Connecticut Airport Authority

(a component unit of the State of Connecticut)

Financial Report
with Supplemental Information
June 30, 2022

Contents

Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-25
Basic Financial Statements	
Statement of Net Position	26-27
Statement of Revenue, Expenses, and Changes in Net Position	28
Fund Statement of Cash Flows	29
Notes to Financial Statements	30-57
Required Supplemental Information	58
Bradley International Airport Enterprise Fund:	
Schedule of the Fund's Proportionate Share of the Net Pension Liability	59
Schedule of Pension Contributions	60
Schedule of the Fund's Proportionate Share of the Net OPEB Liability	61
Schedule of OPEB Contributions	62
General Aviation Airports Enterprise Fund:	
Schedule of the Fund's Proportionate Share of the Net Pension Liability	63
Schedule of Pension Contributions	64
Schedule of the Fund's Proportionate Share of the Net OPEB Liability	65
Schedule of OPEB Contributions	66
Notes to Required Supplemental Information	67
Other Supplemental Information	68
Bradley International Airport Enterprise Fund:	
Statement of Net Position	69-70
Statement of Revenue, Expenses, and Changes in Net Position	71
General Aviation Airports Enterprise Fund:	
Combining Statement of Net Position	72-73
Combining Statement of Revenue, Expenses, and Changes in Net Position	74
Schedule of Insurance Coverage - Bradley International Airport - June 30, 2022	75-76

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Independent Auditor's Report

To the Board of Directors
Connecticut Airport Authority

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of each major fund of the Connecticut Airport Authority (the "Authority") (a component unit of the State of Connecticut) as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of each major fund of the Authority as of June 30, 2022 and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit 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 Audit of the Financial Statements* section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 9 to the financial statements, the Authority implemented the provisions of GASB Statement No. 87, *Leases*, as of and for the year-ended June 30, 2022. This statement requires recognition of lease receivables and deferred inflows for leases that meet certain criteria based on the provisions of the contract. Our opinion is not modified with respect to this matter.

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.

To the Board of Directors
Connecticut Airport Authority

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplemental 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

To the Board of Directors
Connecticut Airport Authority

Supplemental Information

Our audit for the year ended June 30, 2022 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The other supplemental information, as identified in the table of contents, for the year ended June 30, 2022 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2022 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2022.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Authority as of and for the year ended June 30, 2021 (not presented herein) and have issued our report thereon dated September 30, 2021, which contained unmodified opinions on the respective financial statements of each major fund of the Authority. The other supplemental information, as identified in the table of contents, for the year ended June 30, 2021 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2021 financial statements. The information was subjected to the audit procedures applied in the audit of the 2021 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2021.

Other Information

Management is responsible for the other information included in the basic financial statements. The other information comprises the schedule of insurance coverage but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2022 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Plante & Moran, PLLC

October 27, 2022

CONNECTICUT AIRPORT AUTHORITY
JUNE 30, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis (MD&A) of the Connecticut Airport Authority's (the "CAA" or the "Authority") financial performance provides an overview for the year ended June 30, 2022. The Authority is comprised of two separate enterprise funds, Bradley International Airport Enterprise Fund (BDL or Bradley) and the General Aviation Airports Enterprise Fund (GA), (collectively, the "Authority" or the "Funds"). The CAA's financial statements present results separately for each fund as well as in aggregate. The MD&A is constructed in two sections, one for BDL and one for GA, as the financial performance for each fund is measured and managed separately. Please read it in conjunction with the CAA's financial statements that follow this section. The MD&A is intended to provide meaningful information to the reader for the current year, thereby enhancing the reader's understanding of the CAA's financial positions and the results of its operations.

As discussed in Note 1 to the financial statements, the CAA was established on July 1, 2011 but had no significant transactions until July 1, 2013, at which time the assets and liabilities of Bradley International Airport (Bradley) and the State of Connecticut's general aviation airports were contributed to the Authority. Bradley International Airport was previously reported as a stand-alone enterprise fund, and the General Aviation Airports were accounted for in the governmental funds of the Connecticut Department of Transportation. Connecticut State Statute Title 15 Chapter 267B required the establishment of the Bradley International Airport Enterprise Fund to account for the operations of Bradley airport and the General Aviation Airports Enterprise Fund to account for the operations of the five general aviation airports under the control of the CAA.

