GERALD R. FORD International Airport

Years Ended December 31, 2023 and 2022

Annual Comprehensive Financial Report

(A Component unit of the County of Kent, Michigan)

Prepared by: Finance and Administrative Department

President and CEO

Torrance A. Richardson, A.A.E.

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Introductory Section

Elected Officers and Key Staff Members

GOVERNING BOARD

Dan Koorndyk
Board Chairman

Doug Small
Vice Chairman

Birgit Klohs
Secretary

Peter Beukema

Emily Brieve*

Dan Burrill*

Michael Verhuist

Mary Kay Shaver
General Counsel

Tory Richardson, A.A.E.	President and CEO
Alex Peric, A.A.E.	Vice President and COO
Maria Kim, C.M.	CFO
Lisa M. Carr, C.M., P.E.M., C.T.A.	Public Safety and Operations Director
Casey W. Ries, P.E.	Engineering and Planning Director
Kevin Delaney	Maintenance and Asset Management Director
Heather Day, SHRM-SCP, C.M.	Human Resources Director

* Kent County Commissioner

June 26, 2024

Gerald R. Ford International Airport Board
Members of the Kent County Board of Commissioners and Citizens of Greater Grand Rapids

We are pleased to submit the Gerald R. Ford International Airport Authority Financial Report for the year ended December 31, 2023. This report was prepared by the Authority's Finance and Administration Division, and the financial statements were audited by Plante & Moran, PLLC, an independent firm of Certified Public Accountants. This report is prepared for the purpose of disclosing the Authority's financial condition and to provide the reader additional information about the Authority's mission, goals, and operating trends. The auditors' unmodified opinion has been included in this report. The Authority's Management Discussion and Analysis provides an introduction to the Financial Statements and can be found starting on page 4.

Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Authority. The reliability of the information contained in this report is based upon a comprehensive framework of internal controls that have been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. We believe the data as presented is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the Authority; and that all disclosures necessary to enable the reader to gain the maximum understanding of the Authority's financial activity have been included.

The Gerald R. Ford International Airport Authority (Authority) was created by the Kent County Board of Commissioners under Act 95, Public Acts of Michigan 2015, as amended on August 27, 2015. Prior to this the Kent County Airport Board of Control was created by resolution of the Board of Supervisors (now County Board of Commissioners) on June 26, 1956. The name was changed to the Kent County Aeronautics Board in 1959. In 1959, the Department of Aeronautics was created by resolution of the Kent County Board of Supervisors. On November 3, 2011, the County Commission changed the Board name to the Gerald R. Ford International Airport Board. With the creation of the Authority the Gerald R. Ford International Airport Authority Board (Board) was established to direct and govern the Authority. The Board is currently made up of two County Commissioners and five citizens at-large, all appointed by the County Commission. One Citizen Member must be from outside Kent County; this position is currently held by Mr. Peter Beukema (Ottawa County). The Board is responsible for governing the affairs of the Authority and sets all policies under an Airport Lease and Asset Transfer Agreement with Kent County. On July 1, 2016, the Authority received an Airport Operating Certificate from the Federal Aviation Administration which transferred the operation from Kent County through the Gerald R. Ford International Airport Board to the Authority. The Authority adopted its own Board Policies but there were no significant changes to the Policies. However, there were some impacts on the Financial Statements due to the creation of the Board. These impacts are disclosed through these Financial Statements.

Information on the Local Economy

There are eight counties in Southwest Michigan that make up the traffic base for the Gerald R. Ford International Airport (Airport). These counties are considered the Airport Catchment Area and constitute roughly a 50-mile radius centered around Grand Rapids. Grand Rapids and its surrounding communities have a diverse make up of industries including health care, manufacturing, pharmaceuticals, agriculture, and technology. Although the region experienced a downturn as the result of the COVID-19 pandemic, much of the economy has rebounded strongly and is at levels seen prior to COVID or even better. Southwest Michigan, and especially Kent County, has historically recorded better economic results than that of the full state and the country.

The downtown Grand Rapids area continues to see a large amount of new construction, both housing and commercial development. A 22-story residential tower atop the Studio Park entertainment complex is set for completion by summer 2024, and there are several other smaller residential projects ongoing downtown as well. Several new restaurants and retail shops opened in and around the downtown area in 2023, giving residents some new options for dining out and shopping. The entertainment venues are back to having regular schedules, with the Van Andel Arena being the central downtown venue for both sporting events and high-profile concerts. The city and county recently approved the construction of a 12,000-seat outdoor amphitheater to be situated along the Grand River waterfront. The DeVos Convention Center hosts a regular slate of large conventions, which keeps the hotels and restaurants busy with both local residents and out-of-town visitors. All these things continue to make downtown Grand Rapids an area that is drawing more people for both a place to work and a place to live. The surrounding suburban areas also continue to see growth as more families are moving to the area and building homes. Grand Rapids and the West Michigan region continues to win awards, showcasing why people should live or visit the area. Here are some of the recognitions earned in 2023:

- Best Small Airport (#1 – Gerald R. Ford International Airport) – Airports Council International
- Nation’s Hottest Housing Markets (#7 – Grand Rapids/Kent County) – Realtor.com
- Most Beautiful & Affordable Cities to Live in the U.S. (#2 – Grand Rapids) – Travel + Leisure
- Best Place to Live in Michigan (#2 – Grand Rapids) – U.S. News and World Report
- Best Business Climate (Mid-Sized) (#3 – Grand Rapids) – Business Facilities
- Best Manufacturing Hubs (Large) (#1 – Grand Rapids) – Business Facilities
- US Cities offering the Most Bang for Your Buck (#9 – Grand Rapids) – GoBankingRates
- Top Cities for Young Female Professionals (#10 – Grand Rapids) – Pheabs
- Best Cities in Michigan to Live and Visit (#2 – Grand Rapids) – Touropia
- Hottest Job Markets (#17 – Grand Rapids) – Wall Street Journal
- Best Places to Live for Quality of Life in the U.S. – (#14 – Grand Rapids) – U.S. News and World Report
  *Data courtesy of The Right Place, Inc. & Experience Grand Rapids

The surrounding region is also host to the world headquarters for a collection of international businesses, from a variety of industries. These include Fortune 500 companies SpartanNash and UFP Industries, as well as other familiar brands such as Amway, Perrigo, BISSELL, Steelcase, MillerKnoll, and Wolverine Worldwide. Although these examples are some of the most recognizable by most people, there are over 130 international companies that call Southwest Michigan home.

The travel and tourism industry was quite healthy in 2023 – especially during the summer months when outside activities are the most popular with both West Michigan residents and those that travel here for summer vacations. Hotels are consistently seeing occupancy rates above those of 2019 (pre-COVID levels), and construction of additional rooms is on the rise. There are plenty of beaches and golf courses to visit in the summer, and a variety of snow activities during the winter months. The annual USA Today reader's poll named Grand Rapids the Best Beer City in the U.S. for the third year in a row, bringing to attention the more than 40 craft breweries located within a 30-minute drive of downtown, many of which have full kitchens as well.

The higher quality of life and the lower cost of living that Southwest Michigan offers, along with the economic activity generated from the many industries in the area, continues to attract the population and businesses that helps solidify the Gerald R. Ford International Airport as the front door to West Michigan.

Airport Outlook and Capital Planning

The financial outlook of the Authority is primarily dependent on the number of passengers as well as the frequency of aircraft operations at the Gerald R. Ford International Airport (Airport). In turn, these factors are reliant on the economic condition of the region, the airlines, and the passengers themselves. The financial health of the airlines can be a factor in determining new routes or expanded service as well as ticket pricing, and then these factors, along with the local economy, will influence the consumers' willingness to purchase air travel.

In 2023, the airport's passenger numbers recorded a new record high of 3.8 million total passengers, which is a 5.8% increase over the previous record set in 2019. The first four months of 2024 have continued to be record setting months; YTD passenger levels through April are 17.2% ahead of previous year, so expectations are that 2024 will be another record setting year. In addition to passenger growth, our existing airline partners have added several new routes and/or frequencies to their flight schedules. We are also anticipating the addition of Sun Country to our regularly scheduled airline partners, with flights to Minneapolis scheduled to begin service in June 2024. Depending on the season, there are between 29-34 regularly scheduled non-stop offerings from our carriers. Because of the continued growth in both passengers and flights, the Authority has returned its focus to a number of projects intended to increase capacity at all levels of service for our passengers.

As an Authority, users of the Airport facilities provide the revenues to operate, maintain and provide necessary services and facilities. The Authority is not supported by general tax revenues of the County. The Authority is responsible for operating the Airport, and for making the proper decisions to accommodate current and future customers and users of the Airport.

The Authority maintains an annual Capital Budget plus a 5-year Capital Improvement Program (CIP) as required by the Federal Aviation Administration. The CIP is funded through a combination of Federal and State Grants, Passenger Facility Charges (PFCs), Customer Facility Charges (CFCs), Bond Issuance and Airport Reserves. The annual Budget and CIP are revised annually by the Gerald R. Ford International Airport Authority Board and the current total plan has been approved in the amount of $765,129,000. A large portion of this CIP is associated with the passenger growth that has already occurred and is projected to continue. This is a list of specific projects associated with this passenger growth:

Snow Removal Equipment Building

- Addition of a dedicated Building to house our Snow Removal Equipment, to alleviate congestion in the existing Field Maintenance facility.
- A total project cost of $15.4 million, anticipated for completion in 2024
- Funded by a combination of federal grants and airport revenues

Airport Outlook and Capital Planning (continued)

Consolidated Rental Car Facility

- A multi-level facility that incorporates all the rental car vendors into one area, with quick-turn operations all in one place. This includes rental counters, return areas, fueling & washing, and short-term storage. This would allow for the current first level of the existing parking garage to be used exclusively for passenger parking, adding approximately 1,100 new public parking spaces.
- A total project cost of $144.0 million, scheduled to complete in 2025
- Funded by a combination of airport revenues, CFCs, and an issuance of bonds

Terminal Enhancements

- Relocating and expanding the airline ticket counters to the western portion of the terminal, and relocating and expanding the baggage claim devices to the eastern portion of the terminal. This will alleviate passenger traffic congestion by allowing for a more defined passenger flow throughout the terminal. Also replacing the current multi-section baggage system with one complete system that moves luggage from check-in through TSA screening without necessitating human intervention at bottlenecks.
- A total project cost of $158.5M, scheduled to complete in 2026
- Funded by a combination of federal grants, PFCs, airport revenues, and bond issuance

Grand Canopy Extension

- Expanding the overhead canopy at the passenger curb-front to match the new length of the terminal after the expansion of ticket counters in the project above.
- A total project cost of $17.0M, scheduled to complete in 2025
- Funded by a combination of airport revenues and PFCs

North Parking Structure

- Phase 1 of a second multi-level parking structure is being planned to accommodate the growing need for covered parking which is close to the terminal.
- A total cost of $75.0 million for Phase 1 of the structure, scheduled to complete in 2027
- Funded entirely by airport revenues, with an issuance of bonds

Federal Inspection Station

- An expansion of the terminal building to house a passenger customs clearing station, to allow for the screening of arriving international passengers at the Airport. This addition will also incorporate an additional baggage carousel that can be used for both international and domestic flights.
- A $10.0M investment in Phase 1 was completed in 2021.
- Phase 2 of the full project will include U.S. Customs & Border Protection facilities with a cost of $26.4, scheduled to complete in 2026.
- Funded entirely by state and federal grants

In addition to these projects, the Airport has been in discussions with the Federal Aviation Administration (FAA) about relocation of the air traffic control tower. The current location of the tower, while allowing for full operations of the current air traffic, does not allow the Authority to engage on certain new building projects viewed as necessary to meet the needs of our customers. Specifically, certain projects the Authority is planning would have structures that impede the view of the runways and taxiways from the current tower. The cost to relocate the tower would be entirely funded by the FAA.

While these projects have been identified as necessary for accommodation of the passenger growth seen in the years prior to pandemic, and now being seen in the recovery as well, we continue to monitor current activity to ensure that we are making decisions for our future with the best information at our disposal. We continue to discuss project plans with our airline partners and other tenants to ensure that we are making the proper financial decisions for capital projects and to continue operating the Airport safely.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Gerald R. Ford International Airport Authority for its annual comprehensive financial report (ACFR) for the fiscal year ended December 31, 2022. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. This was the thirtieth consecutive year the Authority received the award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. The ACFR 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 our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

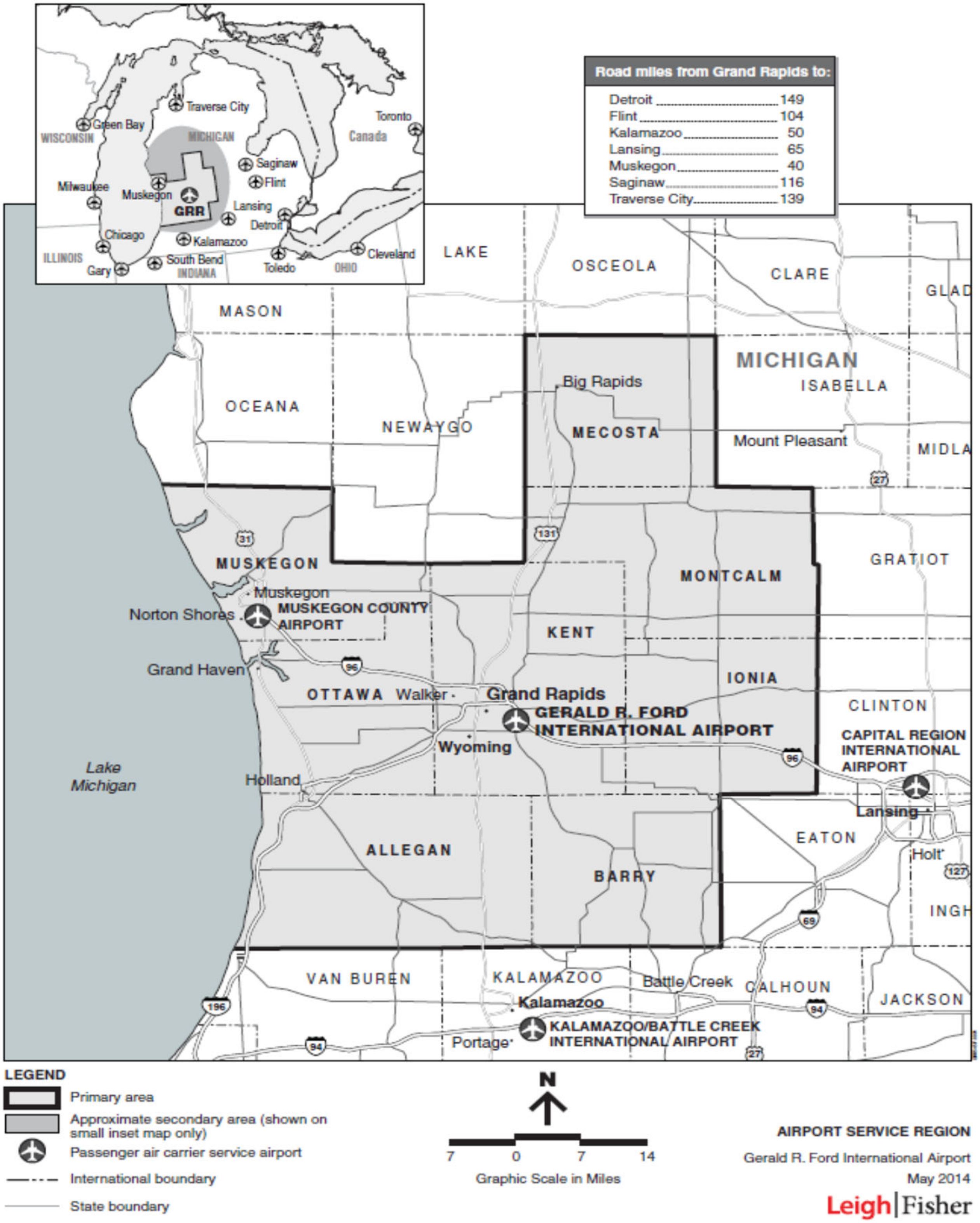
Acknowledgements

The preparation of this Financial Report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance & Administration Division. Each member of our finance division has our sincere appreciation for the contributions made in preparation of this report.

