



Years Ended  
December 31,  
2024 and 2023

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

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### 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.	Chief Asset Development Officer
Chris King-Dye	Maintenance and Asset Management Director
Heather Day, SHRM-SCP, C.M.	Human Resources Director

\* Kent County Commissioner



June 25, 2025

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, 2024. 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. The Grand Rapids region is currently seeing a significant population growth of 8% over the past decade, making it one of the leaders in Midwest population growth (Grand Rapids Chamber - 2025 State of the Region report).

The Grand Rapids region 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 was completed in 2024, and there are several other smaller residential projects ongoing downtown as well. Current demand is forecasting the need for over 14,000 new units in the region by 2027 to meet population growth.

The entertainment venues in the region, both large and small, offer a multitude of events for all genres. The Van Andel Arena in central downtown Grand Rapids, with between 11,000 – 13,000 seats (depending on seating arrangement), is currently the largest venue for both sporting events and high-profile concerts. In 2023, the city and county approved the construction of both a 12,000-seat outdoor amphitheater to be situated along the Grand River waterfront and an 8,500-seat soccer stadium just outside of downtown. Both projects broke ground in 2024, with the amphitheater scheduled to open in Spring 2026 and the soccer stadium expected to be finished in time to be the home for a new team in the 2027 season of the MLS Next Pro league. 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 2024:

- Best Small Airport (#1 – Gerald R. Ford International Airport) – Airports Council International
- Mid-Sized Metros with the Best Business Climates (#3 – Grand Rapids) – Business Facilities
- Small Manufacturing Hubs (#4 – Grand Rapids) – Business Facilities
- America’s Best Towns to Visit in 2024 (#8 – Grand Rapids) – CNN Travel
- US Cities with the Best Quality of Life (#14 – Grand Rapids) – Business Insider
- Cities with the Hottest Job Markets (#17 – Grand Rapids) – Wall Street Journal
- Best Cities to Start a Career (#19 – Grand Rapids) - WalletHub
- Best Run Cities in America (#23 – Grand Rapids) - WalletHub
- Best Cities for Jobs (#23 – Grand Rapids) – WalletHub

\*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 again important to the region – 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 high occupancy rates, 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 fourth 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 2024, the airport’s passenger numbers recorded a new record high of 4.2 million total passengers, which is a 10.0% increase over the previous record set in 2023. Passenger levels in the first part of 2025 have been relatively flat to 2024 activity, but airline seat activity for the remainder of the year is forecasted to be up between 10 – 15%, so expectations are that 2025 will see another increase in total passengers served. In addition to passenger growth, several of our existing airline partners have added various new routes and/or frequencies to their flight schedules. In 2024, Sun Country joined our regularly scheduled airline partners, with flights to Minneapolis running from June through September. Sun Country will be returning the Minneapolis flight during the 2025 summer months, and we have also recently welcomed Avelo Airlines with two destinations being served from Grand Rapids. Depending on the season, there are between 29-35 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 for 2025 has been approved in the amount of \$1.025 Billion. 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:

## **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 and open in 2026
- 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 an issuance of bonds

### **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 \$28.0M, scheduled to complete in 2027
- Funded by a combination of airport revenues and PFCs

### **Baggage Claim Expansion**

- Phase II of the project above - Expanding capacity of incoming baggage claim to alleviate passenger congestion in the terminal.
- A total project cost of \$20.0M, scheduled to complete in 2027
- Funded by a combination of federal grants and airport revenues

### **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 \$160.0M 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.
- Phases 2 and 3 of the full project will include U.S. Customs & Border Protection facilities with a cost of \$35.0, scheduled to complete in 2027
- 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 is planned to 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, 2023. 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 thirty-first 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.

Outside of Finance, below are additional achievements and awards the airport received in 2024:

- Airport Carbon Accreditation, Level 1 and 2 – Airports Council International
- Peggy G. Hereford Award for Overall Excellence in Airport Marketing, Communications and Customer Experience – Airports Council International North America
- Best Small and Emerging Airport Innovation – Airports Council International World and Amadeus
- MERS Impact Award – Municipal Employees’ Retirement System
- 2024 Airport Service Quality (ASQ) Awards – Airports Council International World
  - Best Airport of 2 to 5 Million Passengers in North America
  - Airport with the Most Dedicated Staff in North America
  - Easiest Airport Journey in North America
  - Most Enjoyable Airport in North America
  - Cleanest Airport in North America
- 2024 Commercial Airport Project of the Year, Airfield – The Great Lakes Chapter of the American Association of Airport Executives

## Acknowledgements

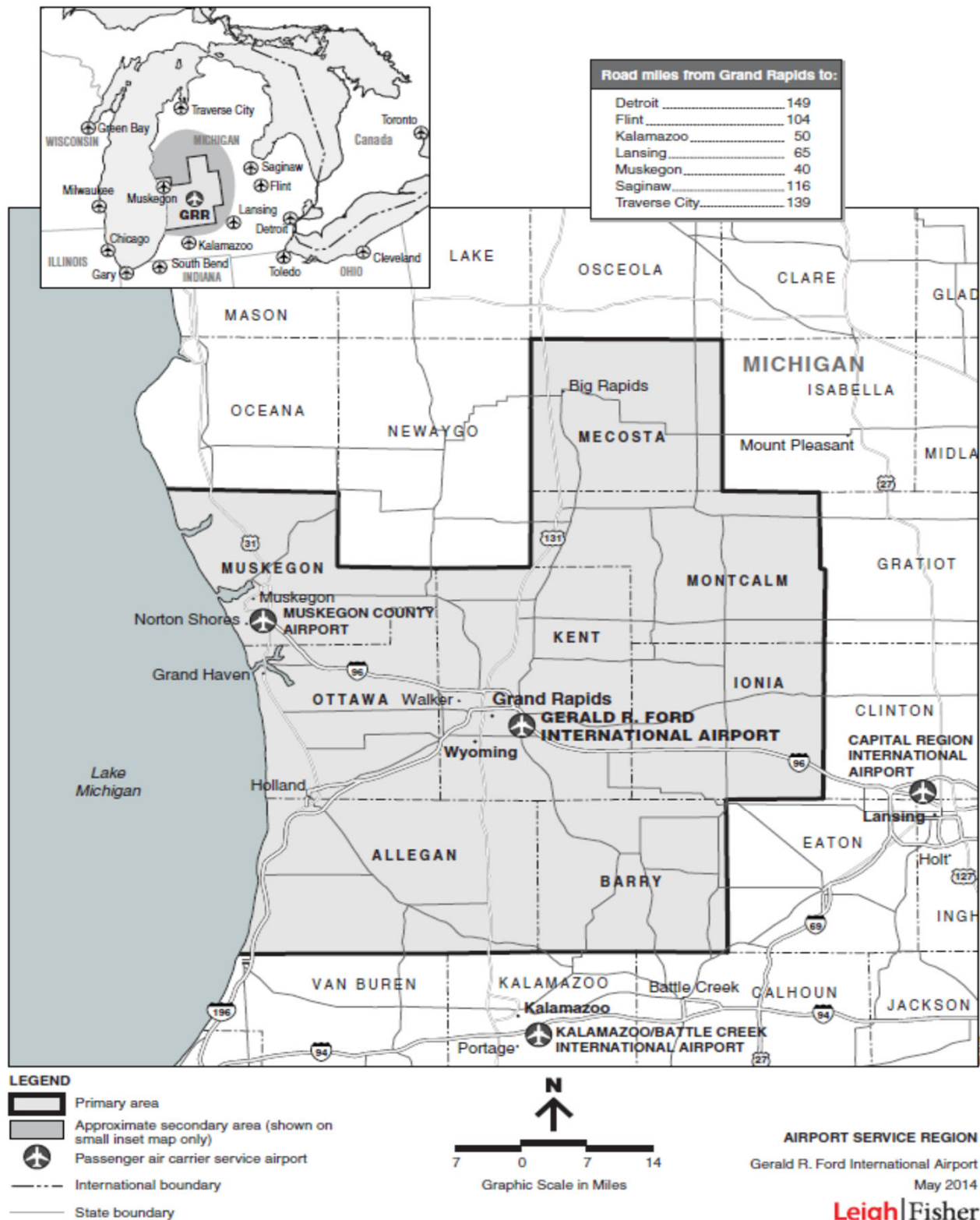
The preparation of this Financial Report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance & Administration Division. Each member of our finance division has our sincere appreciation for the contributions made in preparation of this report.

2024 was a milestone year for the Gerald R. Ford International Airport Authority. Record-breaking passenger volumes, strong financial performance, and major capital investment plans defined the year. This report highlights our ongoing commitment to operational excellence, financial transparency, and preparing the Airport to meet the needs of West Michigan's growing community. We thank our Board, County partners, and community for their continued trust and support.

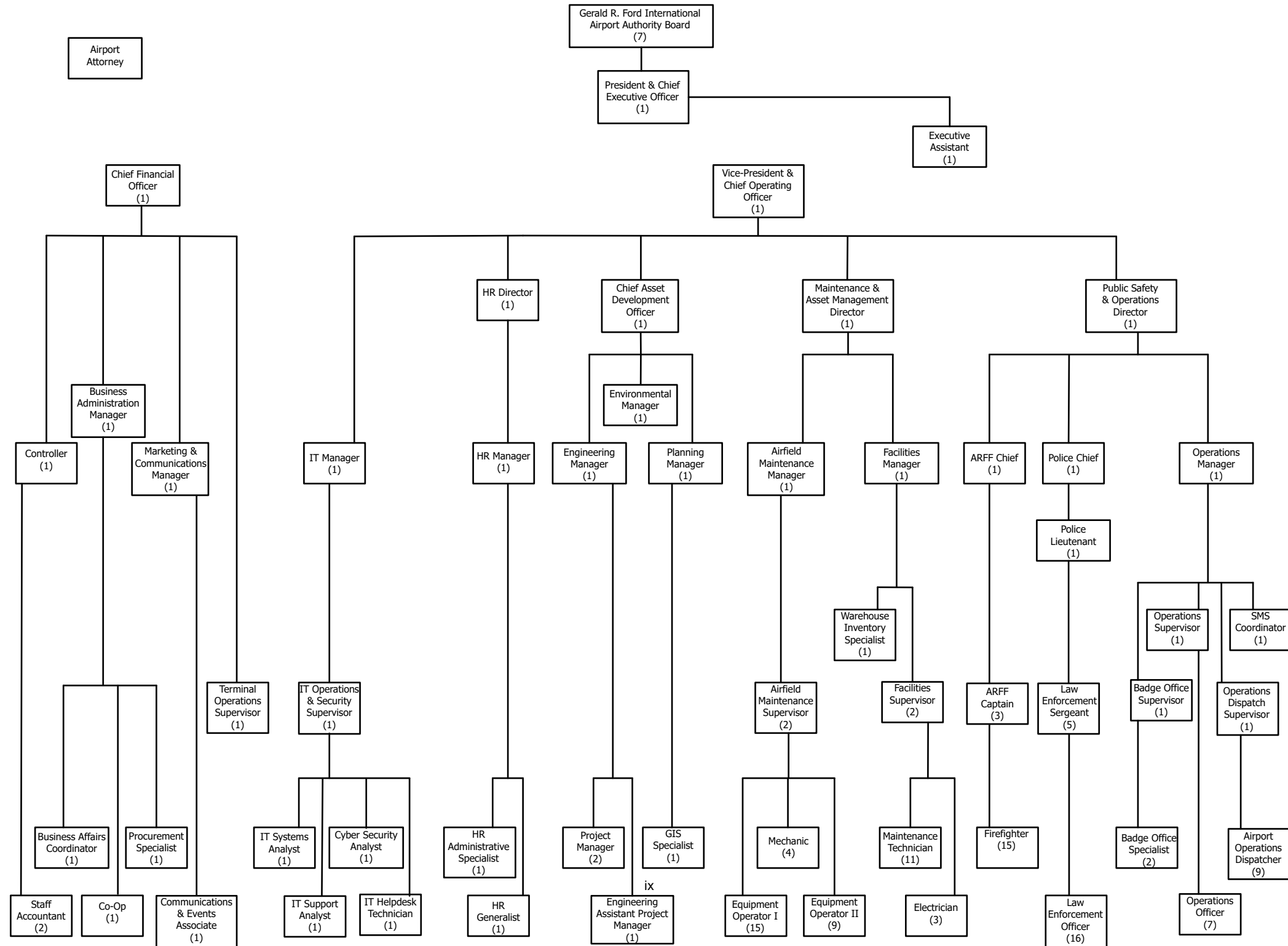
Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Maria Kim', is positioned above the printed name.

