX, and TPA.

NONSTOP AND ONE-STOP DESTINATIONS

DOMESTIC | 264 MARKETS (21 NONSTOP & 243 ONE-STOP)

ABE	BDL	CAE	CWA	ELM	FWA	HOB	LAS*	MDT
ABI	BFL	CAK	CYS	ELP	GCC	HOU*	LAW	MDW*
ABQ	BGR	CHA	DAB	ERI	GCK	HPN	LAX	MEM
ABY	BIH	CHO	DAL*	ESC	GEG	HRL	LBB	MFE
ACT	BIL	CHS	DAY	EUG	GGG	HTS	LCH	MFR
ACV	BIS	CID	DCA*	EVV	GJT	HYS	LEX	MHK
AEX	BMI	CLE	DEC	EWN	GNV	IAD	LFT	MHT
AGS	BNA*	CLL	DEN*	EWR	GPT	IAH*	LGA*	MIA*
ALB	BOI	CLT*	DFW*	EYW	GRB	ICT	LGB	MKE
ALO	BOS	CMH	DHN	FAR	GRI	IDA	LIH	MLB
AMA	BPT	CMI	DIK	FAT	GRK	ILM	LIT	MLI
ANC	BQK	CMX	DLH	FAY	GRR	IND	LNK	MLU
ART	BRO	COD	DRO	FCA	GSO	ISP	LRD	MOB
ASE	BTM	COS	DSM	FLG	GSP	JAC	LWS	MOT
ATL*	BTR	COU	DTW*	FLL*	GTF	JAN	LYH	MQT
ATW	BTV	CPR	DVL	FLO	GUC	JAX	MAF	MRY
AUS	BUF	CRP	EAR	FNT	HDN	JFK	MBS	MSN
AVL	BUR	CRW	EAU	FOD	HHH	JMS	MCI	MSO
AVP	BWI*	CSG	ECP	FSD	HLN	KOA	MCO*	MSP
AZO	BZN	CVG	EGE	FSM	HNL	LAN	MCW	MSY

* Non-stop market also served via one-stop.

DOMESTIC | 264 MARKETS (CONT.)

MTJ	PVU	SCE	SUX
MYR	PWM	SDF	SWO
OAJ	RAP	SEA	SYR
OAK	RDM	SFO	TLH
OGG	RDU	SGF	TPA*
OKC	RIC	SGU	TRI
OMA	RIW	SHR	TUL
ONT	RKS	SHV	TUS
ORD*	RNO	SJC	TVC
ORF	ROA	SJT	TXK
PBI	ROC	SJU	TYR
PDX	ROW	SLC	TYS
PGV	RST	SLN	VCT
PHF	RSW	SMF	VLD
PHL*	SAF	SNA	VPS
PHX*	SAN	SPI	XNA
PIA	SAT	SPS	XWA
PIT	SAV	SRQ	YUM
PNS	SBA	STL	
PSC	SBN	STT	
PSP	SBP	STX	
PVD	SBY	SUN	

INTERNATIONAL 109 | ONE-STOP MARKETS

AGU	DGO	JNB	OAX	SVD
AMS	DOH	KIN	OCJ	SXM
ANU	DOM	LHR	PBC	TAM
AUA	DUB	LIM	PLS	TQO
AXA	EIS	LIR	POP	TRC
BAQ	ELH	LIS	POS	UIO
BCN	EZE	LOS	PTY	UVF
BDA	FCO	LRM	PUJ	VER
BGI	FPO	MAD	PVG	XPL
BJX	FRA	MBJ	PVR	YEG
BOG	GCM	MDE	QRO	YOW
BON	GDL	MEX	RTB	YUL
BRU	GGT	MGA	SAL	YVR
BZE	GIG	MHH	SAP	YWG
CDG	GND	MID	SCL	YYC
CLO	GRU	MLM	SDQ	YYZ
CMW	GUA	MTY	SJD	ZCL
CTG	GYE	MUC	SJO	ZIH
CUN	HAV	MVD	SKB	
CUR	HND	MXP	SLP	
CUU	HOG	MZT	SNU	
CZM	ICN	NRT	STI	



BIRMINGHAM-SHUTTLESWORTH

INTERNATIONAL AIRPORT