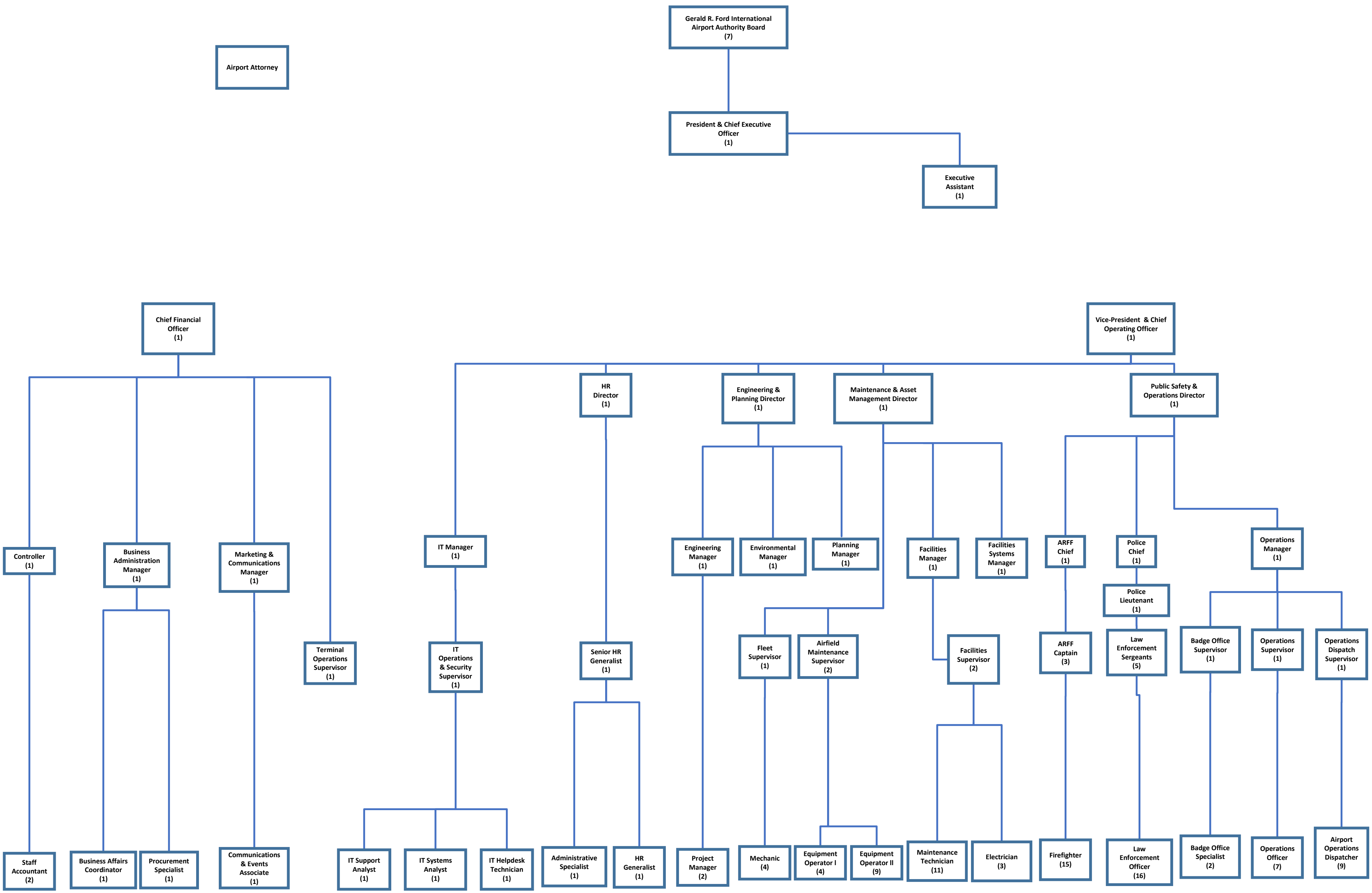
Respectfully submitted,

Torrance A. Richardson, A.A.E.
President and CEO

Service Area Map



Gerald R. Ford International Airport Authority
Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Gerald R. Ford International Airport Authority
Michigan

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morrill

Executive Director/CEO

Financial Section

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Independent Auditor's Report

To the Board of Directors
Gerald R. Ford International Airport Authority

Report on the Audits of the Financial Statements

Opinion

We have audited the financial statements of the Gerald R. Ford International Airport Authority (the "Authority"), a component unit of the County of Kent, Michigan, as of and for the years ended December 31, 2023 and 2022 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of December 31, 2023 and 2022 and the respective changes in its financial position and its 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS) 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 Audits 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor’s Responsibilities for the Audits 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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS and *Government 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 audits in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

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, as identified in the table of contents, be 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, 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. 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 audits 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.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory and statistical section schedules but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does 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 whether 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.

To the Board of Directors
Gerald R. Ford International Airport Authority

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2024 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, 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 the Authority's internal control over financial reporting and compliance.

Plante & Moran, PLLC

June 26, 2024

The following Management's Discussion and Analysis (MD&A) of the Gerald R. Ford International Airport Authority's activities and financial performance provide an introduction to the financial statements of the Authority, a component unit of the County of Kent, Michigan (the "County") for the year ended December 31, 2023. The information contained in this MD&A should be considered in conjunction with the information contained in the Letter of Transmittal included in the Introductory Section and various historic summaries of activities and financial performance included in the Statistical Section of this report.

Following this MD&A are the basic financial statements of the Authority together with the notes thereto which are essential to a full understanding of the data contained in the financial statements.

Operations of the Gerald R. Ford International Airport were previously reported as an enterprise fund of Kent County. By resolution of the Kent County Board of Commissioners, a legally-separate Airport Authority was established. The Authority was incorporated with the State of Michigan on September 20, 2015 and commenced operations on July 1, 2016.

FINANCIAL POSITION SUMMARY

The Authority's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $367.4 million at December 31, 2023, a $36.2 million increase from December 31, 2022, compared to an $17.5 million increase in 2022.

2021 results have been restated from formerly published numbers, in order to account for the implementation of GASB 87 requirements in 2022.

A condensed summary of the Authority's net position at December 31 is provided below:

	2023	2022	2021
Assets			
Current and other assets	$291,966,170	$174,552,364	$209,050,526
Capital assets, net	509,949,384	429,807,932	382,267,508
Total assets	801,915,554	604,360,296	591,318,034
Deferred outflows of resources	7,839,052	9,692,826	6,853,142
Liabilities			
Long-term debt	395,330,429	246,287,143	256,133,858
Other liabilities	36,317,578	24,280,588	11,875,357
Total liabilities	431,648,007	270,567,731	268,009,215
Deferred inflows of resources	10,739,956	12,353,670	16,572,696
Net position			
Net investment in capital assets	264,435,066	245,507,773	249,384,070
Restricted	49,532,322	31,778,695	31,534,148
Unrestricted	53,399,255	53,845,253	32,671,047
Total net position	$367,366,643	$331,131,721	$313,589,265

The largest portion of the Authority's net position each year (72.0% and 74.1% at December 31, 2023 and 2022, respectively) represents its investment in capital assets (e.g., land, buildings, improvements and equipment), less the related debt outstanding used to acquire those capital assets. The Authority uses these capital assets to provide facilities to its tenants, users and customers. 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, since the capital assets themselves cannot be used to liquidate liabilities.

An additional portion of the Authority's net position (13.5% and 9.6% at December 31, 2023 and 2022, respectively) represents resources that are subject to external restrictions on how they can be used under bond resolutions and Federal regulations. The remaining unrestricted net position (14.5% and 16.3% at December 31, 2023 and 2022, respectively) may be used to meet any of the Authority's ongoing obligations.

SUMMARY OF CHANGES IN NET POSITION

A condensed summary of the Authority's change in net position for the year ended December 31 is provided below:

	2023	2022	2021
Operating revenues	$ 75,425,478	$ 59,859,970	$ 50,030,386
Operating expenses	(69,825,645)	(61,460,762)	(52,651,312)
Operating income	5,599,833	(1,600,792)	(2,620,926)
Nonoperating revenues (expenses)			
Investment earnings	10,364,566	1,596,788	647,576
Interest & other expenses	(15,728,112)	(8,961,695)	(5,556,018)
Passenger and customer facility charges	12,704,788	10,807,499	8,014,493
Gain on sale of capital assets	40,566	13,900	87,393
CARES Act Revenue	-	-	-
CRRSA Act Revenue	-	382,687	5,509,118
ARP Act Revenue	5,128,632	10,332,381	-
Total nonoperating revenues (expenses)	12,510,440	14,171,560	8,702,562
Gain before capital contributions	18,110,273	12,570,768	6,081,636
Capital contributions	18,124,649	4,971,688	12,372,059
Change in net position	36,234,922	17,542,456	18,453,695
Net position, beginning of year	331,131,721	313,589,265	295,135,570
Net position, end of year	$367,366,643	$331,131,721	$313,589,265

FINANCIAL OPERATIONS HIGHLIGHTS

- Operating revenues increased 26.0% from $59.9 million in 2022 to $75.4 million in 2023 due to both increased passenger traffic and certain rate increases, most specifically seen in the parking revenue of the airport.
- Operating expenses increased 13.6% from $61.5 million in 2022 to $69.8 million in 2023 principally due to increases in contractual services and personnel expenses. These increases were the result of both increased FTE headcount to support the increased passenger traffic and amending certain service contracts for both scope of service and inflation.
- As a result of the above, operating income increased from a $1.6 million operating loss in 2022 to a $5.6 million operating income in 2023.
- Net non-operating revenues (expenses) decreased from $14.2 million in 2022 to $12.5 million in 2023, due primarily to the difference between recognized federal aid provided from the ARP Act. Passenger and Customer facility charges did see a increase of 17.6% from 2022, resulting from increases in passenger activity.
- Capital contributions received in the form of grants from the Federal and State governments vary year to year and within the year, based on availability of grant funding and timing of federally funded projects.

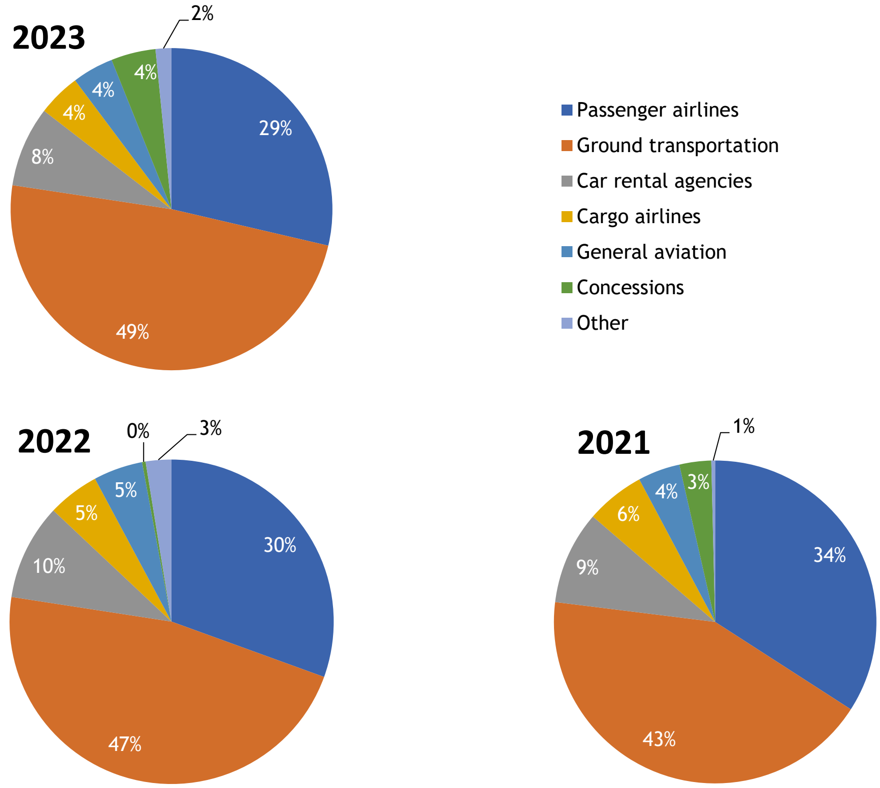
AIRLINE RATES AND CHARGES

The Gerald R. Ford International Airport Authority Board sets cost recovery rates and charges annually by adoption of a resolution based on a compensatory (cost of services) rates and charges methodology. This methodology utilizes the Authority's annual operating and capital budgets which have been approved by the Gerald R. Ford International Airport Authority Board. The rates include the terminal rental rates, landing fees and airline apron fees. Rates as of December 31 are as follows:

	2023	2022	2021
Landing fees (per 1,000 lbs)	$ 3.87	$ 3.57	$ 3.59
Terminal rental rates (per square foot)	60.92	53.46	59.79
Airline apron fee (per 1,000 lbs)	2.05	1.84	1.79

REVENUES

The following charts shows the major sources and the percentage of operating revenues for the year ended December 31:

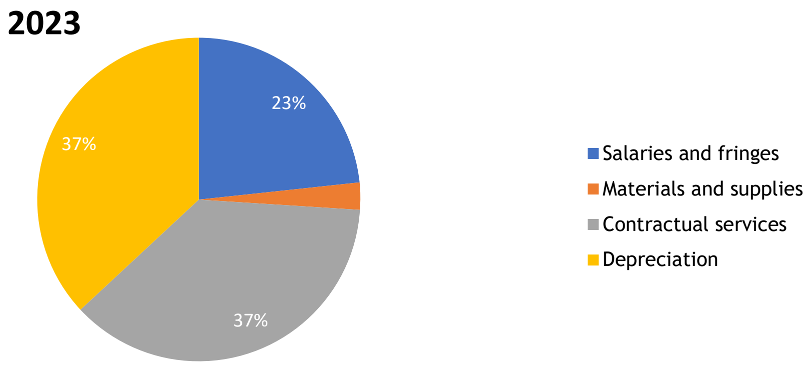


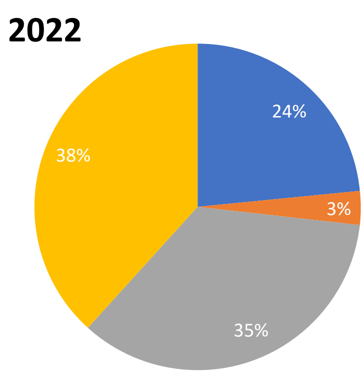
A summary of operating revenues for the year ended December 31, 2023 and 2022 and 2021 is as follows:

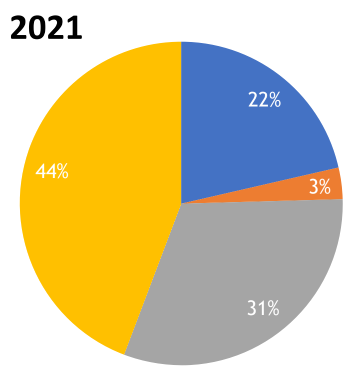
Operating revenues	2023	Percent	2022	Percent	2021	Percent
Charges for services:						
Passenger airlines	$21,596,478	28.6%	$ 18,270,253	30.5%	$ 17,059,566	34.1%
Ground transportation	36,782,915	48.8%	28,084,891	46.9%	21,441,629	42.9%
Car rental agencies	6,073,951	8.1%	5,733,139	9.6%	4,690,116	9.4%
Cargo airlines	3,262,878	4.3%	3,091,943	5.2%	2,935,032	5.9%
General aviation	3,122,001	4.1%	2,928,160	4.9%	2,117,453	4.2%
Concessions	3,397,480	4.5%	214,157	0.4%	1,598,488	3.2%
Other	1,189,775	1.6%	1,537,427	2.6%	188,102	0.4%
Total operating revenues	$75,425,478		$ 59,859,970		$ 50,030,386	

EXPENSES

The following charts shows the major operating categories and the percentage of operating expenses for the year ended December 31:







A summary of operating expenses for the year ended December 31, 2023 and 2022 and 2021 is as follows:

Operating expenses	2023	Percent	2022	Percent	2021	Percent
Salaries and fringes	$16,272,723	23.3%	$ 14,402,810	23.4%	$ 11,275,778	21.4%
Materials and supplies	1,901,901	2.7%	2,059,561	3.4%	1,655,930	3.1%
Contractual services	25,874,776	37.1%	21,466,255	34.9%	16,431,046	31.2%
Depreciation	25,776,245	36.9%	23,532,136	38.3%	23,288,558	44.2%
Total operating expenses	$69,825,645		$ 61,460,762		$ 52,651,312	

FINANCIAL STATEMENTS

The Authority's financial statements are prepared on an accrual basis in accordance with generally accepted accounting principles promulgated by the Government Accounting Standards Board. The Authority is structured as an enterprise fund with revenues recognized when earned, not when received. Expenses are recognized when incurred, not when they are paid. Capital assets are capitalized and are depreciated (except land and construction in progress) over their useful lives. Amounts are restricted for debt service, construction purposes, and pension benefits. See the notes to the financial statements for a summary of the Authority's significant accounting policies.