Maria Kim, C.M.  
Chief Financial Officer



Gerald R. Ford International  
Airport Authority Board  
(7)





Government Finance Officers Association

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Presented to

**Gerald R. Ford International Airport Authority  
Michigan**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2023

*Christopher P. Morill*

Executive Director/CEO

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## 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, 2024 and 2023 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of December 31, 2024 and 2023 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.

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

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 25, 2025 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 & Moreau, PLLC*

June 25, 2025

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, 2024. 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 \$403.7 million at December 31, 2024, a \$36.3 million increase from December 31, 2023, compared to an \$36.2 million increase in 2023.

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

	2024	2023	2022
<b>Assets</b>			
Current and other assets	\$304,795,285	\$291,966,170	\$174,552,364
Capital assets, net	619,831,040	509,949,384	429,807,932
<b>Total assets</b>	<u>924,626,325</u>	<u>801,915,554</u>	<u>604,360,296</u>
<b>Deferred outflows of resources</b>	<u>6,957,748</u>	<u>7,839,052</u>	<u>9,692,826</u>
<b>Liabilities</b>			
Long-term debt	481,571,943	395,330,429	246,287,143
Other liabilities	35,694,076	36,317,578	24,280,588
<b>Total liabilities</b>	<u>517,266,019</u>	<u>431,648,007</u>	<u>270,567,731</u>
<b>Deferred inflows of resources</b>	<u>10,638,613</u>	<u>10,739,956</u>	<u>12,353,670</u>
<b>Net position</b>			
Net investment in capital assets	300,796,102	264,435,066	245,507,773
Restricted	62,065,321	49,532,322	31,778,695
Unrestricted	40,818,018	53,399,255	53,845,253
<b>Total net position</b>	<u>\$403,679,441</u>	<u>\$367,366,643</u>	<u>\$331,131,721</u>

The largest portion of the Authority's net position each year (74.5% and 72.0% at December 31, 2024 and 2023, 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 (15.4% and 13.5% at December 31, 2024 and 2023, 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 (10.1% and 14.5% at December 31, 2024 and 2023, 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:

	2024	2023	2022
<b>Operating revenues</b>	\$ 87,441,379	\$ 75,425,478	\$ 59,859,970
<b>Operating expenses</b>	(78,867,224)	(69,825,645)	(61,460,762)
Operating income	8,574,155	5,599,833	(1,600,792)
<b>Nonoperating revenues (expenses)</b>			
Investment earnings	12,305,166	10,364,566	1,596,788
Interest & other expenses	(17,255,141)	(15,728,112)	(8,961,695)
Passenger and customer facility charges	17,020,629	12,704,788	10,807,499
Gain on sale of capital assets	101,645	40,566	13,900
CARES Act Revenue	-	-	-
CRRSA Act Revenue	-	-	382,687
ARP Act Revenue	-	5,128,632	10,332,381
<b>Total nonoperating revenues (expenses)</b>	12,172,299	12,510,440	14,171,560
Gain before capital contributions	20,746,454	18,110,273	12,570,768
<b>Capital contributions</b>	15,566,344	18,124,649	4,971,688
<b>Change in net position</b>	36,312,798	36,234,922	17,542,456
Net position, beginning of year	367,366,643	331,131,721	313,589,265
<b>Net position, end of year</b>	<u>\$403,679,441</u>	<u>\$367,366,643</u>	<u>\$331,131,721</u>

**FINANCIAL OPERATIONS HIGHLIGHTS**

- Operating revenues increased 15.9% from \$75.4 million in 2023 to \$87.4 million in 2024 due to both increased passenger traffic and certain rate increases, mostly with Airline rates. All Federal Aid revenue from the CARES/CRRSA/ARPA had been shared with the Airlines in past years; these revenues were fully recognized in 2023, resulting in rate increases during 2024 for normal Airline operations.
- Operating Expenses increased 12.9% from \$69.8 million in 2023 to \$78.9 million in 2024 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. Depreciation also increased 10.7% as a number of large capital assets went into service.
- As a result of the above, operating income increased from \$5.6 million 2023 to \$8.6 million 2024.
- Net non-operating revenues (expenses) decreased from \$12.5 million in 2023 to \$12.2 million in 2024. There was a \$5.1 million reduction in 2024 as the ARP Act was fully recognized in 2023, and a \$4.3 million increase in Passenger and Customer facility charges from both increase passenger levels and an increase in the CFC rate. These two items effectively cancel each other, resulting in only the small net increase year
- 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.

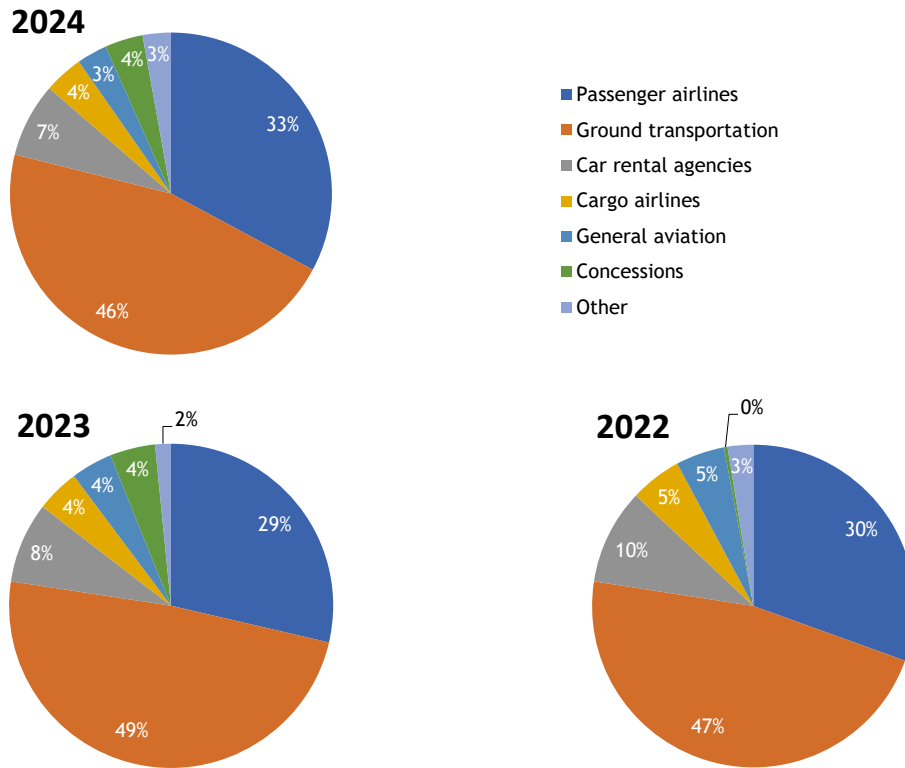
**AIRLINE RATES AND CHARGES**

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:

	2024	2023	2022
Landing fees (per 1,000 lbs)	\$ 4.86	\$ 3.87	\$ 3.57
Terminal rental rates (per square foot)	72.08	60.92	53.46
Airline apron fee (per 1,000 lbs)	2.29	2.05	1.84

**REVENUES**

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



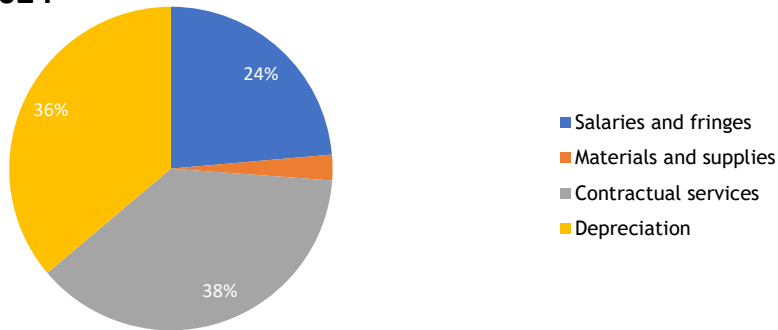
A summary of operating revenues for the year ended December 31, 2024 and 2023 and 2022 is as follows:

Operating revenues	2024	Percent	2023	Percent	2022	Percent
Charges for services:						
Passenger airlines	\$28,716,278	32.8%	\$ 21,596,480	28.6%	\$ 18,270,253	30.5%
Ground transportation	40,270,173	46.1%	36,782,915	48.8%	28,084,891	46.9%
Car rental agencies	6,537,767	7.5%	6,073,951	8.1%	5,733,139	9.6%
Cargo airlines	3,424,102	3.9%	3,262,878	4.3%	3,091,943	5.2%
General aviation	2,681,559	3.1%	3,122,000	4.1%	2,928,160	4.9%
Concessions	3,317,548	3.8%	3,397,480	4.5%	214,157	0.4%
Other	2,493,952	2.9%	1,189,774	1.6%	1,537,427	2.6%
<b>Total operating revenues</b>	<b>\$87,441,379</b>		<b>\$ 75,425,478</b>		<b>\$ 59,859,970</b>	

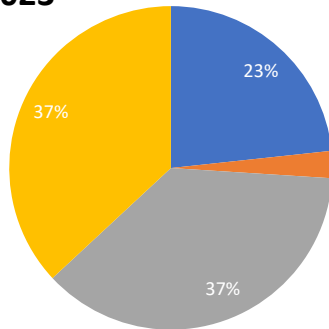
**EXPENSES**

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

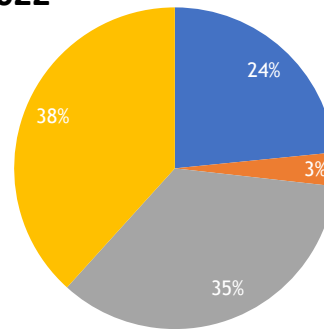
**2024**



**2023**



**2022**



A summary of operating expenses for the year ended December 31, 2024 and 2023 and 2022 is as follows:

Operating expenses	2024	Percent	2023	Percent	2022	Percent
Salaries and fringes	\$18,624,731	23.6%	\$ 16,272,723	23.3%	\$ 14,402,810	23.4%
Materials and supplies	2,027,377	2.6%	1,901,901	2.7%	2,059,561	3.4%
Contractual services	29,679,704	37.6%	25,874,776	37.1%	21,466,255	34.9%
Depreciation	28,535,412	36.2%	25,776,245	36.9%	23,532,136	38.3%
<b>Total operating expenses</b>	<b>\$78,867,224</b>		<b>\$ 69,825,645</b>		<b>\$ 61,460,762</b>	

**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, 2024, the Authority had capital additions totaling \$138,438,414. The major capital additions were:

Consolidated Rental Car Facility	\$ 59,263,191
Checked Baggage System	22,649,471
Fire Station Relocation	9,690,870
Centralized Utility Plant & Generator	8,142,787
Snow Removal Equipment Building	8,095,274
Concourse 'A' Expansion	6,980,395
Economy Lot Expansion	5,729,528
Other	17,886,898

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 report.