Enterprise Fund Financial Statements

An enterprise fund is used to present governmental activities where a fee is charged to external customers for goods that are sold or services that are rendered. Usually, these activities are financed by debt that is secured solely by a pledge of the operating revenues of that activity.

The CAA's financial statements consist of a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows. The financial statements utilize the economic resources measurement focus and the accrual basis of accounting, thus providing the foundation for generally accepted accounting principles that are used in private-sector business reporting. This means that all assets and liabilities associated with the operations of the CAA are included on the statements of net position, and that revenues and expenses are recognized when earned and incurred, respectively, on the statements of revenues, expenses, and changes in net position.

Net position is presented in three components (i) net investment in capital assets, (ii) restricted, and (iii) unrestricted. Net position categorized as net investment in capital assets consists of all significant capital assets owned by the CAA, net of accumulated depreciation, and reduced by any outstanding balances of bonds or other debt related to the acquisition, construction or improvement of those assets. Capital assets include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, infrastructure, and all other tangible or intangible assets that are used in operations that have an initial useful life beyond one year. Capital assets are depreciated over their useful lives and periodic depreciation expense is reported in the statements of revenues, expenses, and changes in net position. Net position is reported as restricted when constraints are placed on those assets by creditors, grantors, laws or imposed by law through constitutional provisions or enabling legislation. The restrictions in place at Bradley originate from indentures of trust associated with the sale of its general airport revenue bonds, sale of its Customer Facility Charge Revenue Bonds, and regulations associated with its use of Passenger Facility Charges (PFCs).

The Statement of Revenues, Expenses, and Changes in Net Position reports the operating revenues and expenses and nonoperating revenue and expenses of the CAA for the fiscal year with the difference, the net income or loss, being combined with any capital contributions to determine the change in net position. That change, combined with the prior year-end net position total, reconciles to the net position total at the end of the current fiscal year.

The Statements of Cash Flows report cash activities for the fiscal year resulting from operating activities, capital and related financing activities and investing activities. The net result of these activities added to the beginning of the year cash balance reconciles to the cash balance at the end of the current fiscal year.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is important to understanding the information included in the financial statements.

Supplemental Information

Supplemental information includes prior year comparative financial statements for both the Bradley International Airport Enterprise Fund and the General Aviation Airports Enterprise Fund, a Schedule of Passenger Facility Charge Expenditures and a Schedule of Insurance Coverage, which are required by the Federal Aviation Administration and bond indentures, respectively.

Required Additional Reports

Required additional reports include an Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards* and an Independent Auditors' Report on Compliance With Requirements That Could Have a Direct and Material Effect on the Passenger Facility Charge Program and on Internal Control Over Compliance.

FINANCIAL HIGHLIGHTS - BRADLEY INTERNATIONAL AIRPORT ENTERPRISE FUND

Unless otherwise stated, all values presented in the following MD&A are in thousands, with the exception of various per passenger ratios presented. Totals and subtotals presented in the tables and charts below may not optically sum in their rounded format as the underlying figures to the whole dollar were used for summation purposes but presented in thousands.

Fiscal year (FY) 2022 has marked a significant recovery from the effects of the COVID-19 pandemic on Bradley operating results. Bradley operations have returned to a full fiscal year of stable and consistent activity levels as evidenced by FY22 Operating Income of $20.1 million (excluding depreciation and amortization). In addition, 2.8 million FY22 enplanements represent approximately 82.5% of fiscal year 2019 enplanements (the most recent full pre-pandemic fiscal year to compare to). With the aid of multiple pandemic-related federal grants, along with its strong liquidity, relatively small debt profile and diverse air carrier mix, Bradley remains in a strong and healthy financial position.