CAPITAL ACQUISITIONS AND CONSTRUCTION ACTIVITIES

For the year ended December 31, 2023 the Authority had capital additions totaling $105,824,684. The major capital additions were:

Concourse 'A' Expansion	$ 43,001,183
Consolidated Rental Car Facility	25,466,813
Economy Lot Expansion	5,475,120
Airfield Lighting	5,397,598
Fuel Farm Relocation	4,459,038
Centralized Utility Plant & Generator	3,208,015
Snow Removal Equipment	3,104,151
Fire Station Relocation - Design	2,597,405
Terminal Improvements	1,766,091
Meeting Room Renovations	1,175,893
Checked Baggage System - Design	987,073
Other	9,186,304

Capital asset acquisitions are capitalized at cost. Acquisitions are funded using a variety of financing techniques, including federal and state grants, private investment, debt issuance and Authority revenues. Additional information on the Authority's capital assets can be found in Note 4 of this

LONG-TERM DEBT ADMINISTRATION

In March 2023, the Authority issued $159.4 million of Revenue Bonds to pay the construction cost of building a Consolidated Rental Car Facility. This bond issue was sold with the limited tax general obligation of the County and utilized the County's bond rating. Their rating for this issue was AAA from Standard & Poor's and Aaa from Moody's.

In November 2021, the Authority issued $93.7 million of Revenue Bonds to pay the construction cost of expanding and renovating concourse A. This bond issue was sold with the limited tax general obligation of the County and utilized the County's bond rating. Their rating for this issue was AAA from Standard & Poor's and Aaa from Moody's.

In July 2021, the Authority issued $19.8 million of Revenue Refunding Bonds to pay the cost of refunding the outstanding Airport Revenue Refunding Bonds, Series 2011. This bond issue, like the 2009 Refunding Bonds, was sold with the limited tax general obligation of the County and utilized the County's bond rating. Their rating for this issue was AAA from Standard & Poor's and Aaa from Moody's.

In November 2018, the Authority issued $12.7 million of Revenue Refunding Bonds to pay the cost of refunding the outstanding Airport Revenue Refunding Bonds, Series 2009. This bond issue, like the 2009 Refunding Bonds, was sold with the limited tax general obligation of the County and utilized the County's bond rating. Their rating for this issue was AAA from Standard & Poor's and Aaa from Moody's.

In February 2015, the Department issued $93.9 million of Revenue Refunding Bonds to pay the cost of the outstanding Airport Bonds, Series 2007. This bond issue was sold with the limited tax general obligation of the County and utilized the County's bond rating. Their rating for this issue was AAA from Standard & Poor's and Aaa from Moody's.

In March 2015, the Department issued $14.6 million of Revenue Bonds to pay the construction cost of the parking deck roof. This bond issue was sold with the limited tax general obligation of the County and utilized the County's bond rating. Their rating for this issue was AAA from Standard & Poor's and Aaa from Moody's.

Additional information on the Authority's revenue bonds payable can be found in Note 5 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S RATES

During 2023, the Airport saw passenger activity increase beyond the previous high set in 2019, and ended the year with a new record of 3.8 million total passengers. This was a 9.4% increase over the previous year. Passenger traffic has continued to surpass the month-over-month previous year levels in 2024, and it is expected that another record year will be posted.

Total operating revenues were $75.4 million in 2023, also setting a new record. All revenue sources contributed to the new high mark, with parking being the majority of the total at $36.8 million. This is followed by revenue received from the airline partners of $21.6 million, and various rents and concessions contributing most of the remaining $17.0 million.

The Authority did qualify for and recognized $5.1 million in grant revenue from the Federal ARP Act, which we used to offset operational expenses during the year. All of the relief funding from the CARES/CRRSA/ARP Acts has now been fully recognized.

As seen in the tables above, the Authority's 2023 operating expenses were again substantially higher than the previous year. Some of this is due to the inflationary impacts seen across many industries, but much of it is associated with establishing our staffing numbers and facilities to be in position for our forecasted passenger growth. For both operational and capital spending, the Authority works closely with both industry consultants and construction partners to prioritize which projects should be moving forward and when the resulting assets need to be in place to accomodate forcasted levels of both passengers and airline activity.

As of December 2023, the Authority held $168.3 million in an investment account, comprised primarily of bond proceeds from the March 2023 issue. These funds are held in this account until that time they are needed for payment of construction projects. The funds are invested in a variety of government investment vehicles, so are subject to very little risk. The retirement fund the Authority has for pensioned employees continues to be over-funded (at 105% as of the latest acuarial valuation), and the Authority does not foresee the need to contribute a large amount in order to stay compliant with regulations in place on the accounts.

2023 results were the best that the Authority has seen, from passengers to revenues to margins. The economy of West Michigan continues to outperform both the rest of the state and country, and the results at the Airport are a solid representation of that trend. The Authority is confident that the local West Michigan economy will continue to strengthen, and the Airport will continue to be an important piece of infrastructure helping to facilitate that growth. As we look forward to continued increases in our passenger and airline activity, we expect that we can level out and contain operating costs in order to keep airline rates at or near the current rates for 2024.

REQUESTS FOR INFORMATION

This financial report is designed to provide general overview of the Authority's finances for all those with an interest in the Authority's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, may be addressed to the Chief Financial Officer, Gerald R. Ford International Airport Authority, 5500 44th Street SE, Grand Rapids, Michigan 49512-4055.

Respectfully submitted,

Torrance A. Richardson, A.A.E.
President and CEO

Statement of Net Position

December 31, 2023 and 2022

	2023	2022
Assets		
Current assets:		
Cash and cash equivalents (Note 2)	$ 38,355,080	$ 34,696,426
Restricted cash, cash equivalents, and investments (Notes 2 and 3)	21,380,799	15,000,053
Receivables:		
Accounts receivable - Net	3,348,456	3,076,462
Accrued interest receivable	133,301	-
Due from other governments	12,563,758	15,904,098
Inventory	522,436	344,326
Prepaid expenses and deposits	2,026,452	1,679,132
Lease receivable (Note 6)	1,071,734	1,839,782
Total current assets	79,402,016	72,540,279
Noncurrent assets:		
Restricted assets:		
Restricted cash, cash equivalents, and investments (Notes 2 and 3)	199,586,640	88,961,368
Accounts receivable - Net (Note 3)	1,399,454	1,257,406
Net pension asset (Note 8)	1,490,304	1,126,121
Capital assets: (Note 4)		
Assets not subject to depreciation	93,032,026	94,868,210
Assets subject to depreciation - Net	416,917,358	334,939,723
Leases receivable (Note 6)	10,087,756	10,667,189
Total noncurrent assets	722,513,538	531,820,017
Total assets	801,915,554	604,360,296
Deferred Outflows of Resources		
Deferred charges on bond refundings (Note 5)	2,975,205	3,278,721
Deferred pension costs (Note 8)	4,863,847	6,414,105
Total deferred outflows of resources	7,839,052	9,692,826
Liabilities		
Current liabilities:		
Payables:		
Accounts payable	6,713,735	5,711,869
Construction contracts payable	16,789,884	11,204,652
Payables from restricted assets:		
Accrued interest payable	10,694,085	4,653,339
Bonds payable (Note 5)	10,686,714	10,346,714
Unearned revenue:		
Unearned grant revenue	-	812,500
Unearned other revenue	886,373	783,470
Other accrued liabilities	1,233,501	1,114,758
Total current liabilities	47,004,292	34,627,302
Noncurrent liabilities - Bonds payable - Net of current portion (Note 5)	384,643,715	235,940,429
Total liabilities	431,648,007	270,567,731
Deferred Inflows of Resources		
Deferred pension cost reductions (Note 8)	139,496	209,244
Deferred inflows related to leases (Note 6)	10,600,460	12,144,426
Total deferred inflows of resources	10,739,956	12,353,670

See notes to financial statements.

Statement of Net Position (Continued)

December 31, 2023 and 2022

	2023	2022
Net Position		
Net investment in capital assets	$ 264,435,066	$ 245,507,773
Restricted:		
Debt service	18,455,738	9,820,726
Debt reserve	5,960	759,869
Passenger facility charges - Capital improvements	18,158,389	12,636,130
Customer facility charges - Capital improvements	11,421,931	7,435,849
Pension benefits	1,490,304	1,126,121
Unrestricted	53,399,255	53,845,253
Total net position	**$ 367,366,643**	**$ 331,131,721**

See notes to financial statements.

Statement of Revenue, Expenses, and Changes in Net Position

Years Ended December 31, 2023 and 2022

	2023	2022
Operating Revenue		
Passenger airlines	$ 21,596,478	$ 17,495,891
Ground transportation	36,782,915	28,084,891
Car rental agencies	6,073,951	5,733,139
Cargo airlines	3,262,878	3,091,943
General aviation	3,122,001	2,928,160
Concessions	3,029,642	214,157
Other	1,557,613	2,311,789
Total operating revenue	75,425,478	59,859,970
Operating Expenses		
Salaries and fringes	16,272,723	14,402,810
Materials and supplies	1,901,901	2,059,561
Contractual services	25,874,776	21,466,255
Depreciation	25,776,245	23,532,136
Total operating expenses	69,825,645	61,460,762
Operating Income (Loss)	5,599,833	(1,600,792)
Nonoperating Revenue (Expense)		
Gain on sale of assets	40,566	13,900
Interest and investment income	10,364,566	1,596,788
Interest expense	(15,728,112)	(8,961,695)
Passenger facility charges	7,760,128	7,068,549
Customer facility charges	4,944,660	3,738,950
ARP Act revenue	5,128,632	10,332,381
CRRSA Act revenue	-	382,687
Total nonoperating revenue	12,510,440	14,171,560
Income - Before capital contributions	18,110,273	12,570,768
Capital Contributions		
Capital grants	17,224,649	4,321,688
Donations	900,000	650,000
Total capital contributions	18,124,649	4,971,688
Change in Net Position	36,234,922	17,542,456
Net Position - Beginning of year, as restated (Note 1)	331,131,721	313,589,265
Net Position - End of year	**$ 367,366,643**	**$ 331,131,721**

See notes to financial statements.

Statement of Cash Flows

Years Ended December 31, 2023 and 2022

	2023	2022
Cash Flows from Operating Activities		
Receipts from customers and users	$ 74,942,982	$ 57,797,755
Payments to suppliers	(26,869,310)	(19,619,853)
Payments to employees and fringes	(15,351,664)	(14,893,790)
Net cash and cash equivalents provided by operating activities	32,722,008	23,284,112
Cash Flows from Noncapital Financing Activities - Operating grants	13,930,267	5,509,118
Cash Flows from Capital and Related Financing Activities		
Passenger facility charges collected	7,648,524	7,049,915
Customer facility charges collected	4,914,216	3,577,760
Capital contributions received	11,850,854	12,994,497
Proceeds from sale of capital assets	40,566	13,900
Purchase of capital assets	(100,332,464)	(63,666,228)
Principal paid on capital debt	(9,295,000)	(8,795,000)
Debt service charges and bond sale expenses	(10,435,564)	(7,515,142)
Issuance of revenue bonds	159,390,000	-
Net cash and cash equivalents provided by (used in) capital and related financing activities	63,781,132	(56,340,298)
Cash Flows from Investing Activities		
Interest received	10,085,438	1,596,788
Purchases of investment securities	(14,084,310)	-
Net cash and cash equivalents (used in) provided by investing activities	(3,998,872)	1,596,788
Net Increase (Decrease) in Cash and Cash Equivalents	106,434,535	(25,950,280)
Cash and Cash Equivalents - Beginning of year	138,657,847	164,608,127
Cash and Cash Equivalents - End of year	**$ 245,092,382**	**$ 138,657,847**
Classification of Cash and Cash Equivalents		
Cash and cash equivalents	$ 38,355,080	$ 34,696,426
Current restricted cash and cash equivalents	21,380,799	15,000,053
Noncurrent restricted cash and cash equivalents	199,586,640	88,961,368
Less amounts classified as investments	(14,230,137)	-
Total cash and cash equivalents	**$ 245,092,382**	**$ 138,657,847**
Reconciliation of Operating Income (Loss) to Net Cash and Cash Equivalents from Operating Activities		
Operating income (loss)	$ 5,599,833	$ (1,600,792)
Adjustments to reconcile operating income (loss) to net cash and cash equivalents from operating activities:		
Depreciation	25,776,245	23,532,136
Changes in assets and liabilities:		
Accounts receivable	(365,576)	(2,107,801)
Inventories	(178,110)	(36,443)
Prepaid expenses and deposits	(347,320)	254,604
Net pension asset and deferred pension costs and cost reductions	1,116,327	1,250,762
Accounts payable	1,001,287	3,420,599
Unearned other revenue	-	58,078
Other accrued liabilities	119,322	(1,487,031)
Total adjustments	27,122,175	24,884,904
Net cash and cash equivalents provided by operating activities	**$ 32,722,008**	**$ 23,284,112**

See notes to financial statements.

Note 1 - Significant Accounting Policies

Reporting Entity

The Gerald R. Ford International Airport Authority (the "Authority") was incorporated as a public body on September 2, 2015 and commenced operations on July 1, 2016. The Authority's purpose is to operate and maintain the Gerald R. Ford International Airport in Grand Rapids, Michigan. It is the second largest airport in Michigan, with flights to 30 domestic locations.

The Authority is governed by a seven-member board whose members are appointed by the County of Kent, Michigan (the "County") and is reported as a discretely presented component unit of the County.

Accounting and Reporting Principles

The Authority follows accounting principles and policies generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board (GASB).

Report Presentation

This report includes the fund-based statements of the Authority. In accordance with government accounting principles, a government-wide presentation with program and general revenue is not applicable to special purpose governments engaged only in business-type activities.

Fund Accounting

Proprietary funds include enterprise funds, which provide goods or services to users in exchange for charges or fees. The Authority reports all activity in a single enterprise fund. Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Authority is charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Basis of Accounting

Proprietary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Specific Balances and Transactions

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, money market funds, short-term investments with a maturity of three months or less when acquired, and short-term accrued interest.

Investments

Investments are reported at fair value or estimated fair value based on quoted market prices. Short-term investments are reported at cost, which approximates fair value. Investments are stated at fair value except for investments in certain investment pools, which are valued at amortized cost.

Positions in external investment pools are not required to be categorized within the fair value hierarchy and are classified as cash equivalents.