**LONG-TERM DEBT ADMINISTRATION**

In April 2024, the Authority issued 94.0 million of Revenue Bonds to pay the construction costs of expanding the pre-security portion of the Terminal building. 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 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 2024, the Airport saw passenger activity increase 9.94% over the previous record year set in 2023, ending the year with a new record of 4.17 million total passengers. All but two months were month-over-month increases from prior year, and there were six months where the increase exceeded 10% growth. Passenger growth has leveled off in the first part of 2025, but projected airline seat markets do show an increase in the latter part of the year. This sets the stage for another record year for 2025.

Total operating revenues were \$87.4 million in 2024, also setting a new record. All revenue sources contributed to the new high mark, with each major category having a monthly record at some point during year. Parking revenue was the largest portion of total revenues at \$39.6 million, followed by Aeronautical revenues of \$30.1 million. The remaining \$17.7 million is made up of various concessions and building/land rental contracts.

As seen in the tables above, the Authority's 2024 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 both our realized and 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. As of December 2024, the Authority held \$187.4 million in an investment account, comprised primarily of remaining bond proceeds from both the March 2023 and April 2024 issues. 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. Also included in the account total is \$16.7 million of Airport General Funds.

The retirement fund the Authority has for pensioned employees continues to be over-funded (at 109% as of the latest actuarial valuation), and the Authority does not foresee the need to contribute any large one-time deposits in order to stay compliant with regulations in place on the accounts.

2024 results built on the successes which were seen in 2023 with new records being set in nearly every metric, 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 do expect that our current rates of increase of both operational and capital spend will level off. By containing those operating costs we do have control over, and prioritizing capital needs based on passenger growth, we expect to keep airline rates increases at a minimum for the foreseeable future.

**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

# Gerald R. Ford International Airport Authority

## Statement of Net Position

December 31, 2024 and 2023

	2024	2023
<b>Assets</b>		
Current assets:		
Cash, cash equivalents, and investments (Note 2)	\$ 32,243,144	\$ 38,355,080
Restricted cash, cash equivalents, and investments (Notes 2 and 3)	23,681,886	21,380,799
Receivables:		
Accounts receivable - Net	3,750,361	3,348,456
Accrued interest receivable	-	133,301
Due from other governments	3,087,604	12,563,758
Inventory	395,542	522,436
Prepaid expenses and deposits	2,505,238	2,026,452
Lease receivable (Note 6)	1,336,598	1,071,734
Total current assets	67,000,373	79,402,016
Noncurrent assets:		
Restricted assets:		
Restricted cash, cash equivalents, and investments (Notes 2 and 3)	225,039,153	199,586,640
Accounts receivable - Net (Note 3)	2,070,562	1,399,454
Net pension asset (Note 8)	713,872	1,490,304
Capital assets: (Note 4)		
Assets not subject to depreciation	193,050,940	93,032,026
Assets subject to depreciation - Net	426,780,100	416,917,358
Leases receivable (Note 6)	9,971,325	10,087,756
Total noncurrent assets	857,625,952	722,513,538
Total assets	924,626,325	801,915,554
<b>Deferred Outflows of Resources</b>		
Deferred charges on bond refundings (Note 5)	2,786,282	2,975,205
Deferred pension costs (Note 8)	4,171,466	4,863,847
Total deferred outflows of resources	6,957,748	7,839,052
<b>Liabilities</b>		
Current liabilities:		
Payables:		
Accounts payable	3,621,588	6,713,735
Construction contracts payable	18,113,129	16,789,884
Payables from restricted assets:		
Accrued interest payable	11,576,300	10,694,085
Bonds payable (Note 5)	12,105,586	10,686,714
Unearned revenue	932,359	886,373
Other accrued liabilities	1,067,833	1,233,501
Total current liabilities	47,416,795	47,004,292
Noncurrent liabilities: (Note 5)		
Bonds payable - Net of current portion (Note 5)	469,466,357	384,643,715
Other noncurrent liabilities	382,867	-
Total noncurrent liabilities	469,849,224	384,643,715
Total liabilities	517,266,019	431,648,007
<b>Deferred Inflows of Resources</b>		
Deferred pension cost reductions (Note 8)	69,748	139,496
Deferred inflows related to leases (Note 6)	10,568,865	10,600,460
Total deferred inflows of resources	10,638,613	10,739,956



## Gerald R. Ford International Airport Authority

### Statement of Net Position (Continued)

December 31, 2024 and 2023			
		2024	2023
<b>Net Position</b>			
Net investment in capital assets	\$	300,796,102	\$ 264,435,066
Restricted:			
Debt service		17,342,727	18,455,738
Debt reserve		6,092	5,960
Passenger facility charges - Capital improvements		24,431,853	18,158,389
Customer facility charges - Capital improvements		19,570,777	11,421,931
Pension benefits		713,872	1,490,304
Unrestricted		40,818,018	53,399,255
Total net position	<b>\$</b>	<b>403,679,441</b>	<b>\$ 367,366,643</b>

# Gerald R. Ford International Airport Authority

## Statement of Revenue, Expenses, and Changes in Net Position

Years Ended December 31, 2024 and 2023

	2024	2023
<b>Operating Revenue</b>		
Passenger airlines	\$ 28,716,278	\$ 21,596,478
Ground transportation	40,270,173	36,782,915
Car rental agencies	6,537,767	6,073,951
Cargo airlines	3,424,102	3,262,878
General aviation	2,681,559	3,122,001
Concessions	3,317,548	3,029,642
Other	2,493,952	1,557,613
Total operating revenue	87,441,379	75,425,478
<b>Operating Expenses</b>		
Salaries and fringes	18,624,731	16,272,723
Materials and supplies	2,027,377	1,901,901
Contractual services	29,679,704	25,874,776
Depreciation	28,535,412	25,776,245
Total operating expenses	78,867,224	69,825,645
<b>Operating Income</b>	8,574,155	5,599,833
<b>Nonoperating Revenue (Expense)</b>		
Gain on sale of assets	101,645	40,566
Interest and investment income	12,305,166	10,364,566
Interest expense	(17,255,141)	(15,728,112)
Passenger facility charges	8,337,699	7,760,128
Customer facility charges	8,682,930	4,944,660
ARP Act revenue	-	5,128,632
Total nonoperating revenue	12,172,299	12,510,440
<b>Income - Before capital contributions</b>	20,746,454	18,110,273
<b>Capital Contributions</b>		
Capital grants	14,566,344	17,224,649
Donations	1,000,000	900,000
Total capital contributions	15,566,344	18,124,649
<b>Change in Net Position</b>	36,312,798	36,234,922
<b>Net Position - Beginning of year</b>	367,366,643	331,131,721
<b>Net Position - End of year</b>	<b>\$ 403,679,441</b>	<b>\$ 367,366,643</b>

# Gerald R. Ford International Airport Authority

## Statement of Cash Flows

Years Ended December 31, 2024 and 2023

	2024	2023
<b>Cash Flows from Operating Activities</b>		
Receipts from customers and users	\$ 86,905,450	\$ 74,942,982
Payments to suppliers	(34,437,622)	(26,869,310)
Payments to employees and fringes	(17,721,983)	(15,351,664)
Net cash and cash equivalents provided by operating activities	34,745,845	32,722,008
<b>Cash Flows Provided by Noncapital Financing Activities - Operating grants</b>	-	13,930,267
<b>Cash Flows from Capital and Related Financing Activities</b>		
Passenger facility charges collected	8,195,310	7,648,524
Customer facility charges collected	8,154,211	4,914,216
Capital contributions received	25,042,498	11,850,854
Proceeds from sale of capital assets	101,645	40,566
Purchase of capital assets	(137,093,823)	(100,332,464)
Principal paid on capital debt	(9,635,000)	(9,295,000)
Debt service charges and bond sale expenses	(20,124,522)	(10,435,564)
Issuance of revenue bonds	94,035,000	159,390,000
Proceeds from premiums on revenue bonds issued	5,782,033	-
Net cash and cash equivalents (used in) provided by capital and related financing activities	(25,542,648)	63,781,132
<b>Cash Flows from Investing Activities</b>		
Interest received	12,438,467	10,085,438
Purchases of investment securities	(9,342,505)	(14,084,310)
Proceeds from sale and maturities of investment securities	17,035,521	-
Net cash and cash equivalents provided by (used in) investing activities	20,131,483	(3,998,872)
<b>Net Increase in Cash and Cash Equivalents</b>	29,334,680	106,434,535
<b>Cash and Cash Equivalents - Beginning of year</b>	245,092,382	138,657,847
<b>Cash and Cash Equivalents - End of year</b>	<b>\$ 274,427,062</b>	<b>\$ 245,092,382</b>
<b>Classification of Cash and Cash Equivalents</b>		
Cash, cash equivalents, and investments	\$ 32,243,144	\$ 38,355,080
Current restricted cash, cash equivalents, and investments	23,681,886	21,380,799
Noncurrent restricted cash, cash equivalents, and investments	225,039,153	199,586,640
Less amounts classified as investments	(6,537,121)	(14,230,137)
Total cash and cash equivalents	<b>\$ 274,427,062</b>	<b>\$ 245,092,382</b>
<b>Reconciliation of Operating Income to Net Cash and Cash Equivalents from Operating Activities</b>		
Operating income	\$ 8,574,155	\$ 5,599,833
Adjustments to reconcile operating income to net cash and cash equivalents from operating activities:		
Depreciation	28,535,412	25,776,245
Changes in assets and liabilities:		
Accounts receivable	(535,947)	(365,576)
Inventories	126,894	(178,110)
Prepaid expenses and deposits	(478,786)	(347,320)
Net pension asset and deferred pension costs and cost reductions	1,399,065	1,116,327
Accounts payable	(2,709,280)	1,001,287
Other accrued liabilities	(165,668)	119,322
Total adjustments	26,171,690	27,122,175
Net cash and cash equivalents provided by operating activities	<b>\$ 34,745,845</b>	<b>\$ 32,722,008</b>

December 31, 2024 and 2023

### 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 31 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.

**December 31, 2024 and 2023**

**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:

	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 2024 or 2023.

**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. On September 8, 2005, the FAA approved a \$1.50 increase of the PFC to \$4.50. The PFC revenue is currently authorized for paying a portion of debt service on the Airport Revenue Refunding Bonds, Series 2021. 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. A 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. On June 1, 2022, the board approved an increase in the CFC amount to \$6 per transaction day, and then another increase to \$9.75 per transaction day on January 1, 2024. These increases were authorized to establish a CFC Fund balance adequate for payment of the debt service associated with the construction of a consolidated rental car facility, namely the 2023 Series. Based on current collection rates, the Authority anticipates that the current CFC rate will be in place for the full life of the Series 2023 bonds, expiring on January 1, 2053.

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.