As Bradley continues to progress toward a full recovery to pre-pandemic passenger activity levels, CAA management continues to be judicious with operating expense. This approach has yielded budget surpluses in nearly all major operating expense categories during FY22. Bradley's FY22 net operating income (excluding depreciation & amortization) exceeded budget expectations by $24,383, or 480.2%. Airline revenues are a derivative of Bradley's operating expenses; accordingly, airline revenue results are below budget due to operating expenses being below budget. Compared to FY21, total operating revenue increased 62.0% to $84,670, while total operating expenses before depreciation increased 18.2% to $64,609. Operating income before depreciation increased greater than 100.0% to $20,061 versus an operating loss in prior year of ($2,391).

Net nonoperating revenue of $34,775 in FY22 reflects continued improvement in PFC and CFC revenues as a result of increased passenger traffic as well as favorable shifts in actuarial pension and OPEB losses in FY21 converted to gains in FY22. Offsetting these factors were a year-over-year reduction in pandemic-related grant revenue and the return of airline net revenue share.

Total net position at year-end totaled $364,229, a 19.0% increase from FY21's net position. Total assets increased by $64,519, or 9.0%, while total liabilities decreased by $43,060, or 9.7%. Bradley generated debt service coverage of 591.9% for its General Airport Revenue Bonds, which is well above the 120.0% required by bond indenture. The debt service coverage calculation ensures there are enough pledged revenues (i.e., operating revenues plus interest income and PFC revenue) to cover annual operating expenses and debt service. Additionally, $24.32 million of American Rescue Plan Act (ARPA) federal grant revenues, $717 of Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) federal grant revenues, and $204 of Transportation Security Administration (TSA) grant revenues were utilized to fund operating expenses and were included in the revenues subject to the debt service coverage calculation. See the 'Economic Factors and Outlook' section of this MD&A for more detail on pandemic related federal grants.

Enplanements were 2.8 million in FY22, more than doubling the 1.3 million enplanements in FY21, a 114.2% increase year-over-year. See the 'Economic Factors and Outlook' section of this MD&A for more detail on passenger activity.

Net Position

The net position of Bradley is summarized in Table 1. Net position is a measurement of the financial condition of a fund/entity at a point in time. Bradley's net position increased $58.3 million from June 30, 2021, to June 30, 2022. While Bradley finished the fiscal year with operating income before depreciation of $20.1 million, pandemic related federal grants continued to bolster the total increase to net position.

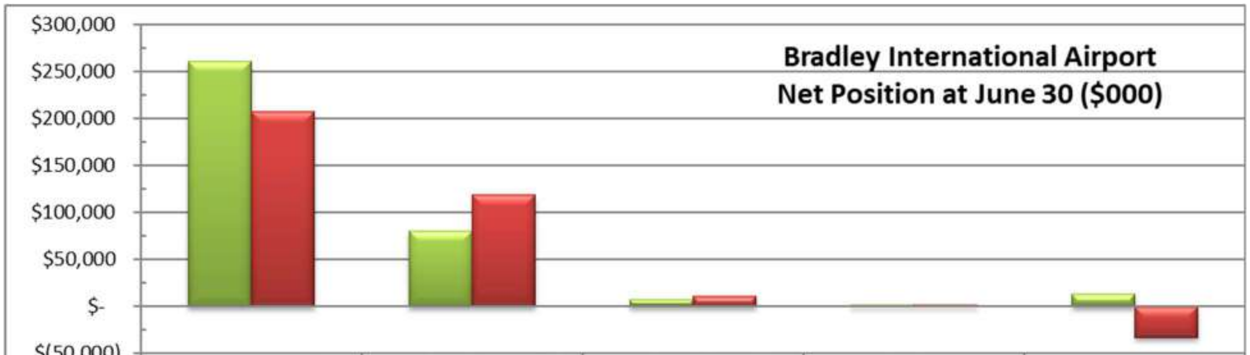
Table 1 also illustrates Bradley's assets (including deferred outflows of resources) exceeded its liabilities (including deferred inflows of resources) by $364,229 as of June 30, 2022. This net position includes $260,704 invested in capital assets net of related debt (an increase of 25.5%), assets restricted for PFC, CFC and bond indenture purposes of $89,876 (a decrease of 31.8%) and unrestricted net position of $13,648 (an increase of 140.8%).