Note 1 - Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable are customer obligations generally due under normal trade terms. The allowance for possible losses is determined by reviewing known customer exposures and applying historical credit loss experience to the current receivable accounts with consideration given to the current condition of the economy, assessment of the financial position of the customer, and overall trends in receivables aged beyond their contractual terms. After all attempts to collect a receivable have failed, the receivable is written off against the allowance for possible losses.

Due from Other Governments

Amounts due from other governments include amounts due from grantors for specific programs and capital projects. Program grants and capital grants for capital assets are recorded as receivables and revenue at the time eligible project costs are incurred and reimbursement is requested. Cash received in advance of project costs being incurred is reported as unearned revenue.

Inventories and Prepaid Items

Inventories, which consist of fuel and runway deicers, are valued at cost on a first-in, first-out basis. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods. For such payments, the Authority accrues prepaid items in the financial statements.

Restricted Assets

Restricted assets consist of moneys and other resources whose use is restricted either through external restrictions imposed by creditors, grantors, contributors, and the like or through restrictions imposed by law through constitutional provisions or enabling legislation. The distinction between current and noncurrent restricted assets is that noncurrent assets are restricted for long-term debt service, reserves, capital expenditures, and unspent bond proceeds.

Bond Discounts and Premiums

Premiums and discounts associated with various bond issues are being amortized by the straight-line method over the repayment periods of the related bonds. Amortization of these items is charged to interest expense.

Capital Assets

Capital assets include land improvements, buildings and improvements, equipment, systems, office equipment and furniture, and vehicles. Capital assets are defined by the Authority as assets with an initial individual cost of more than $50,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed, net of accumulated depreciation. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset life are not capitalized.

Note 1 - Significant Accounting Policies (Continued)

Capital assets are depreciated using the straight-line method over the following useful lives:

Asset Type	Depreciable Life - Years
Land improvements	20-30
Buildings and improvements	30-50
Equipment and systems	3-12
Office equipment and furniture	5-15
Vehicles	3-7

The Authority reviews long-lived assets, including land, buildings and other capital assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds its fair market value. If it is determined that an impairment loss has occurred based on expected future undiscounted cash flows, the asset is written down to its net value and a current charge to income is recognized. There was no impairment loss recognized during 2023 or 2022.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense) until then. The Authority reports deferred outflows related to pension costs, as well as for deferred losses on refunding. See Note 8 for details on pension costs. A deferred refunding loss results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The Authority reports deferred inflows related to pension cost reductions and leases. See Note 8 for details on pension costs and Note 6 for details on leases.

Net Position

Net position of the Authority is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

Net Position Flow Assumption

The Authority will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Note 1 - Significant Accounting Policies (Continued)

Passenger Airline Charges

The Authority sets rates and charges for landing fees, terminal rental rates, and apron fees that are charged to the airlines for services based on the adopted operating and capital budgets. These rates and charges are adopted by the board in October and are effective January 1. At the end of the year, the Authority does a recalculation of the rates based on actual activity and audited information. The difference between the rates and charges is then either credited to the airlines if they have overpaid during the year or billed to the airlines if they underpaid during the year.

Facility Charges, Capital Contributions, and Other Grants

Passenger facility charges (PFC) are collected from airlines that service the airport for each enplaned passenger, and such charges must be used to fund capital projects. The Authority received approval from the Federal Aviation Administration (FAA) on September 9, 1992 to start collecting a $3 PFC. The Authority received approval to use PFC revenue previously collected, as well as future charges, on February 2, 1996. The PFC revenue is being used to pay debt service on the Airport Revenue Refunding Bonds, Series 2018 (previously, Series 2009). On September 8, 2005, the FAA approved a $1.50 increase of the PFC to $4.50. The additional PFC revenue will be used for terminal improvements. Passenger facility charges are recorded as nonoperating revenue when the underlying transaction between the airline and the passenger occurs.

Customer facility charges (CFC) are collected for rental-car-related capital projects. The CFC of $3 per transaction day on rental car transactions was approved by the Gerald R. Ford International Airport Authority board on August 31, 2005. The CFC revenue was used to develop new rental car service facilities and rental vehicle ready/return spaces in the parking structure. Consequently, revenue is recognized when earned and is classified as nonoperating revenue. As of March 1, 2016, the amount collected in CFCs and rental income from the car rental agencies reached the total amount expended in the development of the new rental car service facilities. At that time, the board approved for the CFC revenue to be put toward the payment of debt incurred during the 2015 construction of the roof of the parking structure, as well as a maintenance fund for the car rental service facilities. The Authority estimates that the total amount needed to pay off the debt and the maintenance fund for 15 years is $37 million. Based on current collection rates, the Authority anticipates that the total amount will be collected via CFCs by December 31, 2030.

The Authority received a significant amount of funding through the Airport Improvement Program of the Federal Aviation Administration, with certain matching funds provided by the Authority and the State of Michigan. Capital funding provided under government grants is recognized when all eligibility criteria have been met, which is typically when the related allowable expenditures have been incurred. Grants for capital asset acquisitions, facilities development, and rehabilitation are reported in the statement of revenue, expenses, and changes in net position after nonoperating revenue (expenses) as capital contributions.

On December 27, 2020, the Consolidated Appropriations Act, 2021 was enacted into law. Division M of that Act is the Coronavirus Response and Relief Supplemental Appropriation (CRRSA) Act, 2021. The CRRSA Act provides approximately $2 billion in economic relief to airports to prevent, prepare for, and respond to the COVID-19 public health emergency, including relief from rent and MAGs for eligible airport concessions. The Authority was awarded approximately $5,900,000 of the CRRSA Act funding in total, of which approximately $400,000 and $5,500,000 was utilized for the years ended December 31, 2022 and 2021, respectively.

Note 1 - Significant Accounting Policies (Continued)

On March 11, 2021, the president of the United States signed the American Rescue Plan Act of 2021 (ARPA), a $1.9 trillion economic stimulus package designed to help the United States' economy recover from the adverse impacts of the COVID-19 pandemic. In addition to other economic relief, ARPA includes financial relief for certain eligible airports. For eligible airports, ARPA appropriates $8 billion to help prevent, prepare for, and respond to COVID-19, and such amounts remain available until September 30, 2024. ARPA requires that, of the $8 billion appropriated, no more than $6.492 billion will be made available for primary airports, such as the Authority, for "costs related to operations, personnel, cleaning, sanitation, janitorial services, combating the spread of pathogens at the airport, and debt service payments." ARPA further appropriates no more than $608 million to pay a federal share of 100 percent of the costs for any grant awarded in federal fiscal year 2021 (or in federal fiscal year 2020 with less than a 100 percent federal share) for any airport redevelopment project and provides for no more than $800 million for sponsors of primary airports to provide relief from rent and minimum annual guarantees to airport concessions. The Authority is eligible to receive funding of approximately $13,900,000. For the year ended December 31, 2023, the Authority utilized approximately $5,100,000 for costs related to operations and personnel. For the year ended December 31, 2022, the Authority utilized approximately $8,800,000 for costs related to operations and personnel and an additional $1,500,000 to provide relief from rent and minimum annual guarantees to airport concessions.

The Bipartisan Infrastructure Law (BIL), another major legislative act, was signed on November 15, 2021. The BIL included $25.0 billion in funds for airport-related projects. These funds can be invested in runways, taxiways, safety, and sustainability projects, as well as terminal, airport-transit connections, and roadway projects. The Authority will receive formula-based amounts of approximately $8,700,000 per year (for 2022 and 2023) with the amounts to be recalculated for 2024, 2025, and 2026. In addition to the formula-based amounts, the BIL includes competitive grants for airport terminal development projects that address the aging infrastructure of the nation's airports. For the years ended December 31, 2023 and 2022, the Authority utilized approximately $6,900,000 and $1,800,000 for costs related to the Passenger Boarding Bridges development project.

Pension

The Authority offers a pension plan, as described in Note 8. The Authority records a net pension asset for the difference between the total pension liability calculated by the actuary and the Authority's share of the pension plan's fiduciary net position. For the purpose of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences

Authority employees are granted vacation leave in varying amounts based on their length of service. Employees may accumulate up to a predetermined amount of vacation leave. Upon termination, employees are paid for unused vacation at the current rates. It is the Authority's policy to recognize the cost of vacation pay at the time the liability is incurred. The Authority's compensated absences liability is recorded as an other accrued liability on the statement of net position.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenue and expenses during the period. Actual results could differ from those estimates.

Note 1 - Significant Accounting Policies (Continued)

Reclassification

Certain 2022 amounts have been reclassified to conform to the 2023 presentation.

Adoption of New Accounting Pronouncement

As of January 1, 2021, the Authority adopted GASB Statement No. 87, *Leases*. As a result, the Authority now includes a receivable for the present value of payments expected to be received and a deferred inflow of resources that will be recognized as revenue over the term of the lease. Lease activity is further described in Note 6. The financial statements for the year ended December 31, 2021 have been restated accordingly.

The effect of this new standard on net position was as follows:

Net position - December 31, 2021 - As previously reported	$ 313,306,105
Adjustment for GASB Statement No. 87	283,160
Net position - December 31, 2021 - As restated	$ 313,589,265

Upcoming Accounting Pronouncements

In April 2022, the Governmental Accounting Standards Board issued Statement No. 99, *Omnibus 2022*, which establishes or amends accounting and financial reporting requirements for specific issues related to financial guarantees, derivative instruments, leases, public-public and public-private partnerships (PPPs), subscription-based information technology arrangements (SBITAs), the transition from the London Interbank Offered Rate (LIBOR), nonmonetary transactions, pledges of future revenue, and terminology. The standard has various effective dates. The Authority does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 100, *Accounting Changes and Error Corrections*, which enhances the accounting and financial reporting requirements for accounting changes and error corrections. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2024.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2024.

In December 2023, the Government Accounting Standards Board issued Statement No. 102, *Certain Risk Disclosures*, which requires governments to assess whether a concentration or constraint makes the government vulnerable to the risk of a substantial impact. It also requires governments 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. If certain criteria are met for a concentration or constraint, disclosures are required in the notes to the financial statements. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2025.

Note 2 - Deposits and Investments

Deposits and investments are reported in the financial statements as follows:

	2023	2022
Current assets:		
Cash and cash equivalents	$ 38,355,080	$ 34,696,426
Restricted cash, cash equivalents, and investments	21,380,799	15,000,053
Noncurrent assets - Restricted cash, cash equivalents, and investments	199,586,640	88,961,368
Total deposits and investments	$ 259,322,519	$ 138,657,847

These amounts are classified into the following deposits and investment categories:

	2023	2022
Cash on hand	$ 950	$ 21,777
Deposits with financial institutions	56,368,584	36,549,615
Collateralized deposits	14,925,646	15,233,934
County of Kent, Michigan investment pool	5,443,383	5,284,683
Money market funds	168,325,905	81,567,838
U.S. Treasury securities	14,258,051	-
Total deposits and investments	$ 259,322,519	$ 138,657,847

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes the Authority to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The law also allows investments outside the state of Michigan when fully insured. The local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications that matures no more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions that are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

The Authority's cash 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 may not be returned to it. State law does not require and the Authority does not have a specific policy pertaining to custodial credit risk for deposits that is more restrictive than state law. As of December 31, 2023 and 2022, the Authority had bank deposits of $71,885,781 and $51,662,341, respectively, that were uninsured. The Authority's collateralized deposits represent amounts held in bond reserve and redemption accounts that are collateralized by U.S. government treasury and agency securities. Custodial credit risk for the balance held in the county investment pool cannot be determined because the Authority's balance does not correspond to specific bank accounts.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require and the Authority does not have a specific policy pertaining to custodial credit risk for deposits that is more restrictive than state law.

Note 2 - Deposits and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. State law limits the allowable investments and the maturities of some of the allowable investments, as identified above. The Authority's investment policy does not have specific limits in excess of state law on investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Authority's investments do not have identifiable maturity dates, except for U.S. Treasury securities. All U.S. Treasury securities have a maturity less than one year.

Credit Risk

State law limits investments to specific government securities, certificates of deposit, bank accounts with qualified financial institutions, and commercial paper with specific maximum maturities and ratings when purchased, bankers' acceptances of specific financial institutions, qualified mutual funds, and qualified external investment pools, as identified above. The Authority has no investment policy that would further limit its investment choices. As of December 31, the credit quality ratings of securities are as follows:

Investment	Carrying Value (2023)	Carrying Value (2022)	Rating	Rating Organization
Bank investment pool - Goldman Sachs Financial Square Government Fund*	$ 53,096,560	$ 27,189,954	AAAm	S&P
Bank investment pool - Goldman Sachs Financial Square Treasury Obligations Fund*	62,596,641	27,188,502	AAAm	S&P
Bank investment pool - Dreyfus Treasury Obligations Cash Management Fund*	52,632,704	27,189,382	AAAm	S&P
External investment pool - County of Kent, Michigan	5,443,383	5,284,683	Not rated	
Total	$ 173,769,288	$ 86,852,521		

*Investments are valued at amortized cost rather than fair value. There are no limitations or restrictions on participant withdrawals.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. State law limits allowable investments but does not limit concentration of credit risk, as identified in the list of authorized investments above. The Authority's investment policy minimizes concentration of credit risk by requiring that, with the exception of U.S. Treasurys and authorized pools, no more than 25 percent of the portfolio be invested in a single security type or with a single financial institution.

Investments in Entities that Calculate Net Asset Value per Share

The Authority invests in the Kent County External Investment Pool, managed by the county treasurer. Investments underlying the Kent County External Investment Pool consist primarily of short-term certificates of deposit, which are carried at cost plus accrued interest, and U.S. Treasury securities and agencies, which are carried at fair value. Investment income earned as a result of cash pooling is allocated to participating governments.

At December 31, 2023 and 2022, the fair value of the county investment pool was $5,443,383 and $5,284,683, respectively. There were no unfunded commitments, no restrictions on redemption frequency, and no redemption notice periods.

Note 2 - Deposits and Investments (Continued)

Fair Value Measurements

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The Authority has the following recurring fair value measurements as of December 31, 2023:

	Assets Measured at Carrying Value on a Recurring Basis			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2023
Investments - Debt securities - U.S. Treasury securities	$ 14,258,051	$ -	$ -	$ 14,258,051

Debt securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Note 3 - Restricted Assets

At December 31, 2023 and 2022, restricted assets are composed of the following:

	2023	2022
Current restricted cash and cash equivalents - Debt service	$ 21,380,799	$ 15,000,053
Noncurrent restricted cash and cash equivalents:		
Debt service	7,774,984	233,881
Passenger facility charges	17,079,353	11,668,698
Customer facility charges	11,101,513	7,145,875
Unspent bond proceeds	163,630,790	69,912,914
Noncurrent restricted accounts receivable:		
Passenger facility charges	1,079,036	967,432
Customer facility charges	320,418	289,974
Total noncurrent restricted assets	200,986,094	90,218,774
Total restricted assets	$ 222,366,893	$ 105,218,827

Note 4 - Capital Assets

Capital asset activity of the Authority was as follows:

	Balance January 1, 2023	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2023
Capital assets not being depreciated - Construction in progress	$ 94,868,210	$ (107,660,868)	$ 105,824,684	$ -	$ 93,032,026
Capital assets being depreciated:					
Land improvements	311,492,829	7,829,125	-	-	319,321,954
Buildings and improvements	345,096,288	94,425,513	-	-	439,521,801
Equipment	30,232,665	3,969,985	-	(533,106)	33,669,544
Systems	16,143,616	643,743	93,012	-	16,880,371
Office equipment and furniture	4,669,182	60,172	-	-	4,729,354
Vehicles	2,048,934	732,330	-	(131,564)	2,649,700
Subtotal	709,683,514	107,660,868	93,012	(664,670)	816,772,724
Accumulated depreciation:					
Land improvements	187,367,988	-	9,471,064	-	196,839,052
Buildings and improvements	159,321,805	-	12,787,324	-	172,109,129
Equipment	15,006,807	-	1,555,333	(533,106)	16,029,034
Systems	9,968,988	-	1,376,847	-	11,345,835
Office equipment and furniture	1,837,467	-	254,974	-	2,092,441
Vehicles	1,240,736	-	330,703	(131,564)	1,439,875
Subtotal	374,743,791	-	25,776,245	(664,670)	399,855,366
Net capital assets being depreciated	334,939,723	107,660,868	(25,683,233)	-	416,917,358
Net capital assets	$ 429,807,933	$ -	$ 80,141,451	$ -	$ 509,949,384

Note 4 - Capital Assets (Continued)

	Balance January 1, 2022	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2022
Capital assets not being depreciated - Construction in progress	$ 46,972,841	$ (23,143,519)	$ 71,038,888	$ -	$ 94,868,210
Capital assets being depreciated:					
Land improvements	311,466,481	26,348	-	-	311,492,829
Buildings and improvements	324,522,299	21,136,517	-	(562,529)	345,096,287
Equipment	30,327,116	168,400	-	(262,851)	30,232,665
Systems	15,174,760	1,143,650	39,715	(214,509)	16,143,616
Office equipment and furniture	5,235,304	41,420	-	(607,542)	4,669,182
Vehicles	1,461,314	627,184	-	(39,564)	2,048,934
Subtotal	688,187,274	23,143,519	39,715	(1,686,995)	709,683,513
Accumulated depreciation:					
Land improvements	177,613,463	-	9,754,525	-	187,367,988
Buildings and improvements	149,008,336	-	10,875,998	(562,529)	159,321,805
Equipment	13,896,034	-	1,373,624	(262,851)	15,006,807
Systems	9,051,811	-	1,131,687	(214,510)	9,968,988
Office equipment and furniture	2,200,893	-	244,116	(607,543)	1,837,466
Vehicles	1,122,070	-	152,186	(33,520)	1,240,736
Subtotal	352,892,607	-	23,532,136	(1,680,953)	374,743,790
Net capital assets being depreciated	335,294,667	23,143,519	(23,492,421)	(6,042)	334,939,723
Net capital assets	$ 382,267,508	$ -	$ 47,546,467	$ (6,042)	$ 429,807,933

The construction in progress as of December 31, 2023 and 2022 of $93,032,026 and $94,868,210, respectively, relates to various projects being funded by federal, state, and authority funds.