**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 included financial relief for certain eligible airports. For eligible airports, ARPA appropriated \$8 billion to help prevent, prepare for, and respond to COVID-19, and such amounts remained available until September 30, 2024. ARPA required that, of the \$8 billion appropriated, no more than \$6.492 billion would 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 appropriated 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 provided 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 was 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.

**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. A leave liability is recognized due to the leave attributable to services already rendered, leave that accumulates, and leave that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. At December 31, 2024 and 2023, the Authority's compensated absences liability was approximately \$776,000 and \$637,000, respectively. The increase of approximately \$139,000 represents the net change in the liability during 2024. The liability is recorded as an other accrued liability on the statement of net position with approximately 50 percent presented as the current portion.

**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)**

***Upcoming Accounting Pronouncements***

In December 2023, the Governmental 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.

In April 2024, the Governmental Accounting Standards Board issued Statement No. 103, *Financial Reporting Model Improvements*, which establishes new accounting and financial reporting requirements or modifies existing requirements related to the following: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenue, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2026.

In September 2024, the Governmental Accounting Standards Board issued Statement No. 104, *Disclosure of Certain Capital Assets*, which requires certain types of capital assets, such as lease assets, intangible right-to-use assets, subscription assets, and other intangible assets to be disclosed separately by major class of underlying asset in the capital assets note. This statement also requires additional disclosures for capital assets held for sale. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2026.

**Note 2 - Deposits and Investments**

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

	2024	2023
Current assets:		
Cash, cash equivalents, and investments	\$ 32,243,144	\$ 38,355,080
Restricted cash, cash equivalents, and investments	23,681,886	21,380,799
Noncurrent assets - Restricted cash, cash equivalents, and investments	225,039,153	199,586,640
Total deposits and investments	<u>\$ 280,964,183</u>	<u>\$ 259,322,519</u>

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

	2024	2023
Cash on hand	\$ 950	\$ 950
Deposits with financial institutions	58,933,387	56,368,584
Collateralized deposits	22,160,190	14,925,646
County of Kent, Michigan investment pool	5,669,639	5,443,383
Money market funds	187,435,087	168,325,905
U.S. Treasury securities	6,764,930	14,258,051
Total deposits and investments	<u>\$ 280,964,183</u>	<u>\$ 259,322,519</u>

**December 31, 2024 and 2023**

**Note 2 - Deposits and Investments (Continued)**

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, 2024 and 2023, the Authority had bank deposits of \$82,111,498 and \$71,885,781, 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.

***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.

**December 31, 2024 and 2023**

**Note 2 - Deposits and Investments (Continued)**

***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 (2024)	Carrying Value (2023)	Rating	Rating Organization
Bank investment pool - Goldman Sachs Financial Square Government Fund*	\$ 62,957,662	\$ 53,096,560	AAAm	S&P
Bank investment pool - Goldman Sachs Financial Square Treasury Obligations Fund*	26,521,174	62,596,641	AAAm	S&P
Bank investment pool - Dreyfus Treasury Obligations Cash Management Fund*	36,046,084	52,632,704	AAAm	S&P
Bank investment pool - INVESCO Stit Government & Agency Portfolio Fund*	30,954,078	-	AAAm	S&P
Bank investment pool - State Street Institutional Treasury Plus Money Market Fund*	30,956,089	-	AAAm	S&P
External investment pool - County of Kent, Michigan	5,669,639	5,443,383	Not rated	
Total	<u>\$ 193,104,726</u>	<u>\$ 173,769,288</u>		

\*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. Treasuries 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, 2024 and 2023, the fair value of the county investment pool was \$5,669,639 and \$5,443,383, respectively. There were no unfunded commitments, no restrictions on redemption frequency, and no redemption notice periods.

***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.

**December 31, 2024 and 2023**

**Note 2 - Deposits and Investments (Continued)**

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.

As of December 31, the Authority has the following recurring fair value measurements:

Assets Measured at Carrying Value on a Recurring Basis at December 31, 2024			
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, 2024
<b>Investments - Debt securities -</b>			
U.S. Treasury securities	\$ 6,764,930	\$ -	\$ 6,764,930
Assets Measured at Carrying Value on a Recurring Basis at December 31, 2023			
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
<b>Investments - Debt securities -</b>			
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, 2024 and 2023, restricted assets are composed of the following:

	2024	2023
Current restricted cash and cash equivalents - Debt service	\$ 23,681,886	\$ 21,380,799
Noncurrent restricted cash and cash equivalents:		
Debt service	5,243,233	7,774,984
Passenger facility charges	23,210,428	17,079,353
Customer facility charges	18,721,640	11,101,513
Unspent bond proceeds	177,863,852	163,630,790
Noncurrent restricted accounts receivable:		
Passenger facility charges	1,221,425	1,079,036
Customer facility charges	849,137	320,418
Total noncurrent restricted assets	227,109,715	200,986,094
Total restricted assets	\$ 250,791,601	\$ 222,366,893

**December 31, 2024 and 2023**

**Note 4 - Capital Assets**

Capital asset activity of the Authority was as follows:

	Balance January 1, 2024	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2024
Capital assets not being depreciated:					
Construction in progress	\$ 93,032,026	\$ (38,419,500)	\$ 135,243,931	\$ -	\$ 189,856,457
Land	-	-	3,194,483	-	3,194,483
Subtotal	93,032,026	(38,419,500)	138,438,414	-	193,050,940
Capital assets being depreciated:					
Land improvements	319,321,954	1,443,300	-	-	320,765,254
Buildings and improvements	439,521,801	33,213,113	-	-	472,734,914
Equipment	33,669,544	2,519,577	-	(48,600)	36,140,521
Systems	16,880,371	450,697	-	-	17,331,068
Office equipment and furniture	4,729,354	20,508	-	-	4,749,862
Vehicles	2,649,700	772,305	-	(266,535)	3,155,470
Subtotal	816,772,724	38,419,500	-	(315,135)	854,877,089
Accumulated depreciation:					
Land improvements	196,839,052	-	9,574,853	-	206,413,905
Buildings and improvements	172,109,129	-	14,966,334	-	187,075,463
Equipment	16,029,034	-	1,835,258	(48,600)	17,815,692
Systems	11,345,835	-	1,463,392	-	12,809,227
Office equipment and furniture	2,092,441	-	232,613	-	2,325,054
Vehicles	1,439,875	-	462,962	(245,189)	1,657,648
Subtotal	399,855,366	-	28,535,412	(293,789)	428,096,989
Net capital assets being depreciated	416,917,358	38,419,500	(28,535,412)	(21,346)	426,780,100
Net capital assets	\$ 509,949,384	\$ -	\$ 109,903,002	\$ (21,346)	\$ 619,831,040

**December 31, 2024 and 2023**

**Note 4 - Capital Assets (Continued)**

	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
Office equipment and furniture	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

The construction in progress as of December 31, 2024 and 2023 of \$189,856,457 and \$93,032,026, respectively, relates to various projects being funded by federal, state, and authority funds.

Depreciation expense for the years ended December 31, 2024 and 2023 was \$28,535,412 and \$25,776,245, 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 ConRAC Facility and Parking Structure, Power Generator, and ARFF Station, among others. At December 31, 2024, the Authority's commitments with contractors were approximately \$76,863,000.

**Note 5 - Long-term Debt**

Long-term debt activity for the years ended December 31, 2024 and 2023 can be summarized as follows:

	2024				
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable:					
Other debt - Revenue bonds	\$ 356,880,000	\$ 94,035,000	\$ (9,635,000)	\$ 441,280,000	\$ 9,980,000
Unamortized bond premiums	38,450,429	5,782,033	(3,940,519)	40,291,943	2,125,586
Total bonds and contracts payable	<u>\$ 395,330,429</u>	<u>\$ 99,817,033</u>	<u>\$ (13,575,519)</u>	<u>\$ 481,571,943</u>	<u>\$ 12,105,586</u>
	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	<u>\$ 246,287,143</u>	<u>\$ 159,390,000</u>	<u>\$ (10,346,714)</u>	<u>\$ 395,330,429</u>	<u>\$ 10,686,714</u>

The Authority had deferred outflows of \$2,786,282 and \$2,975,205 related to deferred charges on bond refundings at December 31, 2024 and 2023, respectively.

**Revenue Bonds**

Revenue bonds payable consist of the following bond issues as of December 31, 2024 and 2023:

	Maturity Date	Interest Rate	2024	2023
Airport revenue bonds, Series 2015	1/1/2035	1.50-5.00%	\$ 9,705,000	\$ 10,370,000
Airport revenue refunding bonds, Series 2015	1/1/2037	4.00-5.00%	70,580,000	74,425,000
Airport revenue refunding bonds, Series 2018	1/1/2025	5.00%	2,405,000	4,690,000
Airport revenue refunding bonds, Series 2021	1/1/2028	4.00-5.00%	11,515,000	14,355,000
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	159,390,000
Airport revenue bonds, Series 2024	1/1/2054	5.00%	94,035,000	-
Total			<u>\$ 441,280,000</u>	<u>\$ 356,880,000</u>

**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:

Years Ending December 31	Principal	Interest	Total
2025	\$ 9,980,000	\$ 12,748,822	\$ 22,728,822
2026	9,175,000	16,706,979	25,881,979
2027	9,510,000	21,061,833	30,571,833
2028	9,970,000	20,691,150	30,661,150
2029	9,590,000	20,261,730	29,851,730
2030-2034	55,290,000	93,899,473	149,189,473
2035-2039	65,620,000	79,633,864	145,253,864
2040-2044	78,045,000	61,482,093	139,527,093
2045-2049	100,655,000	38,264,929	138,919,929
2050-2054	93,445,000	10,288,472	103,733,472
Total	<u>\$ 441,280,000</u>	<u>\$ 375,039,345</u>	<u>\$ 816,319,345</u>

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 \$816,319,345, with annual requirements ranging from \$7,200,000 to \$30,700,000. For the years ended December 31, 2024 and 2023, there was \$9,635,000 and \$9,295,000, respectively, in principal payments, and interest expense totaled \$17,255,141 and \$15,728,112, respectively. Net revenue pledged for debt service was approximately \$49,858,000 and \$47,252,000 for the years ended December 31, 2024 and 2023, respectively.

***Subsequent Event***

On March 31, 2025, the Authority issued \$70.9 million in Series 2025 bonds to refund the outstanding Series 2015 bonds. The refunding will result in a net savings of approximately \$5.2 million in debt service over the next 12 years.

**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.



**Note 6 - Leases (Continued)**

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, 2024 and 2023, 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, 2024 and 2023, the Authority recognized the following related to its lessor agreements:

	2024	2023
Lease revenue	\$ 1,128,282	\$ 4,455,143
Interest income related to leases	494,769	564,322
Revenue from variable payments not previously included in the measurement of the lease receivable	9,833,796	8,102,646

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, 2024 are as follows:

Years Ending	Principal	Interest
2025	\$ 1,336,598	\$ 481,864
2026	1,393,972	427,283
2027	1,041,366	374,435
2028	786,418	340,682
2029	762,833	308,599
2030-2034	833,015	1,332,296
2035-2039	322,566	1,252,536
2040-2044	533,595	1,147,382
2045-2049	823,474	980,241
2050-2054	1,217,582	728,420
2055-2059	1,748,972	361,983
2060-2064	507,532	17,994
Total	<u>\$ 11,307,923</u>	<u>\$ 7,753,715</u>

**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, 2024 and 2023, the Authority recognized the following related to its regulated lease agreements:

	2024	2023
Lease revenue	\$ 5,526,244	\$ 5,254,600
Revenue from variable payments not included in the schedule of expected future minimum payments	732,311	553,436

**December 31, 2024 and 2023****Note 6 - Leases (Continued)**

Future expected minimum payments related to the Authority's regulated leases at December 31, 2024 are as follows:

<u>Years Ending</u>	<u>Future Amounts</u>
2025	\$ 4,996,535
2026	4,898,930
2027	4,887,367
2028	4,780,612
2029	3,962,407
2030-2034	12,081,970
2035-2039	10,994,570
2040-2044	10,248,998
2045-2049	3,819,884
2050-2054	3,682,025
2055-2059	3,614,282
2060-2064	1,405,946
Total	<u>\$ 69,373,526</u>

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, 2024 and 2023 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, 2024 and 2023, and there were no claim payments for the years then ended.