As of June 30, 2022, total general airport revenue bonds payable and CFC revenue bonds payable (excluding current maturities and bond premium) of $223,195 equate to $79.70 per enplaned passenger based on fiscal year 2022 enplaned passengers of 2,800, a 54.6% decrease from FY 2021 bonds payable of $175.73 per enplaned passenger. This decrease is attributable to the noted recover in passenger activity.

Table 1
Statement of Net Position
June 30, 2022 and 2021
(In thousands)

			2022 - 2021	
	2022	**2021**	**Change ($)**	**Change (%)**
ASSETS				
Current and Other Assets	$ 294,230	$ 295,181	$ (951)	-0.3%
Net Capital Assets	474,692	420,261	54,431	13.0%
GASB 87 - Long-term Lease Receivable	11,038	-	11,038	100.0%
TOTAL ASSETS	**779,961**	**715,442**	**64,519**	**9.0%**
DEFERRED OUTFLOWS OF RESOURCES				
Interest Rate Swaps	5,799	12,672	(6,873)	-54.2%
Deferred Loss on Bond Refunding	1,138	1,261	(123)	-9.8%
Other Deferred Costs - Net	36	40	(4)	-9.1%
Deferred Pension Outflows	13,040	16,055	(3,015)	-18.8%
Deferred OPEB Outflows	16,969	23,358	(6,390)	-27.4%
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**36,982**	**53,386**	**(16,405)**	**-30.7%**
LIABILITIES				
Long-term Debt Outstanding	226,167	232,832	(6,665)	-2.9%
Other Liabilities	51,554	49,721	1,833	3.7%
Interest Rate Swap	5,799	12,672	(6,873)	-54.2%
Net Pension Liability	60,340	69,113	(8,774)	-12.7%
Net OPEB Liability	58,193	80,774	(22,581)	-28.0%
TOTAL LIABILITIES	**402,053**	**445,113**	**(43,060)**	**-9.7%**
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Cost Reductions	9,222	5,079	4,143	81.6%
Deferred GASB 87 Leases	12,885	-	12,885	100.0%
Deferred OPEB Cost Reductions	28,554	12,686	15,869	125.1%
TOTAL DEFERRED INFLOWS OF RESOURCES	**50,661**	**17,764**	**32,897**	**185.2%**
NET POSITION				
Net Investments in Capital Assets	260,704	207,661	53,043	25.5%
Restricted	89,876	131,743	(41,866)	-31.8%
Unrestricted	13,648	(33,453)	47,101	140.8%
TOTAL NET POSITION	**$ 364,229**	**$ 305,951**	**$ 58,278**	**19.0%**

			2022 - 2021	
	2022	**2021**	**Change ($)**	**Change (%)**
Net Position at June 30				
Net Investment in Capital Assets	$ 260,704	$ 207,661	$ 53,043	25.5%
Restricted for Capital Projects	80,736	118,386	(37,651)	-31.8%
Restricted for Debt Service	6,973	11,214	(4,241)	-37.8%
Bond Indenture Requirements	2,168	2,142	26	1.2%
Unrestricted	13,648	(33,453)	47,101	140.8%
Total Net Position	**$ 364,229**	**$ 305,951**	**$ 58,278**	**19.0%**



	Net Investment in Capital Assets	Restricted for Capital Projects	Restricted for Debt Service	Bond Indenture Requirements	Unrestricted
2022	$260,704	80,736	6,973	2,168	13,648
2021	$207,661	118,386	11,214	2,142	(33,453)

Changes in Net Position

The increase in net position shown on Table 1 was generated from the activity shown on Table 2, Changes in Net Position, for the Years Ended June 30, 2022, and 2021. Changes in net position represent the fiscal year financial results of Bradley. The change in net position for FY22 is $58,278 compared to $9,167 in FY21. Overall, for FY22, total net position increased 19.0% compared to FY21.