Depreciation expense for the years ended December 31, 2023 and 2022 was $25,776,245 and $23,532,136, respectively.

The County of Kent, Michigan owns the land underlying the Authority's operations. In December 2015, the Authority entered into a 40-year lease with the County to use the land for any purposes the Authority deems to be consistent with the best interest of operating the airport for a payment of $1. At the end of the 40-year term, the lease shall renew for successive 20-year terms unless either party gives proper notice of termination.

Construction Commitments

The Authority has active construction projects at year end. The projects include the Concourse A Expansion, ConRAC Facility and Parking Structure, and Power Generator, among others. At December 31, 2023, the Authority's commitments with contractors were approximately $103,572,000.

Note 5 - Long-term Debt

Long-term debt activity for the years ended December 31, 2023 and 2022 can be summarized as follows:

	2023				
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable:					
Other debt - Revenue bonds	$ 206,785,000	$ 159,390,000	$ (9,295,000)	$ 356,880,000	$ 9,635,000
Unamortized bond premiums	39,502,143	-	(1,051,714)	38,450,429	1,051,714
Total bonds and contracts payable	$ 246,287,143	$ 159,390,000	$ (10,346,714)	$ 395,330,429	$ 10,686,714

	2022				
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable:					
Other debt - Revenue bonds	$ 215,580,000	$ -	$ (8,795,000)	$ 206,785,000	$ 9,295,000
Unamortized bond premiums	40,553,856	-	(1,051,713)	39,502,143	1,051,714
Total bonds and contracts payable	$ 256,133,856	$ -	$ (9,846,713)	$ 246,287,143	$ 10,346,714

The Authority had deferred outflows of $2,975,205 and $3,278,721 related to deferred charges on bond refundings at December 31, 2023 and 2022, respectively.

Revenue Bonds

Revenue bonds payable consist of the following bond issues as of December 31, 2023 and 2022:

	Maturity Date	Interest Rate	2023	2022
Airport revenue bonds, Series 2015	1/1/2035	1.50-5.00%	$ 10,370,000	$ 11,000,000
Airport revenue refunding bonds, Series 2015	1/1/2037	4.00-5.00%	74,425,000	78,085,000
Airport revenue refunding bonds, Series 2018	1/1/2025	5.00%	4,690,000	6,870,000
Airport revenue refunding bonds, Series 2021	1/1/2028	4.00-5.00%	14,355,000	17,180,000
Airport revenue bonds, Series 2021	1/1/2051	5.00%	93,650,000	93,650,000
Airport revenue bonds, Series 2023	1/1/2053	4.50-5.50%	159,390,000	-
Total			$ 356,880,000	$ 206,785,000

Note 5 - Long-term Debt (Continued)

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the above bonds and note obligations are as follows:

	Other Debt		
Years Ending December 31	Principal	Interest	Total
2024	$ 9,635,000	$ 6,457,186	$ 16,092,186
2025	9,980,000	12,748,822	22,728,822
2026	9,175,000	16,706,979	25,881,979
2027	9,510,000	16,360,083	25,870,083
2028	9,970,000	15,989,400	25,959,400
2029-2033	47,290,000	73,541,900	120,831,900
2034-2038	55,550,000	61,588,231	117,138,231
2039-2043	55,530,000	47,749,597	103,279,597
2044-2048	71,860,000	30,987,140	102,847,140
2049-2053	78,380,000	9,925,068	88,305,068
Total	$ 356,880,000	$ 292,054,406	$ 648,934,406

There are a number of limitations and restrictions contained in the various bond indentures. All revenue bonds outstanding and interest thereon are secured by a statutory first lien, subject only to prior liens, on the net revenue of the Authority. In compliance with bond agreements, the Authority had a letter of credit available totaling $17,844,417, which had not been drawn upon during 2023. The letter of credit expired on December 1, 2023 and was replaced with a surety policy to cover any liability associated with the Authority's potential inability to meet future debt payments. In addition, all bonds bear the limited tax pledge of the full faith and credit of the County of Kent, Michigan to advance necessary amounts to meet principal and interest payments in the event that revenue of the Authority is insufficient to meet requirements.

Pledged Revenue

The Authority has pledged airport revenue as security for outstanding bonds, which were issued to provide funding for various capital projects. The Authority has committed to appropriate each year, from certain airport revenue net of related operating expenses, amounts sufficient to cover the principal and interest requirements of the debt. Total principal and interest remaining on the debt is $648,934,406, with annual requirements ranging from $13,400,000 to $26,000,000. For the years ended December 31, 2023 and 2022, there was $9,295,000 and $8,795,000, respectively, in principal payments, and interest expense totaled $15,728,112 and $8,961,695, respectively. Net revenue pledged for debt service was approximately $47,252,000 and $33,651,000 for the years ended December 31, 2023 and 2022, respectively.

Subsequent Event

On May 15, 2024, the Authority issued $94.0 million in Series 2024 Revenue Bonds through the County of Kent, Michigan. These bonds were issued to provide funds to pay a portion of the costs of certain capital acquisitions and improvements at the Authority. The bonds are made up of various components with maturity dates ranging from 5 to 30 years at a fixed interest rate of 5.0 percent.

Note 6 - Leases

The Authority, as a lessor, recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term, with certain exceptions for certain regulated leases and short-term leases. As lessor, the asset underlying the lease is not unrecognized. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources is measured at the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

The Authority leases certain assets to various third parties. The assets leased include land, building facilities, and office/operating space inside the airport terminal. Payments of leases of land and buildings outside the terminal are most often received as a fixed monthly amount. Leases with businesses that conduct sales directly with passengers most often are set up as variable rent based on a percentage of gross revenue, with a Minimum Annual Guarantee (MAG) to provide a certain amount of revenue regardless of operational success of the lessee. Lease terms vary from month to month to over 20 years, but the majority of leases are under 5 years in length.

The Authority has adopted the following policies to assist in determining lease treatment according to the requirements of GASB Statement No. 87 (GASB 87):

- The maximum possible lease term(s) is noncancelable by both lessee and lessor and is more than 12 months.
- The term of the lease will include possible extension periods that are deemed to be reasonably certain given all available information, regarding the likelihood of renewal. The term of the lease will exclude possible termination periods that are not deemed to be reasonably certain, given all available information, regarding the likelihood of exercise.
- For the fiscal years ended December 31, 2023 and 2022, all leases with associated receivables are based on fixed payments and do not have variable payment components included in the receivable.

During the years ended December 31, 2023 and 2022, the Authority recognized the following related to its lessor agreements:

	2023	2022
Lease revenue	$ 4,455,143	$ 5,923,900
Interest income related to leases	564,322	551,529
Revenue from variable payments not previously included in the measurement of the lease receivable	8,102,646	4,552,776

The Authority has issued General Airport Revenue Bonds whose repayments are secured by the overall net revenue derived by airport operations. Although none of the Authority's leases are directly pledged as security for these bond repayments, lease revenue is a component of net revenue. See Note 5 for more information regarding outstanding bonds.

Most leases do not contain any early termination provisions, and the few that do can only be terminated by either the lessor or lessee, but not both. In addition, they are long term in nature and expire in less than 10 years.

Note 6 - Leases (Continued)

Future principal and interest payment requirements related to the Authority's lease receivable at December 31, 2023 are as follows:

Years Ending	Principal	Interest
2024	$ 1,071,734	$ 480,792
2025	1,118,204	437,033
2026	1,166,683	391,349
2027	804,817	347,761
2028	540,232	323,645
2029-2033	1,259,396	1,367,677
2034-2038	288,021	1,267,717
2039-2043	485,779	1,172,753
2044-2048	758,069	1,019,625
2049-2053	1,128,963	786,875
2054-2058	1,629,813	446,172
2059-2063	907,779	54,340
Total	$ 11,159,490	$ 8,095,739

Regulated Leases

The Authority is party to certain regulated leases, as defined by GASB 87. The leased assets include land that the lessee uses for hangar construction and use, FBO operations, cargo facilities, hangars, terminal space, and other building facilities.

In accordance with GASB 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 (e.g., the U.S. Department of Transportation and the Federal Aviation Administration, regulated aviation leases between airports and air carriers and other aeronautical users, and local regulations for fire and other).

The Authority has certain airline leases that are regulated by the FAA. However, they are not included within the following disclosures, as these leases have been extended for one year and are considered short term based on the qualifications of GASB 87.

During the years ended December 31, 2023 and 2022, the Authority recognized the following related to its regulated lease agreements:

	2023	2022
Lease revenue	$ 5,254,600	$ 4,866,965
Revenue from variable payments not included in the schedule of expected future minimum payments	553,436	472,807

Note 6 - Leases (Continued)

Future expected minimum payments related to the Authority’s regulated leases at December 31, 2023 are as follows:

Years Ending	Future Amounts
2024	$ 4,793,933
2025	4,531,474
2026	4,535,774
2027	4,539,588
2028	4,511,041
2029-2033	13,327,275
2034-2038	10,822,630
2039-2043	10,439,663
2044-2048	4,651,610
2049-2053	3,596,023
2054-2058	3,596,023
2059-2063	2,018,872
Total	$ 71,363,906

Most of these leases do not contain any early termination provisions, and the few that do can only be terminated by either the lessor or lessee, but not both. In addition, nearly all of the regulated leases are long term in nature. About 25 percent of all regulated leases expire in 5 years or less, the remaining have terms that vary from 5 to 40 years in length.

Note 7 - Risk Management

The Authority is exposed to various risks of loss during the normal course of operations. The Authority participates in the County's self-insurance program for property insurance. The cost of coverage is recognized as an operating expense in the year incurred. The Authority also purchases commercial insurance for catastrophic loss claims. No liability is recorded at December 31, 2023 and 2022 for outstanding claims or for any potential claims incurred but not reported as of that date.

The Michigan Municipal Risk Management Authority (MMRMA) risk pool program operates as a claims servicing pool for amounts up to member retention limits and as a common risk-sharing management program for losses in excess of member retention amounts. Although premiums are paid annually to MMRMA that it uses to pay claims up to the retention limits, the ultimate liability for those claims remains with the Authority. Settled claims have not exceeded available coverage for any of the last three years. There was no estimated claims liability at December 31, 2023 and 2022, and there were no claim payments for the years then ended.

Note 7 - Risk Management (Continued)

In March 2018, the Gerald R. Ford International Airport Authority was approached by the Michigan Department of Environmental Quality (MDEQ) Remediation and Redevelopment Division, Grand Rapids District Office, regarding historical use of firefighting foam. In response, the Authority began a stepwise approach to further understand the use of aqueous film-forming foam (AFFF) at the airport. Use is generally summarized as follows from our April 13, 2018 response to the MDEQ: "Firefighting materials at the airport (and all U.S. commercial airports) are specified and regulated by the Federal Aviation Administration. The military specification (Mil-Spec) specifying which aqueous film-forming foam is permitted to be used pursuant to FAA regulations has changed over time. The latest Mil-Spec from September 2016 requires AFFF formulations, and the immediately prior formulation contained some form of per- and polyfluoroalkyl substances (PFAS)." There are three main scenarios in which AFFF may be used at an airport: training, equipment testing, and to extinguish fuel-fed fires. The Authority has utilized best practices to meet FAA regulations in all of these use scenarios. Following the April 2018 letter, the Authority fostered a collaborative effort with regulatory agencies, including the Michigan Department of Environment, Great Lakes, and Energy (EGLE - formerly the MDEQ), Michigan Department of Health and Human Services, and the Kent County Health Department and conducted numerous water and soil tests in the vicinity of a former on-site firefighter training area. This investigation continued through 2024, and a settlement agreement was reached between Cascade Charter Township (the "Township") and the Gerald R. Ford International Airport Authority, effective April 26, 2023. The agreement states that the Authority is obligated to reimburse the Township an amount up to $515,000 for temporary drinking water relief the Township is providing to affected residents, as well as approximately $1,625,000 for capital costs associated with upgrades to the municipal water system that were started in 2023 and will be completed in 2024.

Note 8 - Pension Plan

Plan Description

The Authority participates in the Municipal Employees' Retirement System of Michigan (MERS), an agent multiple-employer defined benefit pension plan. MERS was established as a statewide public employee pension plan by the Michigan Legislature under PA 135 of 1945 and is administered by a nine-member retirement board. MERS issues a publicly available financial report, which includes financial statements and required supplementary information of this defined benefit plan. This report can be obtained at www.mersofmich.com or in writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

Benefits Provided

The plan provides certain retirement, disability, annual cost of living adjustments, and death benefits to plan members and beneficiaries. PA 427 of 1984, as amended, established and amended the benefit provisions of the participants in MERS.

Pension benefits vary based on date of hire. Employees with a hire date prior to July 1, 2016 who transferred employment from the County participate in a defined benefit plan. Service credit for employment as a county employee was retained. Benefit payments are calculated as final average compensation (based on a 3-year period) and a multiplier of 2.5 percent. Participants are considered to be fully vested in the plan after 5 years. Normal retirement age is 60 with 5 or more years of service or any age with 25 or more years of service. Early retirement options are available at age 55 with a reduced benefit.

Employees hired on or after July 1, 2016 participate in a hybrid plan, with the exception of nonunion members hired on or after January 1, 2019, who participate only in a defined contribution plan (see Note 11). Benefit payments under the hybrid plan are calculated as final average compensation (based on a 3-year period) and a multiplier of 1.5 percent. Participants are considered to be fully vested in the plan after 6 years. Employer defined contribution payments vest on a graded scale over 6 years. Employee contributions vest immediately. Normal retirement age is 60 with 6 years of service, with an early retirement option available at age 55 with 25 years of service.