December 31, 2024 and 2023

### 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. Investigation and mitigation efforts continued through 2024, including initiation and continuation of three distinct pilot programs to field test potential remedial solutions, which are not yet widely available in the market. Two potential violations of state requirements remain under question. Part 31 and Part 201 violations have been documented by the Michigan Department of Environment, Great Lakes, and Energy and are under review.

### Note 8 - Pension Plan

#### *Plan Description*

The Authority participates in the Municipal Employees' Retirement System of Michigan (MERS), an agent multiple-employer 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 included financial statements and required supplementary information of this defined benefit plan. This report can be obtained at [www.mersofmich.com](http://www.mersofmich.com) or in writing to MERS at 1134 Municipal Way, Lansing, MI 48917.

#### *Benefits Provided*

MERS 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, 2023
Inactive plan members or beneficiaries currently receiving benefits	35
Inactive plan members entitled to but not yet receiving benefits	15
Active plan members	64
	<hr/>
Total employees covered by the plan	114
	<hr/>

*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, 2024 and 2023, 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, 2024 and 2023, employer contributions to the hybrid plan are expressed as a percentage of covered payroll and amount to 7.72 and 8.34 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, 2024 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, 2024 measurement date. The December 31, 2024 total pension liability was determined by an actuarial valuation performed as of December 31, 2023, which used update procedures to roll forward the estimated liability to December 31, 2024.

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.

**December 31, 2024 and 2023**

**Note 8 - Pension Plan (Continued)**

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

Changes in Net Pension Asset	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Asset
<b>Balance at December 31, 2023</b>	\$ 30,743,079	\$ 32,233,383	\$ (1,490,304)
Changes for the year:			
Service cost	658,586	-	658,586
Interest	2,184,305	-	2,184,305
Differences between expected and actual experience	646,300	-	646,300
Changes in assumptions	283,117	-	283,117
Contributions - Employer	-	464,834	(464,834)
Contributions - Employee	-	176,963	(176,963)
Net investment income	-	2,405,382	(2,405,382)
Benefit payments	(1,300,589)	(1,300,589)	-
Administrative expenses	-	(71,473)	71,473
Miscellaneous other charges	(20,170)	-	(20,170)
Net changes	2,451,549	1,675,117	776,432
<b>Balance at December 31, 2024</b>	<u>\$ 33,194,628</u>	<u>\$ 33,908,500</u>	<u>\$ (713,872)</u>

The plan's fiduciary net position represents 102.2 percent of the total pension liability.

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

Changes in Net Pension Asset	Increase (Decrease)		
	Total Pension Liability	Plan Net Position	Net Pension Asset
<b>Balance at December 31, 2022</b>	\$ 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 income	-	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)
<b>Balance at December 31, 2023</b>	<u>\$ 30,743,079</u>	<u>\$ 32,233,383</u>	<u>\$ (1,490,304)</u>

The plan's fiduciary net position represents 104.9 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, 2024 and 2023, the Authority recognized pension expense of \$1,863,898 and \$1,444,857, respectively.

**December 31, 2024 and 2023**

**Note 8 - Pension Plan (Continued)**

At December 31, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,615,454	\$ 69,748	\$ 1,706,055	\$ 139,496
Changes in assumptions	1,369,872	-	1,613,535	-
Net difference between projected and actual earnings on pension plan investments	1,186,140	-	1,544,257	-
Total	<u>\$ 4,171,466</u>	<u>\$ 69,748</u>	<u>\$ 4,863,847</u>	<u>\$ 139,496</u>

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
2025	\$ 1,644,631
2026	1,997,442
2027	297,210
2028	162,435
Total	<u>\$ 4,101,718</u>

**Actuarial Assumptions**

The total pension liability in the December 31, 2023 actuarial valuation was determined using an inflation assumption of 2.50 percent, assumed salary increases (including inflation) of 3.00 percent, an investment rate of return (net of investment expenses) of 7.18 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, 2023 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 7.18 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.

December 31, 2024 and 2023

## 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, 2024 measurement date for each major asset class are summarized in the following tables:

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 7.18 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 (6.18%)	Current Discount Rate (7.18%)	1 Percentage Point Increase (8.18%)
Net pension liability (asset) of the plan	\$ 3,769,337	\$ (713,872)	\$ (4,422,366)

### 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.

### Assumption Changes

From the time of the last measurement date at December 31, 2023 to 2024, the actuary decreased the discount rate from 7.25 percent to 7.18 percent.

## 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 between \$3,000 and \$4,000 (tiered, based on tenure). These contributions are 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, 2024 and 2023, the Authority contributed \$409,907 and \$371,936, respectively, and employees contributed \$115,312 and \$102,170, respectively, to the HCSP.



**December 31, 2024 and 2023****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 \$63,573 and \$60,429, and employees contributed \$236,722 and \$260,030 to the deferred compensation plan for the years ended December 31, 2024 and 2023, 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 \$537,737 and \$436,213, and the employees contributed \$563,786 and \$482,901 to the defined contribution plan for the years ended December 31, 2024 and 2023, respectively.

**Note 12 - Concentrated Credit Risk**

During the years ended December 31, 2024 and 2023, the Authority provided gate access to 16 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.

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## Required Supplementary Information

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# Gerald R. Ford International Airport Authority

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

### Last Nine Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016*
<b>Total Pension Liability</b>									
Service cost	\$ 658,586	\$ 659,485	\$ 637,470	\$ 655,857	\$ 806,317	\$ 814,000	\$ 835,093	\$ 829,449	\$ 756,113
Interest	2,184,305	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	646,300	685,408	163,398	1,276,417	236,522	(488,237)	899,368	675,040	-
Changes in assumptions	283,117	-	1,218,392	523,947	1,258,367	-	-	-	-
Benefit payments	(1,300,589)	(1,225,885)	(1,145,892)	(1,073,304)	(753,882)	(330,143)	(205,774)	(121,103)	(25,404)
Other changes	(20,170)	(33,361)	94,008	(43,884)	337,139	(102,333)	(966,603)	(27,001)	12,857,875
<b>Net Change in Total Pension Liability</b>	<b>2,451,549</b>	<b>2,138,917</b>	<b>2,818,413</b>	<b>3,051,010</b>	<b>3,359,011</b>	<b>1,380,565</b>	<b>1,876,206</b>	<b>2,501,145</b>	<b>13,617,812</b>
<b>Total Pension Liability - Beginning of year</b>	<b>30,743,079</b>	<b>28,604,162</b>	<b>25,785,749</b>	<b>22,734,739</b>	<b>19,375,728</b>	<b>17,995,163</b>	<b>16,118,957</b>	<b>13,617,812</b>	<b>-</b>
<b>Total Pension Liability - End of year</b>	<b>\$ 33,194,628</b>	<b>\$ 30,743,079</b>	<b>\$ 28,604,162</b>	<b>\$ 25,785,749</b>	<b>\$ 22,734,739</b>	<b>\$ 19,375,728</b>	<b>\$ 17,995,163</b>	<b>\$ 16,118,957</b>	<b>\$ 13,617,812</b>
<b>Plan Fiduciary Net Position</b>									
Contributions - Employer	\$ 464,834	\$ 328,530	\$ 398,705	\$ 322,812	\$ 382,018	\$ 270,677	\$ 325,207	\$ 470,266	\$ 16,038,027
Contributions - Member	176,963	180,323	248,566	165,719	213,923	258,155	354,221	417,953	3,529,014
Net investment income (loss)	2,405,382	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	(71,473)	(69,814)	(62,379)	(48,728)	(54,679)	(55,759)	(47,669)	(44,137)	(18,996)
Benefit payments	(1,300,589)	(1,225,885)	(1,145,892)	(1,073,304)	(753,882)	(330,143)	(205,774)	(121,103)	(25,404)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>1,675,117</b>	<b>2,503,100</b>	<b>(4,064,307)</b>	<b>3,613,600</b>	<b>3,293,748</b>	<b>3,376,869</b>	<b>(554,272)</b>	<b>3,521,021</b>	<b>20,543,624</b>
<b>Plan Fiduciary Net Position - Beginning of year</b>	<b>32,233,383</b>	<b>29,730,283</b>	<b>33,794,590</b>	<b>30,180,990</b>	<b>26,887,242</b>	<b>23,510,373</b>	<b>24,064,645</b>	<b>20,543,624</b>	<b>-</b>
<b>Plan Fiduciary Net Position - End of year</b>	<b>\$ 33,908,500</b>	<b>\$ 32,233,383</b>	<b>\$ 29,730,283</b>	<b>\$ 33,794,590</b>	<b>\$ 30,180,990</b>	<b>\$ 26,887,242</b>	<b>\$ 23,510,373</b>	<b>\$ 24,064,645</b>	<b>\$ 20,543,624</b>
<b>Authority's Net Pension Asset - Ending</b>	<b>\$ (713,872)</b>	<b>\$ (1,490,304)</b>	<b>\$ (1,126,121)</b>	<b>\$ (8,008,841)</b>	<b>\$ (7,446,251)</b>	<b>\$ (7,511,514)</b>	<b>\$ (5,515,210)</b>	<b>\$ (7,945,688)</b>	<b>\$ (6,925,812)</b>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	<b>102.15 %</b>	<b>104.85 %</b>	<b>103.94 %</b>	<b>131.06 %</b>	<b>132.75 %</b>	<b>138.77 %</b>	<b>130.65 %</b>	<b>149.29 %</b>	<b>150.86 %</b>
<b>Covered Payroll</b>	<b>\$ 5,621,781</b>	<b>\$ 5,562,769</b>	<b>\$ 5,860,127</b>	<b>\$ 5,884,728</b>	<b>\$ 7,044,221</b>	<b>\$ 6,748,311</b>	<b>\$ 6,721,352</b>	<b>\$ 6,721,352</b>	<b>\$ 5,635,428</b>
<b>Authority's Net Pension Asset as a Percentage of Covered Payroll</b>	<b>(12.70)%</b>	<b>(26.79)%</b>	<b>(19.22)%</b>	<b>(136.10)%</b>	<b>(105.71)%</b>	<b>(111.31)%</b>	<b>(82.06)%</b>	<b>(118.22)%</b>	<b>(122.90)%</b>

\*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.