Bradley has experienced another year of net income before capital contributions in FY22. Operating revenues increased by $32,409, or 62.0%, attributable to a continued strong and continuous growth in auto parking revenues, coupled with favorable trends in all passenger activity-based revenues. Operating expenses before depreciation increased $9,957, or 18.2%, compared to FY21, largely due to higher salaries and related expenses and higher administrative expenses in line with a return to more normal levels of operations. Depreciation and amortization decreased $2,372, or 11.5%, from FY21 contributing to an operating income of $1,767.

Table 2
Statement of Revenue, Expenses, and Changes in Net Position
For the Year Ended June 30, 2022
(In Thousands)

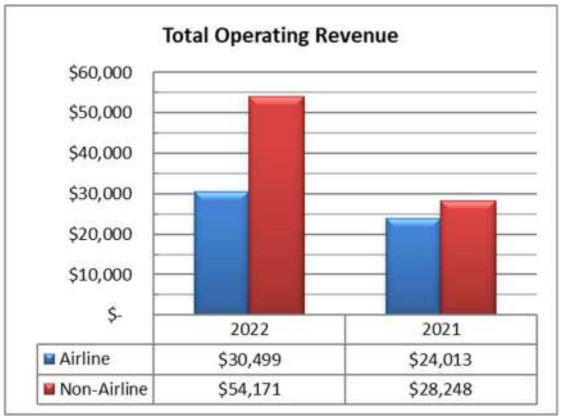
	2022	2021	2022 - 2021 Change ($)	2022 - 2021 Change (%)
OPERATING REVENUES				
Landing fees	$ 17,335	$ 11,857	$ 5,478	46.2%
Airline terminal rent	9,887	9,161	726	7.9%
Apron and remote aircraft parking	3,277	2,995	282	9.4%
Rental cars	8,771	5,729	3,042	53.1%
Terminal concessions	3,714	2,633	1,082	41.1%
Land rent	7,004	6,513	492	7.5%
Other concessions	4,377	1,989	2,388	120.0%
Other operating revenue	2,927	2,446	481	19.7%
Auto parking	26,992	8,939	18,053	202.0%
GASB 87 - lease revenue adjustment	(237)	-	(237)	-100.0%
GASB 87 - interest revenue	623	-	623	100.0%
TOTAL OPERATING REVENUES	84,670	52,262	32,409	62.0%
OPERATING EXPENSES				
Salaries and related expenses	25,529	23,536	1,993	8.5%
Administrative and general	25,990	19,026	6,964	36.6%
Repairs and maintenance	7,904	6,864	1,040	15.1%
Utilities	5,185	5,225	(40)	-0.8%
OPERATING EXPENSES BEFORE DEPRECIATION	64,609	54,652	9,957	18.2%
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	20,061	(2,391)	22,452	939.2%
Depreciation and amortization	18,294	20,666	(2,372)	-11.5%
OPERATING INCOME (LOSS)	1,767	(23,057)	24,824	107.7%
NONOPERATING REVENUES (EXPENSES)				
Passenger Facility Charge revenue	11,195	6,359	4,836	76.0%
Car Rental Facility Charge revenue	9,581	5,628	3,953	70.2%
Investment income	457	126	331	263.1%
Non-op revenue - grant revenue	25,241	36,785	(11,544)	-31.4%
Other nonoperating revenues (expenses)	(1,307)	(341)	(966)	-283.3%
Bond interest expense	(9,087)	(9,512)	425	4.5%
Airline revenue share expense	(3,244)	-	(3,244)	-100.0%
Actuarial pension gain (loss)	1,616	(4,380)	5,996	136.9%
Actuarial OPEB gain (loss)	323	(4,667)	4,989	106.9%
NET NONOPERATING REVENUE	34,775	29,998	4,777	15.9%
INCOME BEFORE CAPITAL CONTRIBUTIONS	36,542	6,941	29,601	426.5%
CAPITAL CONTRIBUTIONS	21,736	2,226	19,510	876.4%
Change in Net Position	58,278	9,167	49,111	535.7%
Total Net Position, Beginning of Year	305,951	296,784	9,167	3.1%
Total Net Position, End of Year	$ 364,229	$ 305,951	$ 58,278	19.0%

BRADLEY INCOME

As indicated on Table 2, Bradley generated an operating income of $1,767, net nonoperating revenues of $34,775 and $21,736 of capital contributions. The change in net position for fiscal year 2022 was $58,278 as compared to the prior year change in net position of $9,167. The operating and nonoperating revenues and expenditures associated with this income are addressed below.