Note 8 - Pension Plan (Continued)

Employees Covered by Benefit Terms

The following members were covered by the benefit terms:

Date of member count	December 31, 2022
Inactive plan members or beneficiaries currently receiving benefits	33
Inactive plan members entitled to but not yet receiving benefits	15
Active plan members	67
Total employees covered by the plan	115

Contributions

Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS retirement board. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

For the years ended December 31, 2023 and 2022, employee contributions to the closed defined benefit plan are expressed as a percentage of covered payroll and amount to 6.50 percent of covered payroll. For the years ended December 31, 2023 and 2022, employer contributions to the hybrid plan are expressed as a percentage of covered payroll and amount to 8.34 and 7.73 percent, respectively, of covered payroll.

Net Pension Asset

The Authority has chosen to use its December 31 fiscal year end as its measurement date for the net pension asset.

The December 31, 2023 fiscal year end reported net pension asset was determined using a measure of the total pension liability and the plan net position as of the December 31, 2023 measurement date. The December 31, 2023 total pension liability was determined by an actuarial valuation performed as of December 31, 2022, which used update procedures to roll forward the estimated liability to December 31, 2023.

The December 31, 2022 fiscal year end reported net pension asset was determined using a measure of the total pension liability and the plan net position as of the December 31, 2022 measurement date. The December 31, 2022 total pension liability was determined by an actuarial valuation performed as of December 31, 2021, which used update procedures to roll forward the estimated liability to December 31, 2022.

Note 8 - Pension Plan (Continued)

Changes in the net pension asset during the measurement year were as follows:

	Increase (Decrease)		
Changes in Net Pension Asset	Total Pension Liability	Plan Net Position	Net Pension Asset
Balance at December 31, 2022	$ 28,604,162	$ 29,730,283	$ (1,126,121)
Changes for the year:			
Service cost	659,485	-	659,485
Interest	2,053,270	-	2,053,270
Differences between expected and actual experience	685,408	-	685,408
Contributions - Employer	-	328,530	(328,530)
Contributions - Employee	-	180,323	(180,323)
Net investment gain	-	3,289,946	(3,289,946)
Benefit payments	(1,225,885)	(1,225,885)	-
Administrative expenses	-	(69,814)	69,814
Miscellaneous other charges	(33,361)	-	(33,361)
Net changes	2,138,917	2,503,100	(364,183)
Balance at December 31, 2023	$ 30,743,079	$ 32,233,383	$ (1,490,304)

The plan's fiduciary net position represents 104.9 percent of the total pension liability.

Changes in the net pension asset during the prior measurement year were as follows:

	Increase (Decrease)		
Changes in Net Pension Asset	Total Pension Liability	Plan Net Position	Net Pension Asset
Balance at December 31, 2021	$ 25,785,749	$ 33,794,590	$ (8,008,841)
Changes for the year:			
Service cost	637,470	-	637,470
Interest	1,851,037	-	1,851,037
Differences between expected and actual experience	163,398	-	163,398
Changes in assumptions	1,218,392	-	1,218,392
Contributions - Employer	-	398,705	(398,705)
Contributions - Employee	-	248,566	(248,566)
Net investment loss	-	(3,503,307)	3,503,307
Benefit payments	(1,145,892)	(1,145,892)	-
Administrative expenses	-	(62,379)	62,379
Miscellaneous other charges	94,008	-	94,008
Net changes	2,818,413	(4,064,307)	6,882,720
Balance at December 31, 2022	$ 28,604,162	$ 29,730,283	$ (1,126,121)

The plan's fiduciary net position represents 103.9 percent of the total pension liability.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the years ended December 31, 2023 and 2022, the Authority recognized pension expense of $1,444,857 and $1,649,467, respectively.

Note 8 - Pension Plan (Continued)

At December 31, 2023 and 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,706,055	$ 139,496	$ 1,628,288	$ 209,244
Changes in assumptions	1,613,535	-	2,083,691	-
Net difference between projected and actual earnings on pension plan investments	1,544,257	-	2,702,126	-
Total	$ 4,863,847	$ 139,496	$ 6,414,105	$ 209,244

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending December 31	Amount
2024	$ 1,272,372
2025	1,482,196
2026	1,835,007
2027	134,776
Total	$ 4,724,351

Actuarial Assumptions

The total pension liability in the December 31, 2022 actuarial valuation was determined using an inflation assumption of 2.5 percent, assumed salary increases (including inflation) of 3.00 percent, an investment rate of return (net of investment expenses) of 7.25 percent, and a version of Pub-2010 mortality tables with future mortality improvements using scale MP-2019 applied fully generationally.

The actuarial assumptions used in the December 31, 2022 actuarial valuation date valuation were based on the results of an actuarial experience study for the period from January 1, 2014 through December 31, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that authority contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

Projected Cash Flows

Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

Note 8 - Pension Plan (Continued)

Investment Rate of Return

The long-term expected rate of return on pension plan investments was determined using a model in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges 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 by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return as of the December 31, 2023 measurement date for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	60.00 %	4.50 %
Global fixed income	20.00	2.00
Private investments	20.00	7.00

Sensitivity of the Net Pension Asset to Changes in the Discount Rate

The following presents the net pension asset of the Authority, calculated using the discount rate of 7.25 percent, as well as what the Authority's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Net pension liability (asset) of the plan	$ 2,585,643	$ (1,490,304)	$ (4,844,331)

Pension Plan Fiduciary Net Position

Detailed information about the plan’s fiduciary net position is available in the separately issued financial report. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the plan’s fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. The plan uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

Note 9 - Health Care Savings Plan

The Authority sponsors a health care savings plan (HCSP) for employees. The HCSP allows for employee and employer contributions while employed to be used toward eligible medical expenses upon retirement. Employees contribute at a rate of 1 percent of covered payroll. The Authority supplements employee contributions with an annual contribution of $3,000 (paid on a quarterly basis). Employee contributions are vested immediately. Authority contributions are vested on a graded scale over six years. For the years ended December 31, 2023 and 2022, the Authority contributed $371,936 and $241,714, respectively, and employees contributed $102,170 and $96,648, respectively, to the HCSP.

Note 9 - Health Care Savings Plan (Continued)

Employees hired before July 1, 2016 were previously part of the Kent County Voluntary Employees' Beneficiary Association (VEBA), a defined benefit other postemployment benefits plan. Upon transferring to the Authority, these employees are no longer eligible under the VEBA. Accordingly, the Authority provided these employees with a contribution to their new HCSP account for prior service credit under the County. The total of contributions due for prior service credit was $2,497,500, of which $1,458,387 was contributed in the six months ended December 31, 2016 ($436,193 from the Authority's share of VEBA assets plus a cash contribution of $1,022,194). The payment of $1,039,133 to fully fund the HCSP for prior service credit was made in March 2017.

Note 10 - Deferred Compensation Plan

The Authority offers a supplemental retirement program in accordance with Section 457 of the Internal Revenue Code (IRC) that will provide for payments on retirement, as well as death benefits in the event of death prior to retirement. The benefits of plan assets are held in trust for the exclusive benefit of participants and their beneficiaries and are managed by these individuals. As such, these amounts have not been included in the accompanying financial statements. The Authority contributed $60,429 and $49,892, and employees contributed $260,030 and $269,957 to the deferred compensation plan for the years ended December 31, 2023 and 2022, respectively.

Note 11 - Defined Contribution Plan

The Authority sponsors a 401(a) plan for those employees hired on or after July 1, 2016. Those employees who participate in the hybrid plan (see Note 8) have the defined contribution portion of their plan held here. Nonunion employees hired on or after January 1, 2019 participate only in the defined contribution plan. Participants are considered to be fully vested in the plan after six years. Employer-defined contribution payments vest on a graded scale over six years. Employee contributions vest immediately. The hybrid plan requires those employees in the plan to contribute 6.5 percent of covered payroll and provides for the Authority to make a required 2.0 percent contribution of covered payroll. The direct compensation plan requires those employees in the plan to contribute 6.5 percent of covered payroll and provides for the Authority to make a required 8.5 percent contribution of covered payroll. The Authority contributed $436,213 and $310,519, and the employees contributed $482,901 and $399,541 to the defined contribution plan for the years ended December 31, 2023 and 2022, respectively.

Note 12 - Concentrated Credit Risk

During the years ended December 31, 2023 and 2022, the Authority provided gate access to 14 passenger airlines, 2 all-cargo airlines, and 1 charter. Additional revenue is earned through parking lot fees, lease arrangements with various rental car agencies and concessionaires, and leasing of airport land and buildings. The Authority's primary exposure to credit risk is in lease and trade receivables, and management performs ongoing credit evaluations of the major tenants.

Required Supplementary Information

Required Supplementary Information
Schedule of Changes in the Net Pension Asset and Related Ratios
MERS Agent Multiple-employer Defined Benefit Pension Plan

Last Eight Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016*
Total Pension Liability								
Service cost	$ 659,485	$ 637,470	$ 655,857	$ 806,317	$ 814,000	$ 835,093	$ 829,449	$ 756,113
Interest	2,053,270	1,851,037	1,711,977	1,474,548	1,458,967	1,314,122	1,144,760	29,228
Changes in benefit terms	-	-	-	-	28,311	-	-	-
Differences between expected and actual experience	685,408	163,398	1,276,417	236,522	(488,237)	899,368	675,040	-
Changes in assumptions	-	1,218,392	523,947	1,258,367	-	-	-	-
Benefit payments	(1,225,885)	(1,145,892)	(1,073,304)	(753,882)	(330,143)	(205,774)	(121,103)	(25,404)
Other changes	(33,361)	94,008	(43,884)	337,139	(102,333)	(966,603)	(27,001)	12,857,875
Net Change in Total Pension Liability	2,138,917	2,818,413	3,051,010	3,359,011	1,380,565	1,876,206	2,501,145	13,617,812
Total Pension Liability - Beginning of year	28,604,162	25,785,749	22,734,739	19,375,728	17,995,163	16,118,957	13,617,812	-
Total Pension Liability - End of year	**$ 30,743,079**	**$ 28,604,162**	**$ 25,785,749**	**$ 22,734,739**	**$ 19,375,728**	**$ 17,995,163**	**$ 16,118,957**	**$ 13,617,812**
Plan Fiduciary Net Position								
Contributions - Employer	$ 328,530	$ 398,705	$ 322,812	$ 382,018	$ 270,677	$ 325,207	$ 470,266	$ 16,038,027
Contributions - Member	180,323	248,566	165,719	213,923	258,155	354,221	417,953	3,529,014
Net investment income (loss)	3,289,946	(3,503,307)	4,247,101	3,506,368	3,233,939	(980,257)	2,798,042	1,020,983
Administrative expenses	(69,814)	(62,379)	(48,728)	(54,679)	(55,759)	(47,669)	(44,137)	(18,996)
Benefit payments	(1,225,885)	(1,145,892)	(1,073,304)	(753,882)	(330,143)	(205,774)	(121,103)	(25,404)
Net Change in Plan Fiduciary Net Position	2,503,100	(4,064,307)	3,613,600	3,293,748	3,376,869	(554,272)	3,521,021	20,543,624
Plan Fiduciary Net Position - Beginning of year	29,730,283	33,794,590	30,180,990	26,887,242	23,510,373	24,064,645	20,543,624	-
Plan Fiduciary Net Position - End of year	**$ 32,233,383**	**$ 29,730,283**	**$ 33,794,590**	**$ 30,180,990**	**$ 26,887,242**	**$ 23,510,373**	**$ 24,064,645**	**$ 20,543,624**
Authority's Net Pension Asset - Ending	**$ (1,490,304)**	**$ (1,126,121)**	**$ (8,008,841)**	**$ (7,446,251)**	**$ (7,511,514)**	**$ (5,515,210)**	**$ (7,945,688)**	**$ (6,925,812)**
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	104.85 %	103.94 %	131.06 %	132.75 %	138.77 %	130.65 %	149.29 %	150.86 %
Covered Payroll	$ 5,562,769	$ 5,860,127	$ 5,884,728	$ 7,044,221	$ 6,748,311	$ 6,721,352	$ 6,721,352	$ 5,635,428
Authority's Net Pension Asset as a Percentage of Covered Payroll	(26.79)%	(19.22)%	(136.10)%	(105.71)%	(111.31)%	(82.06)%	(118.22)%	(122.90)%

*The Authority enrolled in this defined benefit pension plan in 2016. The Authority's beginning total pension liability in 2016 was recorded in the other changes section of the schedule above. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Required Supplementary Information
Schedule of Pension Contributions
MERS Agent Multiple-employer Defined Benefit Pension Plan

Last Eight Fiscal Years

Year Ended December 31

	2023	2022	2021	2020	2019	2018	2017	2016*
Actuarially determined contribution	$ 250,692	$ 230,580	$ 322,812	$ 288,228	$ 258,960	$ 146,856	$ 169,775	$ 15,881,370
Contributions in relation to the actuarially determined contribution	328,530	398,705	322,812	382,018	270,677	325,207	470,266	16,038,027
Contribution Excess	**$ 77,838**	**$ 168,125**	**$ -**	**$ 93,790**	**$ 11,717**	**$ 178,351**	**$ 300,491**	**$ 156,657**
Covered Payroll	$ 5,562,769	$ 5,860,127	$ 5,884,728	$ 7,044,221	$ 6,748,311	$ 6,721,352	$ 6,721,352	$ 5,635,428
Contributions as a Percentage of Covered Payroll	5.91 %	6.80 %	5.49 %	5.42 %	4.01 %	4.84 %	7.00 %	284.59 %

*The Authority enrolled in this defined benefit pension plan in 2016. This schedule is being built prospectively. Ultimately, 10 years of data will be presented.

Notes to Schedule of Pension Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date	Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which the contributions are reported. Contributions for the Authority's fiscal year ended December 31, 2023 were determined based on the actuarial valuation as of December 31, 2021. The most recent valuation is as of December 31, 2022.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percent of payroll, open
Remaining amortization period	10 years (15 years for the hybrid)
Asset valuation method	10 years smoothed
Inflation	2.5 percent
Salary increase	3.00 percent
Investment rate of return	7.25 percent - Net of pension plan investment expenses, including inflation
Retirement age	Age-based table of rates that are specific to the type of eligibility condition
Mortality	MP-2019 applied fully generationally from the Pub-2010 base year of 2010

See note to required supplementary information.

Pension Information - Changes in Assumptions

Changes in assumptions in 2016 reflect the effects of the following changes in assumptions from fiscal year 2015 to fiscal year 2016: (a) inflation decreased from 3.00 percent to 2.50 percent; (b) salary increase ranges changed from 4.50 - 8.30 percent to 3.75 - 14.75 percent, including inflation; and (c) mortality rates were updated from the RP-2000 Combined Healthy Life Mortality Table to various RP-2014 mortality tables.

Changes in assumptions in 2020 reflect the effects of the following changes in assumptions from fiscal year 2019 to fiscal year 2020: (a) assumed annual rate of return and discount rate were updated from 8.00 percent down to 7.60 percent; (b) assumed salary increases were decreased from a range of 3.75 - 14.75 percent to a range of 3.00 - 14.00 percent; and (c) the assumed rate of wage inflation decreased from 3.75 to 3.00 percent.

Changes in assumptions in 2021 reflect the effects of the following changes in assumptions from fiscal year 2020 to fiscal year 2021: (a) assumed salary increases were decreased from a range of 3.00 - 14.00 percent to a range of 3.00 - 9.70 percent; (b) the mortality rates were updated from various RP-2014 mortality tables to various Pub-2010 mortality tables; (c) the FAC load assumption increased to reflect FAC loads of 1 to 15 percent, up from 0 to 12 percent; and (d) withdrawal rates and retirement rates were updated to incorporate separate public safety and general withdrawal rates.

Changes in assumptions in 2022 reflect the effects of the following changes in assumptions from fiscal year 2021 to fiscal year 2022: (a) assumed annual rate of return and discount rate were updated from 7.60 percent down to 7.25 percent and (b) the MERS Retirement Board adopted a dedicated gains policy that automatically adjusts the assumed rate of investment return by using excess asset gains to mitigate large increases in required contributions to the plan.