## Gerald R. Ford International Airport Authority

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

	Last Nine Fiscal Years								
	Year Ended December 31								
	2024	2023	2022	2021	2020	2019	2018	2017	2016*
Actuarially determined contribution	\$ 237,024	\$ 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	464,834	328,530	398,705	322,812	382,018	270,677	325,207	470,266	16,038,027
<b>Contribution Excess</b>	<b>\$ 227,810</b>	<b>\$ 77,838</b>	<b>\$ 168,125</b>	<b>\$ -</b>	<b>\$ 93,790</b>	<b>\$ 11,717</b>	<b>\$ 178,351</b>	<b>\$ 300,491</b>	<b>\$ 156,657</b>
<b>Covered Payroll</b>	<b>\$ 5,621,781</b>	<b>\$ 5,562,769</b>	<b>\$ 5,860,127</b>	<b>\$ 5,884,728</b>	<b>\$ 7,044,221</b>	<b>\$ 6,748,311</b>	<b>\$ 6,721,352</b>	<b>\$ 6,721,352</b>	<b>\$ 5,635,428</b>
<b>Contributions as a Percentage of Covered Payroll</b>	<b>8.27 %</b>	<b>5.91 %</b>	<b>6.80 %</b>	<b>5.49 %</b>	<b>5.42 %</b>	<b>4.01 %</b>	<b>4.84 %</b>	<b>7.00 %</b>	<b>284.59 %</b>

\*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, 2024 were determined based on the actuarial valuation as of December 31, 2022. The most recent valuation is as of December 31, 2023.

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

December 31, 2024 and 2023

#### ***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 to 8.30 percent to 3.75 to 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 to 14.75 percent to a range of 3.00 to 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 to 14.00 percent to a range of 3.00 to 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.

Changes in assumptions in 2024 reflect the effects of the following change in assumptions from fiscal year 2023 to fiscal year 2024: assumed annual rate of return and discount rate were updated from 7.25 percent down to 7.18 percent.

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## Statistical Section

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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:

<b>Financial Trends Schedules A and B</b>	Financial trends information is intended to show how the governmental unit's financial position has changed over time.
<b>Revenue Capacity Schedules C and D</b>	Revenue capacity information is intended to show the factors affecting a governmental unit's ability to generate its own-source revenue.
<b>Debt Capacity Information Schedule E</b>	Debt capacity information is intended to show a governmental unit's debt burden and its ability to issue additional debt.
<b>Demographic and Economic Schedules F and G</b>	Demographic and economic information is intended to show the socioeconomic environment within which the governmental unit operates.
<b>Operating Information Schedules H and I</b>	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,				
	2015	2016	2017	2018	2019
<b>Operating revenues</b>					
Airfield	\$ 10,639	\$ 10,889	\$ 11,695	\$ 13,090	\$ 13,935
Terminal	7,566	7,475	7,776	8,723	9,644
Ground transportation	19,327	20,598	21,568	26,175	32,332
Other	687	756	792	1,187	820
<b>Total operating revenues</b>	<u>38,219</u>	<u>39,718</u>	<u>41,831</u>	<u>49,175</u>	<u>56,731</u>
<b>Operating expenses</b>					
Salaries and fringes	8,918	5,729	9,590	9,656	11,245
Services and supplies	12,475	13,395	13,444	15,695	17,274
Depreciation	16,685	18,288	18,907	19,608	20,522
<b>Total operating expenses</b>	<u>38,078</u>	<u>37,412</u>	<u>41,941</u>	<u>44,959</u>	<u>49,041</u>
Operating income (loss)	<u>141</u>	<u>2,306</u>	<u>(110)</u>	<u>4,216</u>	<u>7,690</u>
<b>Nonoperating revenue (expenses)</b>					
Interest income	178	233	126	241	514
Interest expense	(7,269)	(6,873)	(6,505)	(6,299)	(5,837)
Passenger facility charges	5,242	5,424	5,786	6,886	7,372
Customer facility charges	1,956	2,016	2,152	2,383	2,631
Federal Aid (CARES/CRSSAA/ARPA)	-	-	-	-	-
Other	56	58	1	(130)	45
<b>Total nonoperating revenue (expenses)</b>	<u>163</u>	<u>858</u>	<u>1,560</u>	<u>3,081</u>	<u>4,725</u>
Income (Loss) before capital contributions	<u>304</u>	<u>3,164</u>	<u>1,450</u>	<u>7,297</u>	<u>12,415</u>
<b>Capital contributions</b>	11,633	6,495	7,212	20,644	18,702
<b>Special Item</b>	-	(21,184)	-	-	-
<b>Change in net position</b>	<u>\$ 11,937</u>	<u>\$ (11,525)</u>	<u>\$ 8,662</u>	<u>\$ 27,941</u>	<u>\$ 31,117</u>
<b>Net position</b>					
Invested in capital assets, net of related debt / net investment in capital assets	\$ 161,636	\$ 152,970	\$ 167,820	\$ 189,170	\$ 227,528
Restricted for:					
Debt service	10,424	11,511	15,814	11,230	11,299
Capital improvements	17,762	23,027	8,748	15,055	7,442
Pension Benefits		6,734	7,492	8,375	8,367
Unrestricted	<u>29,078</u>	<u>13,133</u>	<u>16,163</u>	<u>20,148</u>	<u>20,460</u>
<b>Total net position</b>	<u>\$ 218,900</u>	<u>\$ 207,375</u>	<u>\$ 216,037</u>	<u>\$ 243,978</u>	<u>\$ 275,096</u>

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,				
2020	2021	2022	2023	2024
\$ 11,011	\$ 13,781	\$ 16,900	\$ 18,689	\$ 22,251
5,597	9,137	8,307	13,031	17,693
15,717	26,132	33,818	42,857	46,808
934	980	835	848	689
<u>33,259</u>	<u>50,030</u>	<u>59,860</u>	<u>75,425</u>	<u>87,441</u>
11,014	11,276	14,403	16,273	18,625
14,735	18,087	23,526	27,777	31,707
21,937	23,288	23,532	25,776	28,535
<u>47,686</u>	<u>52,651</u>	<u>61,461</u>	<u>69,826</u>	<u>78,867</u>
<u>(14,427)</u>	<u>(2,621)</u>	<u>(1,601)</u>	<u>5,599</u>	<u>8,574</u>
166	648	1,597	10,365	12,305
(5,418)	(5,556)	(8,962)	(15,728)	(17,255)
3,428	6,243	7,069	7,760	8,338
1,302	1,772	3,739	4,945	8,683
16,261	5,509	10,715	5,129	-
22	87	14	41	102
<u>15,761</u>	<u>8,703</u>	<u>14,172</u>	<u>12,512</u>	<u>12,173</u>
<u>1,334</u>	<u>6,082</u>	<u>12,571</u>	<u>18,111</u>	<u>20,747</u>
18,705	12,372	4,972	18,125	15,566
-	-	-	-	-
<u>\$ 20,039</u>	<u>\$ 18,454</u>	<u>\$ 17,543</u>	<u>\$ 36,236</u>	<u>\$ 36,313</u>
\$ 246,334	\$ 249,384	\$ 245,508	\$ 264,435	\$ 300,796
11,776	10,052	10,581	18,462	17,349
8,542	12,900	20,072	29,580	44,002
8,237	8,582	1,126	1,490	714
<u>20,247</u>	<u>32,671</u>	<u>53,845</u>	<u>53,400</u>	<u>40,818</u>
<u>\$ 295,136</u>	<u>\$ 313,589</u>	<u>\$ 331,132</u>	<u>\$ 367,367</u>	<u>\$ 403,679</u>

**Gerald R. Ford International Airport Authority**

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**Schedule B**

**Changes in Cash and Cash Equivalents**

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**Last Ten Fiscal Years**  
**(dollars in thousands)**

	<b>December 31,</b>		
	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Cash flows from operating activities</b>			
Receipts from customers and users	\$ 39,373	\$ 38,976	\$ 41,768
Cash paid to suppliers	(13,708)	(12,268)	(14,628)
Cash paid to employees	(8,277)	(10,673)	(10,234)
<b>Net cash provided by operating activities</b>	<b>17,388</b>	<b>16,035</b>	<b>16,906</b>
<b>Non-Capital financing activities</b>			
Operating grant funding received	-	-	-
<b>Capital and related financing activities</b>			
Passenger facility charges collected	5,130	5,383	5,627
Customer facility charges collected	1,948	2,010	2,146
Capital contributions received	16,345	11,488	3,975
Proceeds from sale of capital assets	68	118	26
Net proceeds from sale of bonds	127,556	-	-
Cash transferred to escrow for defeased bonds	(111,059)	-	-
Purchase of capital assets	(35,338)	(22,528)	(26,861)
Principal paid on revenue bonds	(6,290)	(6,870)	(7,255)
Interest and other bond expenses paid on revenue bonds	(8,004)	(7,768)	(7,478)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(9,644)</b>	<b>(18,167)</b>	<b>(29,820)</b>
<b>Cash flow from investing activities</b>			
Purchase of investment securities			
Interest received on investments	178	233	126
Proceeds from sale and maturities of investment securities			
<b>Net cash provided by (used in) investing activities</b>	<b>178</b>	<b>233</b>	<b>126</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>7,922</b>	<b>(1,899)</b>	<b>(12,788)</b>
Cash and cash equivalents, beginning of year	46,243	54,165	52,266
<b>Cash and cash equivalents, end of year</b>	<b>\$ 54,165</b>	<b>\$ 52,266</b>	<b>\$ 39,478</b>

December 31,						
2018	2019	2020	2021	2022	2023	2024
\$ 48,895	\$ 56,524	\$ 33,106	\$ 52,556	\$ 57,798	\$ 74,943	\$ 86,906
(15,698)	(17,699)	(10,276)	(18,486)	(19,620)	(26,869)	(34,438)
(10,553)	(11,241)	(10,817)	(13,969)	(14,894)	(15,352)	(17,722)
22,644	27,584	12,013	20,101	23,284	32,722	34,746
-	-	13,730	2,531	5,509	13,930	-
6,686	7,251	4,057	5,739	7,050	7,649	8,195
2,358	2,616	1,410	1,717	3,578	4,914	8,154
25,683	16,494	19,231	2,029	12,994	11,851	25,043
173	105	75	134	14	41	102
12,725	-	-	139,505	-	159,390	99,817
-	-	-	-	-	-	-
(32,066)	(50,401)	(33,080)	(15,804)	(63,667)	(100,332)	(137,094)
(21,560)	(7,735)	(7,795)	(28,600)	(8,795)	(9,295)	(9,635)
(6,445)	(6,503)	(6,361)	(6,113)	(7,515)	(10,436)	(20,125)
(12,446)	(38,173)	(22,463)	98,607	(56,341)	63,782	(25,543)
241	514	166	81	1,597	(14,084)	(9,342)
					10,085	12,438
						17,036
241	514	166	81	1,597	(3,999)	20,132
10,439	(10,075)	3,446	121,320	(25,951)	106,435	29,335
39,478	49,917	39,842	43,288	164,608	138,657	245,092
\$ 49,917	\$ 39,842	\$ 43,288	\$ 164,608	\$ 138,657	\$ 245,092	\$ 274,427

**Gerald R. Ford International Airport Authority**

**Schedule C**

**Passenger Activity - Enplaned Passengers**

**Last Ten Fiscal Years**

	December 31,				
	2015	2016	2017	2018	2019
<b>Airline</b>					
Allegiant Air	98,367	115,409	128,130	161,101	235,353
American Airlines Inc.	-	-	149	47,017	62,278
American Eagle (Air Wisconsin)	-	-	16,525	-	-
American Eagle (Envoy)	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	-
Delta Airlines Inc.	360,390	376,802	434,084	411,039	433,908
Delta Connection (Compass)	22,075	7,019	1,398	-	-
Delta Connection (Endeavor)	39,573	42,750	22,904	60,286	62,552
Delta Connection (Express Jet)	35,728	26,463	27,971	10,823	-
Delta Connection (GoJet)	16,255	22,499	11,294	27,850	13,007
Delta Connection (Republic)	-	-	7,151	10,912	28,701
Delta Connection (Shuttle America)	7,611	4,232	-	-	-
Delta Connection (Skywest)	35,293	42,521	28,665	65,105	85,824
Frontier Airlines	-	-	4,048	71,777	99,279
Southwest	211,118	245,711	247,128	237,766	213,111
Sun Country	-	-	-	-	-
United Airlines Inc.	74,678	42,580	91,641	99,421	109,852
United Express (Air Wisconsin)	-	-	1,586	32,213	30,666
United Express (Commutair)	-	-	16,439	20,471	21,293
United Express (Express Jet)	45,936	66,898	48,176	38,227	26,818
United Express (Go Jet)	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)	29,504	10,963	-	-	-
United Express (SkyWest)	30,004	24,971	40,949	37,378	23,320
United Express (Trans States)	31,312	38,196	30,891	6,710	15,141
US Airways Express (Air Wisconsin)	53,812	27,708	-	-	-
US Airways Express (Mesa)	31,493	46,728	-	-	-
Charters	1,200	1,351	1,263	1,017	1,867
<b>Total</b>	<b>1,281,238</b>	<b>1,333,956</b>	<b>1,413,310</b>	<b>1,641,019</b>	<b>1,804,358</b>

December 31,					
2020	2021	2022	2023	2024	Total 2024
180,189	276,564	327,903	333,643	335,361	16.01%
41,622	78,448	171,408	225,214	336,250	16.05%
-	-	-	24,083	27,898	1.33%
53,014	76,053	75,215	49,126	44,804	2.14%
5,811	41,519	10,568	19,092	26,820	1.28%
58,848	29,996	42,109	44,136	38,957	1.86%
15,146	53,814	11,589	27,483	23,470	1.12%
23,076	26,464	15,253	859	-	0.00%
-	-	-	-	-	0.00%
156,899	238,710	422,259	421,194	395,298	18.87%
-	-	-	-	-	0.00%
41,837	76,049	43,023	75,749	57,209	2.73%
-	-	-	-	-	0.00%
531	-	-	-	-	0.00%
6,182	-	-	-	10,032	0.48%
-	-	-	-	-	0.00%
23,798	76,018	58,934	36,974	80,952	3.86%
40,658	68,741	97,397	93,553	105,605	5.04%
128,330	212,987	194,930	229,975	256,038	12.22%
-	-	-	-	3,827	0.18%
22,908	108,194	154,339	228,706	195,330	9.32%
3,920	28,109	21,591	8,476	-	0.00%
3,549	823	49	-	-	0.00%
3,142	-	-	-	-	0.00%
21,876	15,758	11,577	6,931	12,122	0.58%
8,319	8,658	20,596	2,255	45	0.00%
22,239	22,981	31,376	37,578	94,214	4.50%
-	-	-	-	-	0.00%
24,789	27,771	33,417	36,947	48,810	2.33%
983	-	-	-	-	0.00%
-	-	-	-	-	0.00%
-	-	-	-	-	0.00%
1,258	705	2,107	2,724	2,025	0.10%
<b>888,924</b>	<b>1,468,362</b>	<b>1,745,640</b>	<b>1,904,698</b>	<b>2,095,067</b>	<b>100.00%</b>

# Gerald R. Ford International Airport Authority

## Schedule D

### Principal Revenue Sources and Revenues per Enplaned Passenger

#### Last Ten Fiscal Years

(dollars in thousands, except amounts per enplaned passenger)

	December 31,				
	2015	2016	2017	2018	2019
<b>Airline revenues</b>					
Landing fees	\$ 4,106	\$ 4,288	\$ 4,595	\$ 5,538	\$ 6,038
Apron fees	2,503	2,573	2,924	3,164	3,307
Terminal rents	<u>5,512</u>	<u>5,340</u>	<u>5,488</u>	<u>6,040</u>	<u>6,662</u>
<b>Total airline revenues</b>	<u>12,121</u>	<u>12,201</u>	<u>13,007</u>	<u>14,742</u>	<u>16,007</u>
Percentage of total revenues	26.6%	25.7%	26.1%	25.2%	23.8%
<b>Nonairline revenues</b>					
Parking	15,437	16,690	17,553	21,712	27,104
Rental car	4,170	4,219	4,348	4,799	5,131
Other	<u>6,491</u>	<u>6,608</u>	<u>6,923</u>	<u>7,922</u>	<u>8,489</u>
<b>Total nonairline revenues</b>	<u>26,098</u>	<u>27,517</u>	<u>28,824</u>	<u>34,433</u>	<u>40,724</u>
Percentage of total revenues	57.2%	58.0%	57.8%	58.8%	60.5%
<b>Nonoperating revenues</b>					
Passenger facility charges	5,242	5,424	5,786	6,886	7,372
Interest	178	233	126	241	514
Other	<u>2,012</u>	<u>2,074</u>	<u>2,153</u>	<u>2,253</u>	<u>2,676</u>
<b>Total nonoperating revenues</b>	<u>7,432</u>	<u>7,731</u>	<u>8,065</u>	<u>9,380</u>	<u>10,562</u>
Percentage of total revenues	16.3%	16.3%	16.2%	16.0%	15.7%
<b>Total revenues</b>	<b>\$ 45,651</b>	<b>\$ 47,449</b>	<b>\$ 49,896</b>	<b>\$ 58,555</b>	<b>\$ 67,293</b>
Enplaned passengers	1,281,238	1,333,956	1,413,310	1,641,019	1,804,358
Total revenue per enplaned passenger	\$ 35.63	\$ 35.57	\$ 35.30	\$ 35.68	\$ 37.29
Airline revenue per enplaned passenger	\$ 9.46	\$ 9.15	\$ 9.20	\$ 8.98	\$ 8.87
<b>Revenue rates</b>					
Landing fee (per 1,000 lbs MGLW)	\$ 2.94	\$ 2.98	\$ 2.84	\$ 2.98	\$ 2.97
Apron fee (per 1,000 lbs MGLW)	\$ 1.86	\$ 1.79	\$ 1.81	\$ 1.70	\$ 1.62
Annual terminal rental rate (per sq. ft.)	\$ 47.93	\$ 48.25	\$ 48.26	\$ 49.87	\$ 53.30

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,				
2020	2021	2022	2023	2024
\$ 4,368	\$ 6,136	\$ 7,330	\$ 8,024	\$ 10,823
1,909	2,584	3,558	4,250	5,113
<u>4,007</u>	<u>6,790</u>	<u>7,374</u>	<u>9,292</u>	<u>13,476</u>
 10,284	 15,510	 18,262	 21,566	 29,412
26.8%	26.4%	25.3%	21.9%	25.2%
 12,834	 21,251	 28,085	 36,783	 40,270
3,084	5,077	6,146	6,514	6,680
<u>7,057</u>	<u>8,192</u>	<u>7,367</u>	<u>10,562</u>	<u>11,079</u>
 22,975	 34,520	 41,598	 53,859	 58,029
59.9%	58.7%	57.6%	54.7%	49.7%
 3,428	 6,243	 7,069	 7,760	 8,338
166	648	1,597	10,365	12,305
<u>1,532</u>	<u>1,859</u>	<u>3,753</u>	<u>4,986</u>	<u>8,785</u>
 5,126	 8,750	 12,419	 23,111	 29,428
13.4%	14.9%	17.2%	23.5%	25.2%
 <b>\$ 38,385</b>	 <b>\$ 58,780</b>	 <b>\$ 72,279</b>	 <b>\$ 98,536</b>	 <b>\$ 116,869</b>
 888,924	 1,468,362	 1,745,640	 1,904,698	 2,095,067
\$ 43.18	\$ 40.03	\$ 41.41	\$ 51.73	\$ 55.78
\$ 11.57	\$ 10.56	\$ 10.46	\$ 11.32	\$ 14.04
 \$ 3.25	 \$ 3.59	 \$ 3.57	 \$ 3.87	 \$ 4.86
\$ 1.63	\$ 1.79	\$ 1.84	\$ 2.05	\$ 2.43
\$ 60.36	\$ 59.79	\$ 53.46	\$ 60.92	\$ 72.08

# Gerald R. Ford International Airport Authority

## Schedule E

### Ratios of Outstanding Debt, Debt Service, Debt Limits &

#### Last Ten Fiscal Years

	December 31,		
	2015	2016	2017
<b>Outstanding debt per enplaned passenger</b>			
Outstanding debt by type (in thousands):			
Revenue bonds (General Airport Revenue Bonds)	\$ 190,201	\$ 182,076	\$ 173,491
Outstanding debt per enplaned passenger	\$ 148.45	\$ 136.49	\$ 122.76
Outstanding debt per capita for service area	\$ 4.48	\$ 4.30	\$ 3.98
Outstanding debt ratio for service area as a percentage of total personal income	0.31%	0.31%	0.27%
Outstanding debt per capita for Kent County	\$ 3.90	\$ 3.67	\$ 3.35
Outstanding debt ratio for Kent County as a percentage of total personal income	0.62%	0.61%	0.52%
<b>Net revenues</b>			
Revenues, net of capital contributions	\$ 45,651	\$ 47,449	\$ 49,896
Less: Interest on Bond Proceeds	-	-	-
Less: operating expenses, less depreciation	21,393	19,124	23,034
<b>Net revenues</b>	<u>\$ 24,258</u>	<u>\$ 28,325</u>	<u>\$ 26,862</u>
<b>Debt service</b>			
Principal paid on revenue bonds	\$ 6,290	\$ 6,870	\$ 7,255
Interest expense on revenue bonds	8,004	7,768	7,478
Principal paid on notes payable	-	-	-
Interest expense on notes payable	-	-	-
<b>Total debt service</b>	<u>\$ 14,294</u>	<u>\$ 14,638</u>	<u>\$ 14,733</u>
<b>Revenue bonds debt service coverage</b>	1.70	1.94	1.82
<b>Debt service per enplaned passenger</b>	\$ 11.16	\$ 10.97	\$ 10.42

#### 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,						
2018	2019	2020	2021	2022	2023	2024
\$ 164,463	\$ 155,479	\$ 146,486	\$ 256,134	\$ 246,287	\$ 395,330	\$ 481,572
\$ 100.22	\$ 86.17	\$ 164.79	\$ 174.44	\$ 141.09	\$ 207.56	\$ 229.86
\$ 3.61	\$ 3.24	\$ 3.05	\$ 4.94	\$ 4.36	\$ 6.73	\$ 7.77
0.25%	0.22%	0.21%	0.34%	0.29%	0.45%	0.52%
\$ 3.05	\$ 2.90	\$ 2.55	\$ 4.14	\$ 3.68	\$ 5.59	\$ 6.82
0.48%	0.45%	0.39%	0.63%	0.56%	0.85%	1.03%
\$ 58,555	\$ 58,764	\$ 67,293	\$ 58,780	\$ 72,279	\$ 98,536	\$ 116,869
-	-	-	-	699	7,233	8,932
25,351	28,519	25,749	29,363	37,929	44,050	50,332
<u>\$ 33,204</u>	<u>\$ 30,245</u>	<u>\$ 41,544</u>	<u>\$ 29,417</u>	<u>\$ 33,651</u>	<u>\$ 47,253</u>	<u>\$ 57,605</u>
\$ 21,560	\$ 8,835	\$ 7,795	\$ 28,600	\$ 8,265	\$ 9,295	\$ 9,635
6,445	6,236	6,361	6,113	7,515	10,436	20,125
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 28,005</u>	<u>\$ 15,071</u>	<u>\$ 14,156</u>	<u>\$ 34,713</u>	<u>\$ 15,780</u>	<u>\$ 19,731</u>	<u>\$ 29,760</u>
1.19	2.01	2.93	0.85	2.13	2.39	1.94
\$ 17.07	\$ 8.35	\$ 15.92	\$ 23.64	\$ 9.04	\$ 10.36	\$ 14.20