Statistical Section

Statistical Section Table of Contents

The objective of the statistical section is to provide financial statement users with additional historical perspective, context and detail to assist in using the information in the financial statements, notes to financial statements and required supplementary information to understand and assess a governmental unit's economic condition.

The statistical section information is presented in the following categories:

Financial Trends **Schedules A and B**	Financial trends information is intended to show how the governmental unit's financial position has changed over time.
Revenue Capacity **Schedules C and D**	Revenue capacity information is intended to show the factors affecting a governmental unit's ability to generate its own-source revenue.
Debt Capacity Information **Schedule E**	Debt capacity information is intended to show a governmental unit's debt burden and its ability to issue additional debt.
Demographic and Economic **Schedules F and G**	Demographic and economic information is intended to show the socioeconomic environment within which the governmental unit operates.
Operating Information **Schedules H and I**	Operating information is intended to show contextual information about operations and resources to provide understanding and assessing the governmental unit's economic condition.

Through June 30, 2016, the Gerald R. Ford International Airport was reported as an enterprise fund of Kent County, Michigan. Effective July 1, 2016, operations (which were substantially unchanged) were transferred to a newly-created Authority. Since this change was in legal name only, the Airport has presented a full year of data for all years included in the Statistical Section.

Gerald R. Ford International Airport Authority

Schedule A
Net Position and Changes in Net Position

Last Ten Fiscal Years
(dollars in thousands)

	December 31, 2014	2015	2016	2017	2018
Operating revenues					
Airfield	$ 9,456	$ 10,639	$ 10,889	$ 11,695	$ 13,090
Terminal	7,813	7,566	7,475	7,776	8,723
Ground transportation	17,821	19,327	20,598	21,568	26,175
Other	752	687	756	792	1,187
Total operating revenues	35,842	38,219	39,718	41,831	49,175
Operating expenses					
Salaries and fringes	8,094	8,918	5,729	9,590	9,656
Services and supplies	10,411	12,475	13,395	13,444	15,695
Depreciation	16,446	16,685	18,288	18,907	19,608
Total operating expenses	34,951	38,078	37,412	41,941	44,959
Operating income (loss)	891	141	2,306	(110)	4,216
Nonoperating revenue (expenses)					
Interest income	136	178	233	126	241
Interest expense	(7,971)	(7,269)	(6,873)	(6,505)	(6,299)
Passenger facility charges	4,788	5,242	5,424	5,786	6,886
Customer facility charges	1,829	1,956	2,016	2,152	2,383
Federal Aid (CARES/CRSSAA/ARPA)	-	-	-	-	-
Other	50	56	58	1	(130)
Total nonoperating revenue (expenses)	(1,168)	163	858	1,560	3,081
Income (Loss) before capital contributions	(277)	304	3,164	1,450	7,297
Capital contributions	14,818	11,633	6,495	7,212	20,644
Special Item	-	-	(21,184)	-	-
Change in net position	$ 14,541	$ 11,937	$ (11,525)	$ 8,662	$ 27,941
Net position					
Invested in capital assets, net of related debt / net investment in capital assets	$ 150,950	$ 161,636	$ 152,970	$ 167,820	$ 189,170
Restricted for:					
Debt service	13,253	10,424	11,511	15,814	11,230
Capital improvements	13,269	17,762	23,027	8,748	15,055
Pension Benefits			6,734	7,492	8,375
Unrestricted	27,161	29,078	13,133	16,163	20,148
Total net position	$ 204,633	$ 218,900	$ 207,375	$ 216,037	$ 243,978

GASB Statement No. 68 was implemented for the year ended December 31, 2015. This resulted in presentation of the Authority's net pension liability on the statement of net position. Prior years were not restated.

GASB Statement No. 87 was implemented for the year ended December 31, 2022. This resulted in presentation of the Authority's net lease receivable on the statement of net position. Comparative information for the year ended December 31, 2021 was restated. Data for years 2020 and prior were not restated retroactively.

December 31,				
2019	2020	2021	2022	2023
$ 13,935	$ 11,011	$ 13,781	$ 16,900	$ 18,689
9,644	5,597	9,137	8,307	13,031
32,332	15,717	26,132	33,818	42,857
820	934	980	835	848
56,731	33,259	50,030	59,860	75,425
11,245	11,014	11,276	14,403	16,273
17,274	14,735	18,087	23,526	27,777
20,522	21,937	23,288	23,532	25,776
49,041	47,686	52,651	61,461	69,826
7,690	(14,427)	(2,621)	(1,601)	5,599
514	166	648	1,597	10,365
(5,837)	(5,418)	(5,556)	(8,962)	(15,728)
7,372	3,428	6,243	7,069	7,760
2,631	1,302	1,772	3,739	4,945
-	16,261	5,509	10,715	5,129
45	22	87	14	41
4,725	15,761	8,703	14,172	12,512
12,415	1,334	6,082	12,571	18,111
18,702	18,705	12,372	4,972	18,125
-	-	-	-	-
$ 31,117	$ 20,039	$ 18,454	$ 17,543	$ 36,236
$ 227,528	$ 246,334	$ 249,384	$ 245,508	$ 264,435
11,299	11,776	10,052	10,581	18,462
7,442	8,542	12,900	20,072	29,580
8,367	8,237	8,582	1,126	1,490
20,460	20,247	32,671	53,845	53,400
$ 275,096	$ 295,136	$ 313,589	$ 331,132	$ 367,367

Gerald R. Ford International Airport Authority

Schedule B
Changes in Cash and Cash Equivalents

Last Ten Fiscal Years
(dollars in thousands)

	December 31,		
	2014	2015	2016
Cash flows from operating activities			
Receipts from customers and users	$ 36,550	$ 39,373	$ 38,976
Cash paid to suppliers	(11,652)	(13,708)	(12,268)
Cash paid to employees	(8,108)	(8,277)	(10,673)
Net cash provided by operating activities	16,790	17,388	16,035
Non-Capital financing activities			
Operating grant funding received	-	-	-
Capital and related financing activities			
Passenger facility charges collected	4,777	5,130	5,383
Customer facility charges collected	1,825	1,948	2,010
Capital contributions received	8,119	16,345	11,488
Proceeds from sale of capital assets	50	68	118
Net proceeds from sale of bonds	-	127,556	-
Cash transferred to escrow for defeased bonds	-	(111,059)	-
Purchase of capital assets	(21,496)	(35,338)	(22,528)
Principal paid on revenue bonds	(5,715)	(6,290)	(6,870)
Interest and other bond expenses paid on revenue bonds	(8,206)	(8,004)	(7,768)
Net cash provided by (used in) capital and related financing activities	(20,646)	(9,644)	(18,167)
Cash flow from investing activities			
Purchase of investment securities	-	-	-
Interest received on investments	130	178	233
Net cash provided by (used in) investing activities	130	178	233
Net increase (decrease) in cash and cash equivalents	(3,726)	7,922	(1,899)
Cash and cash equivalents, beginning of year	49,969	46,243	54,165
Cash and cash equivalents, end of year	$ 46,243	$ 54,165	$ 52,266

December 31,						
2017	2018	2019	2020	2021	2022	2023
$ 41,768	$ 48,895	$ 56,524	$ 33,106	$ 52,556	$ 57,798	$ 74,943
(14,628)	(15,698)	(17,699)	(10,276)	(18,486)	(19,620)	(26,869)
(10,234)	(10,553)	(11,241)	(10,817)	(13,969)	(14,894)	(15,352)
16,906	22,644	27,584	12,013	20,101	23,284	32,722
-	-	-	13,730	2,531	5,509	13,930
5,627	6,686	7,251	4,057	5,739	7,050	7,649
2,146	2,358	2,616	1,410	1,717	3,578	4,914
3,975	25,683	16,494	19,231	2,029	12,994	11,851
26	173	105	75	134	14	41
-	12,725	-	-	139,505	-	159,390
-	-	-	-	-	-	-
(26,861)	(32,066)	(50,401)	(33,080)	(15,804)	(63,667)	(100,332)
(7,255)	(21,560)	(7,735)	(7,795)	(28,600)	(8,795)	(9,295)
(7,478)	(6,445)	(6,503)	(6,361)	(6,113)	(7,515)	(10,436)
(29,820)	(12,446)	(38,173)	(22,463)	98,607	(56,341)	63,782
-	-	-	-	-	-	(14,084)
126	241	514	166	81	1,597	10,085
126	241	514	166	81	1,597	(3,999)
(12,788)	10,439	(10,075)	3,446	121,320	(25,951)	106,435
52,266	39,478	49,917	39,842	43,288	164,608	138,657
$ 39,478	$ 49,917	$ 39,842	$ 43,288	$ 164,608	$ 138,657	$ 245,092

Gerald R. Ford International Airport Authority

Schedule C
Passenger Activity - Enplaned Passengers

Last Ten Fiscal Years

	December 31,					
	2014	2015	2016	2017	2018	2019
Airline						
Air Canada (Air Georgian)	-	-	-	-	-	-
AirTran	402	-	-	-	-	-
Allegiant Air	79,810	98,367	115,409	128,130	161,101	235,353
American Airlines Inc.	-	-	-	149	47,017	62,278
American Connection (Chautauqua)	12,378	-	-	-	-	-
American Eagle (Air Wisconsin)	-	-	-	16,525	-	-
American Eagle (Envoy)	125,534	130,401	106,093	112,343	103,457	105,537
American Eagle (Piedmont)	-	-	-	8,699	21,146	12,240
American Eagle (PSA)	-	6,483	44,082	45,122	53,850	100,392
American Eagle (Republic)	-	-	-	-	18,568	12,988
American Eagle (SkyWest)	-	-	1,058	42,409	22,413	39,788
American Eagle (Trans States)	-	-	-	18,028	14,924	-
Continental Connection	-	-	-	-	-	-
Continental Express (Express Jet)	-	-	-	-	-	-
Delta Airlines Inc.	304,962	360,390	376,802	434,084	411,039	433,908
Delta Connection (Atlantic Southeast)	-	-	-	-	-	-
Delta Connection (Chautauqua)	14,734	-	-	-	-	-
Delta Connection (Comair)	-	-	-	-	-	-
Delta Connection (Compass)	18,727	22,075	7,019	1,398	-	-
Delta Connection (Endeavor)	66,410	39,573	42,750	22,904	60,286	62,552
Delta Connection (Express Jet)	37,860	35,728	26,463	27,971	10,823	-
Delta Connection (Freedom)	-	-	-	-	-	-
Delta Connection (GoJet)	8,943	16,255	22,499	11,294	27,850	13,007
Delta Connection (Mesaba)	-	-	-	-	-	-
Delta Connection (Pinnacle)	-	-	-	-	-	-
Delta Connection (Republic)	-	-	-	7,151	10,912	28,701
Delta Connection (Shuttle America)	6,645	7,611	4,232	-	-	-
Delta Connection (Skywest)	29,335	35,293	42,521	28,665	65,105	85,824
Frontier Airlines	-	-	-	4,048	71,777	99,279
Frontier Airlines (Chautauqua)	-	-	-	-	-	-
Frontier Airlines (Republic)	-	-	-	-	-	-
Midwest Connect (Skyway)	-	-	-	-	-	-
Midwest Connect (SkyWest)	-	-	-	-	-	-
Southwest	201,816	211,118	245,711	247,128	237,766	213,111
United Airlines Inc.	53,525	74,678	42,580	91,641	99,421	109,852
United Express (Air Wisconsin)	-	-	-	1,586	32,213	30,666
United Express (Chautauqua)	7,455	-	-	-	-	-
United Express (Commutair)	1,926	-	-	16,439	20,471	21,293
United Express (Express Jet)	60,931	45,936	66,898	48,176	38,227	26,818
United Express (Go Jet)	42,122	20,005	34,998	12,103	16,537	20,425
United Express (Mesa)	-	-	-	-	1,051	4,802
United Express (Republic)	-	-	4,924	14,214	49,960	45,216
United Express (Shuttle America)	17,960	29,504	10,963	-	-	-
United Express (SkyWest)	13,752	30,004	24,971	40,949	37,378	23,320
United Express (Trans States)	47,197	31,312	38,196	30,891	6,710	15,141
US Airways Express (Air Wisconsin)	17,852	53,812	27,708	-	-	-
US Airways Express (Mesa)	-	31,493	46,728	-	-	-
Charters	1,519	1,200	1,351	1,263	1,017	1,867
Total	**1,171,795**	**1,281,238**	**1,333,956**	**1,413,310**	**1,641,019**	**1,804,358**

December 31, 2020	2021	2022	2023	Total 2023
-	-	-	-	0.00%
-	-	-	-	0.00%
180,189	276,564	327,903	333,643	17.52%
41,622	78,448	171,408	225,214	11.82%
-	-	-	-	0.00%
-	-	-	24,083	1.26%
53,014	76,053	75,215	49,126	2.58%
5,811	41,519	10,568	19,092	1.00%
58,848	29,996	42,109	44,136	2.32%
15,146	53,814	11,589	27,483	1.44%
23,076	26,464	15,253	859	0.05%
-	-	-	-	0.00%
-	-	-	-	0.00%
-	-	-	-	0.00%
156,899	238,710	422,259	421,194	22.11%
-	-	-	-	0.00%
-	-	-	-	0.00%
-	-	-	-	0.00%
-	-	-	-	0.00%
41,837	76,049	43,023	75,749	3.98%
-	-	-	-	0.00%
-	-	-	-	0.00%
531	-	-	-	0.00%
-	-	-	-	0.00%
-	-	-	-	0.00%
6,182	-	-	-	0.00%
-	-	-	-	0.00%
23,798	76,018	58,934	36,974	1.94%
40,658	68,741	97,397	93,553	4.91%
-	-	-	-	0.00%
-	-	-	-	0.00%
-	-	-	-	0.00%
-	-	-	-	0.00%
128,330	212,987	194,930	229,975	12.07%
22,908	108,194	154,339	228,706	12.01%
3,920	28,109	21,591	8,476	0.45%
-	-	-	-	0.00%
3,549	823	49	-	0.00%
3,142	-	-	-	0.00%
21,876	15,758	11,577	6,931	0.36%
8,319	8,658	20,596	2,255	0.12%
22,239	22,981	31,376	37,578	1.97%
-	-	-	-	0.00%
24,789	27,771	33,417	36,947	1.94%
983	-	-	-	0.00%
-	-	-	-	0.00%
-	-	-	-	0.00%
1,258	705	2,107	2,724	0.14%
888,924	**1,468,362**	**1,745,640**	**1,904,698**	**100.00%**

Schedule D
Principal Revenue Sources and Revenues per Enplaned Passenger

Last Ten Fiscal Years
(dollars in thousands, except amounts per enplaned passenger)

	December 31, 2014	2015	2016	2017	2018
Airline revenues					
Landing fees	$ 3,495	$ 4,106	$ 4,288	$ 4,595	$ 5,538
Apron fees	1,956	2,503	2,573	2,924	3,164
Terminal rents	6,025	5,512	5,340	5,488	6,040
Total airline revenues	11,476	12,121	12,201	13,007	14,742
Percentage of total revenues	26.9%	26.6%	25.7%	26.1%	25.2%
Nonairline revenues					
Parking	14,245	15,437	16,690	17,553	21,712
Rental car	3,892	4,170	4,219	4,348	4,799
Other	6,229	6,491	6,608	6,923	7,922
Total nonairline revenues	24,366	26,098	27,517	28,824	34,433
Percentage of total revenues	57.1%	57.2%	58.0%	57.8%	58.8%
Nonoperating revenues					
Passenger facility charges	4,788	5,242	5,424	5,786	6,886
Interest	136	178	233	126	241
Other	1,879	2,012	2,074	2,153	2,253
Total nonoperating revenues	6,803	7,432	7,731	8,065	9,380
Percentage of total revenues	16.0%	16.3%	16.3%	16.2%	16.0%
Total revenues	**$ 42,645**	**$ 45,651**	**$ 47,449**	**$ 49,896**	**$ 58,555**
Enplaned passengers	1,171,795	1,281,238	1,333,956	1,413,310	1,641,019
Total revenue per enplaned passenger	$ 36.39	$ 35.63	$ 35.57	$ 35.30	$ 35.68
Airline revenue per enplaned passenger	$ 9.79	$ 9.46	$ 9.15	$ 9.20	$ 8.98
Revenue rates					
Landing fee (per 1,000 lbs MGLW)	$ 2.84	$ 2.94	$ 2.98	$ 2.84	$ 2.98
Apron fee (per 1,000 lbs MGLW)	$ 1.73	$ 1.86	$ 1.79	$ 1.81	$ 1.70
Annual terminal rental rate (per sq. ft.)	$ 52.62	$ 47.93	$ 48.25	$ 48.26	$ 49.87

Notes: The Authority uses a compensatory (cost of services) methodology to calculate rates and charges. The revenue bases to which these rates are applied and their principal payers can be found in Schedule C. Operating agreements with signatory airlines are cancellable within thirty days.