## Gerald R. Ford International Airport Authority

### Schedule F

### Principal Employers in the Primary Trade Area

Calendar Years 2024 and 2015

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
Lacks Enterprises Inc.	Kent	Manufacturing - auto parts
University of Michigan Health - West	Kent	Healthcare
Grand Rapids Public Schools	Kent	Education
Howmet	Kent	Manufacturing - Primary Metals
Amazon	Kent	Logistics
SpartanNash	Kent	Retail food
TCF Bank	Kent	Finance
Hope Network Industries	Kent	Packaging
Roskam Baking	Kent	Food Processing
Ventra	Kent/Ionia	Manufacturing - auto parts
Amway Corporation	Kent	Personal and household products
Haworth Inc.	Ottawa	Manufacturing - furniture
Challenge Manufacturing	Kent/Ottawa	Manufacturing - metal stamping
Bradford White	Barry	Manufacturing - water heaters
Shape Corporation	Ottawa	Manufacturing - fabricated metal
Kent Intermediate School District	Kent	Education
YMCA of Greater Grand Rapids	Kent	Health & fitness
Lake Michigan Credit Union	Kent	Finance
Priority Health	Kent	Healthcare
ADAC	Kent	Manufacturing - Plastics & Rubber
Fifth Third Bank	Kent	Finance
General Motors Components Holdings	Kent	Manufacturing - auto parts
JBS Packerland	Allegan	Agriculture
Mercantile Bank	Newaygo	Finance
Tyson Foods	Ottawa	Food Processing
Yanfeng Global Automotive	Ottawa	Manufacturing - auto parts

#### Total employment

Source: The Right Place Inc.

<sup>(1)</sup> Data as of May 2025, most current information available

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Number of Employees 2024 <sup>(1)</sup>	Percentage of Total Employment	Number of Employees 2015	Percentage of Total Employment
25,000	3.26%	22,000	2.84%
8,500	1.11%	6,500	0.84%
7,000	0.91%		0.00%
5,000	0.65%		0.00%
5,000	0.65%	10,343	1.34%
4,500	0.59%	3,900	0.50%
4,000	0.52%		0.00%
3,500	0.46%	2,500	0.32%
3,500	0.46%	3,800	0.49%
3,400	0.44%	3,500	0.45%
3,300	0.43%	3,306	0.43%
3,100	0.40%	2,950	0.38%
3,000	0.39%	2,900	0.37%
3,000	0.39%	2,400	0.31%
2,800	0.37%	2,800	0.36%
2,800	0.37%	2,350	0.30%
2,600	0.34%		0.00%
2,500	0.33%	2,585	0.33%
2,500	0.33%		0.00%
2,100	0.27%	2,000	0.26%
2,100	0.27%		0.00%
2,100	0.27%	2,100	0.27%
2,000	0.26%	4,000	0.52%
2,000	0.26%	2,450	0.32%
1,800	0.23%		0.00%
1,700	0.22%		0.00%
1,700	0.22%	1,500	0.19%
1,600	0.21%		0.00%
1,600	0.21%		0.00%
1,400	0.18%		0.00%
1,300	0.17%	2,250	0.29%
1,200	0.16%		0.00%
1,200	0.16%	2,278	0.29%
1,200	0.16%		0.00%
1,200	0.16%		0.00%
1,000	0.13%		0.00%
1,000	0.13%		0.00%
1,000	0.13%		0.00%
<u>766,316</u>		<u>773,497</u>	

## Gerald R. Ford International Airport Authority

### Schedule G

### Population in the Primary Trade Area

#### Last Ten Fiscal Years

	2015	2016	2017	2018
Allegan County	113,847	111,408	116,447	114,145
Barry County	59,107	59,173	60,586	59,607
Ionia County	63,976	63,905	64,291	64,147
Kent County	629,237	602,622	648,594	636,376
Mecosta County	43,226	42,798	43,391	43,181
Montcalm County	63,046	63,342	63,550	62,956
Muskegon County	172,344	172,188	173,693	172,707
Ottawa County	276,292	263,801	286,383	280,243
	<u>1,421,075</u>	<u>1,379,237</u>	<u>1,456,935</u>	<u>1,433,362</u>
Per capita income	\$ 42,495	\$ 42,386	\$ 43,586	\$ 45,589
Total personal income (dollars in thousands)	\$ 60,387,903	\$ 58,460,339	\$ 63,501,969	\$ 65,345,540
	2015	2016	2017	2018
Employment information:				
Civilian labor force	806,984	755,219	760,020	733,509
Employed	773,497	727,147	730,625	691,961
Unemployed	33,487	28,072	29,395	41,548
Unemployment rate	4.1%	3.7%	3.9%	5.7%

Source: The Right Place Inc.

2019	2020	2021	2022	2023	2024
115,250	116,143	117,104	119,418	120,189	120,913
60,057	60,540	61,045	62,014	62,581	62,982
64,176	64,300	64,401	66,564	66,663	66,706
643,140	648,121	652,617	654,958	657,321	658,844
43,264	43,251	43,481	40,051	40,128	40,321
63,209	63,413	63,516	66,430	66,901	67,174
173,043	173,297	173,679	175,633	175,947	175,378
284,034	286,558	289,162	293,713	296,183	298,614
<u>1,446,173</u>	<u>1,455,623</u>	<u>1,465,005</u>	<u>1,478,781</u>	<u>1,485,913</u>	<u>1,490,932</u>
\$ 47,952	\$ 48,027	\$ 51,835	\$ 56,517	\$ 58,730	\$ 61,998
\$ 69,346,888	\$ 69,909,206	\$ 75,938,534	\$ 83,576,266	\$ 87,267,670	\$ 92,434,802
2019	2020	2021	2022	2023	2024
744,132	700,592	757,908	767,477	800,411	799,738
707,807	707,807	667,470	738,699	773,044	766,316
36,325	33,122	35,968	28,778	27,367	33,422
4.9%	4.7%	4.7%	3.7%	3.4%	4.2%

## Gerald R. Ford International Airport Authority

### Schedule H

### Full-time Equivalent Employees

#### Last Ten Fiscal Years

	December 31,			
	2015	2016	2017	2018
Administration	18	20	23	24
Maintenance	32	32	30	27
Parking	1	1	1	1
Firefighting	16	17	16	17
Public safety	33	32	34	34
Total	100	102	104	103
Enplaned passengers per employee	12,812	13,078	13,590	15,932
Operating revenues (in thousands)	\$ 38,219	\$ 39,718	\$ 41,831	\$ 49,175
Operating expenses (in thousands)	\$ 38,078	\$ 37,412	\$ 41,941	\$ 44,959
Salaries and fringes (in thousands)	\$ 8,918	\$ 5,729	\$ 9,590	\$ 9,656
Payroll percentage of operating revenues	23.3%	14.4%	22.9%	19.6%
Payroll percentage of operating expenses	23.4%	15.3%	22.9%	21.5%

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December 31,					
2019	2020	2021	2022	2023	2024
24	19	20	28	30	29
32	26	34	35	36	51
1	1	1	1	1	1
16	12	16	16	18	19
<u>35</u>	<u>31</u>	<u>36</u>	<u>36</u>	<u>43</u>	<u>45</u>
<u>108</u>	<u>89</u>	<u>107</u>	<u>116</u>	<u>128</u>	<u>145</u>
<u>16,707</u>	<u>9,988</u>	<u>13,723</u>	<u>15,049</u>	<u>14,880</u>	<u>14,449</u>
\$ 56,731	\$ 33,259	\$ 50,030	\$ 59,860	\$ 75,425	\$ 87,441
\$ 49,041	\$ 47,686	\$ 52,651	\$ 61,461	\$ 69,826	\$ 78,867
\$ 11,245	\$ 11,014	\$ 11,276	\$ 14,403	\$ 16,273	\$ 18,625
<u>19.8%</u>	<u>33.1%</u>	<u>22.5%</u>	<u>24.1%</u>	<u>21.6%</u>	<u>21.3%</u>
<u>22.9%</u>	<u>23.1%</u>	<u>21.4%</u>	<u>23.4%</u>	<u>23.3%</u>	<u>23.6%</u>

## Gerald R. Ford International Airport Authority

### Schedule I

### Capital Asset Information

#### Last Ten Fiscal Years

	December 31,		
	2015	2016	2017
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	76,256	81,558	82,432
Annual capacity	<u>277,500</u>	<u>277,500</u>	<u>277,500</u>
Runway utilization percentage	<u>27.48%</u>	<u>29.39%</u>	<u>29.71%</u>
Terminal building			
Exclusive area leased (sq. ft)	74,782	65,718	85,531
Exclusive area available (sq. ft)	<u>97,944</u>	<u>106,786</u>	<u>105,104</u>
Terminal occupancy percentage	<u>76.35%</u>	<u>61.54%</u>	<u>81.38%</u>
Enplanements	1,281,238	1,333,956	1,413,310
Planned capacity	<u>1,800,000</u>	<u>1,800,000</u>	<u>1,800,000</u>
Terminal utilization percentage	<u>71.18%</u>	<u>74.11%</u>	<u>78.52%</u>
Parking areas			
Number of annual long-term exits (a)	304,575	318,451	289,527
Average long-term stay (days) (b)	<u>3.9</u>	<u>4.0</u>	<u>4.6</u>
Average annual long-term occupancy ((a*b)/365)	3,254	3,490	3,649
Number of long-term spaces available	<u>6,918</u>	<u>7,071</u>	<u>7,071</u>
Average annual long-term occupancy rate	<u>47.04%</u>	<u>49.35%</u>	<u>51.60%</u>



	December 31,					
2018	2019	2020	2021	2022	2023	2024
84,023	84,538	58,170	74,876	74,356	76,567	80,469
277,500	277,500	277,500	277,500	277,500	277,500	277,500
30.28%	30.46%	20.96%	26.98%	26.79%	27.59%	29.00%
89,766	91,037	91,037	93,830	96,677	132,677	135,719
105,104	100,312	100,312	103,160	106,007	157,309	161,077
85.41%	90.75%	90.75%	90.96%	91.20%	84.34%	84.26%
1,641,019	1,804,358	888,924	1,468,362	1,745,640	1,904,698	2,095,067
1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	2,600,000	2,600,000
91.17%	100.24%	49.38%	81.58%	96.98%	73.26%	80.58%
331,119	381,709	157,518	265,428	316,065	385,165	401,541
4.2	4.5	5.2	5.3	5.2	6.6	5.3
3,810	4,685	2,235	3,854	4,503	6,965	5,831
7,124	7,324	7,668	7,668	7,779	8,611	9,906
53.48%	63.97%	29.15%	50.26%	57.88%	80.88%	58.86%