MGLW = maximum gross landed weight.

	December 31,			
2019	2020	2021	2022	2023
$ 6,038	$ 4,368	$ 6,136	$ 7,330	$ 8,024
3,307	1,909	2,584	3,558	4,250
6,662	4,007	6,790	7,374	9,292
16,007	10,284	15,510	18,262	21,566
23.8%	26.8%	26.4%	25.3%	21.9%
27,104	12,834	21,251	28,085	36,783
5,131	3,084	5,077	6,146	6,514
8,489	7,057	8,192	7,367	10,562
40,724	22,975	34,520	41,598	53,859
60.5%	59.9%	58.7%	57.6%	54.7%
7,372	3,428	6,243	7,069	7,760
514	166	648	1,597	10,365
2,676	1,532	1,859	3,753	4,986
10,562	5,126	8,750	12,419	23,111
15.7%	13.4%	14.9%	17.2%	23.5%
$ 67,293	**$ 38,385**	**$ 58,780**	**$ 72,279**	**$ 98,536**
1,804,358	888,924	1,468,362	1,745,640	1,904,698
$ 37.29	$ 43.18	$ 40.03	$ 41.41	$ 51.73
$ 8.87	$ 11.57	$ 10.56	$ 10.46	$ 11.32
$ 2.97	$ 3.25	$ 3.59	$ 3.57	$ 3.87
$ 1.62	$ 1.63	$ 1.79	$ 1.84	$ 2.05
$ 53.30	$ 60.36	$ 59.79	$ 53.46	$ 60.92

Gerald R. Ford International Airport Authority

Schedule E

Ratios of Outstanding Debt, Debt Service, Debt Limits &

Last Ten Fiscal Years

	December 31,		
	2014	2015	2016
Outstanding debt per enplaned passenger			
Outstanding debt by type (in thousands):			
Revenue bonds (General Airport Revenue Bonds)	$ 175,527	$ 190,201	$ 182,076
Outstanding debt per enplaned passenger	$ 149.79	$ 148.45	$ 136.49
Outstanding debt per capita for service area	$ 4.31	$ 4.48	$ 4.30
Outstanding debt ratio for service area as a percentage of total personal income	0.30%	0.31%	0.31%
Outstanding debt per capita for Kent County	$ 3.79	$ 3.90	$ 3.67
Outstanding debt ratio for Kent County as a percentage of total personal income	0.60%	0.62%	0.61%
Net revenues			
Revenues, net of capital contributions	$ 42,645	$ 45,651	$ 47,449
Less: Interest on Bond Proceeds	-	-	-
Less: operating expenses, less depreciation	18,505	21,393	19,124
Net revenues	$ 24,140	$ 24,258	$ 28,325
Debt service			
Principal paid on revenue bonds	$ 5,715	$ 6,290	$ 6,870
Interest expense on revenue bonds	8,206	8,004	7,768
Principal paid on notes payable	-	-	-
Interest expense on notes payable	-	-	-
Total debt service	$ 13,921	$ 14,294	$ 14,638
Revenue bonds debt service coverage	1.73	1.70	1.94
Debt service per enplaned passenger	$ 11.88	$ 11.16	$ 10.97

Debt limit information

For years prior to 2016, the airport was a component unit of the County of Kent, Michigan. No debt limit information is available for the airport individually because debt limits apply to the County as a whole. See the County of Kent, Michigan Annual Comprehensive Financial Report for more information.

Pledged Revenue Coverage

	December 31,						
	2017	2018	2019	2020	2021	2022	2023
	$ 173,491	$ 164,463	$ 155,479	$ 146,486	$ 256,134	$ 246,287	$ 395,330
	$ 122.76	$ 100.22	$ 86.17	$ 164.79	$ 174.44	$ 141.09	$ 207.56
	$ 3.98	$ 3.61	$ 3.24	$ 3.05	$ 4.94	$ 4.36	$ 6.73
	0.27%	0.25%	0.22%	0.21%	0.34%	0.29%	0.45%
	$ 3.35	$ 3.05	$ 2.90	$ 2.55	$ 4.14	$ 3.68	$ 5.90
	0.52%	0.48%	0.45%	0.39%	0.63%	0.56%	0.90%
	$ 49,896	$ 58,555	$ 58,764	$ 67,293	$ 58,780	$ 72,279	$ 98,536
	-	-	-	-	-	699	7,233
	23,034	25,351	28,519	25,749	29,363	37,929	44,050
	$ 26,862	$ 33,204	$ 30,245	$ 41,544	$ 29,417	$ 33,651	$ 47,253
	$ 7,255	$ 21,560	$ 8,835	$ 7,795	$ 28,600	$ 8,265	$ 9,295
	7,478	6,445	6,236	6,361	6,113	7,515	10,436
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	$ 14,733	$ 28,005	$ 15,071	$ 14,156	$ 34,713	$ 15,780	$ 19,731
	1.82	1.19	2.01	2.93	0.85	2.13	2.39
	$ 10.42	$ 17.07	$ 8.35	$ 15.92	$ 23.64	$ 9.04	$ 10.36

Gerald R. Ford International Airport Authority

Schedule F
Principal Employers in the Primary Trade Area

Calendar Years 2023 and 2014

Employer	County	Product or Service
Corewell Health	Kent	Healthcare
Trinity Health	Muskegon/Kent	Healthcare
Meritage Hospitality Group	Kent	Retail food
Gordon Food Services	Kent	Food services wholesaler
Meijer Inc.	Kent	Retail food and merchandise
Gentex Corporation	Ottawa	Manufacturing - auto parts
Miller Knoll	Ottawa	Office furniture
Farmers Insurance Group	Kent	Insurance
Perrigo Company	Kent	Manufacturing - pharmaceuticals
Steelcase Inc.	Kent	Office furniture
Grand Valley State University	Ottawa	Education
Magna	Kent/Newaygo	Manufacturing - auto parts
University of Michigan Health - West	Kent	Healthcare
Ventra	Kent/Ionia	Manufacturing - auto parts
Grand Rapids Public Schools	Kent	Education
TCF Bank	Kent	Finance
SpartanNash	Kent	Retail food
Arconic Inc	Muskegon	Manufacturing - aerospace
Hope Network Industries	Kent	Packaging
Roskam Baking	Kent	Food Processing
Lacks Enterprises Inc.	Kent	Manufacturing - auto parts
Haworth Inc.	Ottawa	Manufacturing - furniture
Amway Corporation	Kent	Personal and household products
Challenge Manufacturing	Kent/Ottawa	Manufacturing - metal stamping
Shape Corporation	Ottawa	Manufacturing - fabricated metal
Kent Intermediate School District	Kent	Education
Bradford White	Barry	Manufacturing - water heaters
Gill Industries	Kent	Manufacturing - auto parts
Priority Health	Kent	Healthcare
General Motors Components Holdings	Kent	Manufacturing - auto parts
JBS Packerland	Allegan	Agriculture
Lake Michigan Credit Union	Kent	Finance
Amazon	Kent	Logistics
Yanfeng Global Automotive	Ottawa	Manufacturing - auto parts
Herbruck's Poultry Ranch	Ionia	Agriculture
Tyson Foods	Ottawa	Food Processing
Total employment		

Source: The Right Place Inc.
[1] Data as of May 2024, most current information available

Number of Employees 2023 [(1)]	Percentage of Total Employment	Number of Employees 2014	Percentage of Total Employment
26,375	3.41%	19,100	2.78%
8,500	1.10%	6,446	0.94%
7,000	0.91%		0.00%
5,000	0.65%	1,669	0.24%
5,000	0.65%	7,725	1.12%
4,500	0.58%	2,730	0.40%
3,621	0.47%	3,300	0.48%
3,500	0.45%	2,500	0.36%
3,500	0.45%	3,800	0.55%
3,400	0.44%	3,227	0.47%
3,306	0.43%	3,991	0.58%
3,130	0.40%	2,500	0.36%
3,000	0.39%	2,383	0.35%
2,910	0.38%		0.00%
2,800	0.36%	2,907	0.42%
2,500	0.32%		0.00%
2,500	0.32%	3,608	0.52%
2,350	0.30%		0.00%
2,162	0.28%	2,000	0.29%
2,000	0.26%		0.00%
2,000	0.26%	2,300	0.33%
2,000	0.26%	2,450	0.36%
2,000	0.26%	5,233	0.76%
1,800	0.23%		0.00%
1,700	0.22%	1,500	0.22%
1,600	0.21%		0.00%
1,500	0.19%		0.00%
1,415	0.18%		0.00%
1,279	0.17%		0.00%
1,200	0.16%		0.00%
1,200	0.16%		0.00%
1,032	0.13%		0.00%
1,000	0.13%		0.00%
1,000	0.13%		0.00%
1,000	0.13%		0.00%
1,000	0.13%		0.00%
773,044		687,736	

Gerald R. Ford International Airport Authority

Schedule G
Population in the Primary Trade Area

Last Ten Fiscal Years

	2014	2015	2016	2017
Allegan County	113,847	113,847	111,408	116,447
Barry County	59,281	59,107	59,173	60,586
Ionia County	64,294	63,976	63,905	64,291
Kent County	629,237	629,237	602,622	648,594
Mecosta County	43,186	43,226	42,798	43,391
Montcalm County	62,893	63,046	63,342	63,550
Muskegon County	172,344	172,344	172,188	173,693
Ottawa County	276,292	276,292	263,801	286,383
	1,421,374	1,421,075	1,379,237	1,456,935
Per capita income	$ 40,715	$ 42,495	$ 42,386	$ 43,586
Total personal income (dollars in thousands)	$ 57,871,576	$ 60,387,903	$ 58,460,339	$ 63,501,969

	2014	2015	2016	2017
Employment information:				
Civilian labor force	727,023	806,984	755,219	760,020
Employed	687,736	773,497	727,147	730,625
Unemployed	39,287	33,487	28,072	29,395
Unemployment rate	5.4%	4.1%	3.7%	3.9%

Source: The Right Place Inc.

2018	2019	2020	2021	2022	2023
114,145	115,250	116,143	117,104	119,418	120,189
59,607	60,057	60,540	61,045	62,014	62,581
64,147	64,176	64,300	64,401	66,564	66,663
636,376	643,140	648,121	652,617	654,958	657,321
43,181	43,264	43,251	43,481	40,051	40,128
62,956	63,209	63,413	63,516	66,430	66,901
172,707	173,043	173,297	173,679	175,633	175,947
280,243	284,034	286,558	289,162	293,713	296,183
1,433,362	1,446,173	1,455,623	1,465,005	1,478,781	1,485,913
$ 45,589	$ 47,952	$ 48,027	$ 51,835	$ 56,517	$ 58,730
$ 65,345,540	$ 69,346,888	$ 69,909,206	$ 75,938,534	$ 83,576,266	$ 87,267,670

2018	2019	2020	2021	2022	2023
733,509	744,132	700,592	757,908	767,477	800,411
691,961	707,807	707,807	667,470	738,699	773,044
41,548	36,325	33,122	35,968	28,778	27,367
5.7%	4.9%	4.7%	4.7%	3.7%	3.4%

Gerald R. Ford International Airport Authority

Schedule H
Full-time Equivalent Employees

Last Ten Fiscal Years

	December 31,			
	2014	2015	2016	2017
Administration	18	18	20	23
Maintenance	32	32	32	30
Parking	1	1	1	1
Firefighting	16	16	17	16
Public safety	33	33	32	34
Total	100	100	102	104
Enplaned passengers per employee	11,718	12,812	13,078	13,590
Operating revenues (in thousands)	$ 35,842	$ 38,219	$ 39,718	$ 41,831
Operating expenses (in thousands)	$ 34,951	$ 38,078	$ 37,412	$ 41,941
Salaries and fringes (in thousands)	$ 8,094	$ 8,918	$ 5,729	$ 9,590
Payroll percentage of operating revenues	22.6%	23.3%	14.4%	22.9%
Payroll percentage of operating expenses	23.2%	23.4%	15.3%	22.9%

December 31,					
2018	2019	2020	2021	2022	2023
24	24	19	20	28	30
27	32	26	34	35	36
1	1	1	1	1	1
17	16	12	16	16	18
34	35	31	36	36	43
103	108	89	107	116	128
15,932	16,707	9,988	13,723	15,049	14,880
$ 49,175	$ 56,731	$ 33,259	$ 50,030	$ 59,860	$ 75,425
$ 44,959	$ 49,041	$ 47,686	$ 52,651	$ 61,461	$ 69,826
$ 9,656	$ 11,245	$ 11,014	$ 11,276	$ 14,403	$ 16,273
19.6%	19.8%	33.1%	22.5%	24.1%	21.6%
21.5%	22.9%	23.1%	21.4%	23.4%	23.3%

Gerald R. Ford International Airport Authority

Schedule I
Capital Asset Information

Last Ten Fiscal Years

	December 31,		
	2014	2015	2016
Runways			
8R/26L - East/West - 10,000 x 150 ft.			
8L/26R - East/West - 5,000 x 100 ft.			
17/35 - North/South - 8,500 x 150 ft.			
Total aircraft movements	75,128	76,256	81,558
Annual capacity	277,500	277,500	277,500
Runway utilization percentage	27.07%	27.48%	29.39%
Terminal building			
Exclusive area leased (sq. ft)	72,089	74,782	65,718
Exclusive area available (sq. ft)	97,944	97,944	106,786
Terminal occupancy percentage	73.60%	76.35%	61.54%
Enplanements	1,171,795	1,281,238	1,333,956
Planned capacity	1,800,000	1,800,000	1,800,000
Terminal utilization percentage	65.10%	71.18%	74.11%
Parking areas			
Number of annual long-term exits (a)	274,552	304,575	318,451
Average long-term stay (days) (b)	4.5	3.9	4.0
Average annual long-term occupancy ((a*b)/365)	3,385	3,254	3,490
Number of long-term spaces available	6,918	6,918	7,071
Average annual long-term occupancy rate	48.93%	47.04%	49.35%

December 31,						
2017	2018	2019	2020	2021	2022	2023
82,432	84,023	84,538	58,170	74,876	74,356	76,567
277,500	277,500	277,500	277,500	277,500	277,500	277,500
29.71%	30.28%	30.46%	20.96%	26.98%	26.79%	27.59%
85,531	89,766	91,037	91,037	93,830	96,677	132,677
105,104	105,104	100,312	100,312	103,160	106,007	157,309
81.38%	85.41%	90.75%	90.75%	90.96%	91.20%	84.34%
1,413,310	1,641,019	1,804,358	888,924	1,468,362	1,745,640	1,904,698
1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	2,600,000
78.52%	91.17%	100.24%	49.38%	81.58%	96.98%	73.26%
289,527	331,119	381,709	157,518	265,428	316,065	385,165
4.6	4.2	4.5	5.2	5.3	5.2	6.6
3,649	3,810	4,685	2,235	3,854	4,503	6,965
7,071	7,124	7,324	7,668	7,668	7,779	8,611
51.60%	53.48%	63.97%	29.15%	50.26%	57.88%	80.88%