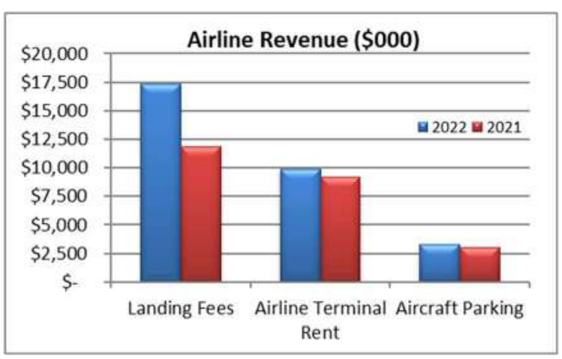
Operating Revenues

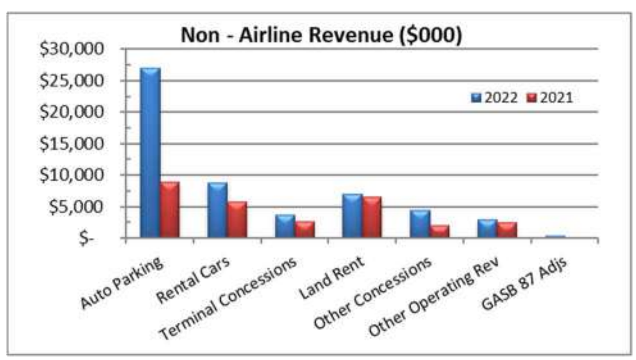
Operating revenues for fiscal year 2022 totaled $84,670, an increase of $32,409 or 62.0% from fiscal year 2021. Operating revenues are split between airline and non-airline sources. Airline revenues were $30,499 or 36.0% of total operating revenue, and non-airline revenues, inclusive of newly adopted GASB 87-related adjustments, were $54,171, or 64.0% of total operating revenue as shown at left and in greater detail below.



Effective July 1, 2021, the CAA has adopted Governmental Accounting Standards Board Statement No. 87, *Leases* (GASB 87). GASB 87 establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. The implementation of GASB 87 has led to the aforementioned 'GASB 87-related adjustments' included in operating revenue which is comprised of a ($237) adjustment to lease revenue and recognition of $623 of interest revenue. Please see Note 1 (Significant Accounting Policies) and Note 9 (Lease Accounting – GASB 87) of the Notes to Financial Statements for more information regarding GASB 87.

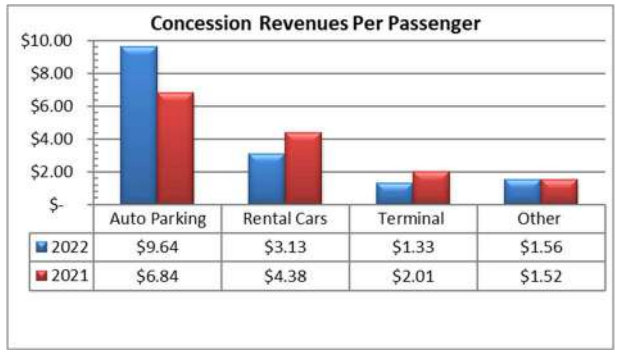
Airline revenues increased by $6,486, or 27.0%, from fiscal year 2021 to fiscal year 2022. The Airlines pay rates and charges based on budgeted operating expenditures and debt service allocated to airline cost centers including the landing area, terminal building and aircraft parking aprons. The fiscal year 2022 operating expense budget of $70,790 reflected a 7.1% increase in operating expenses over the fiscal year 2021 operating budget, which was accordingly reflected in budgeted airline rates and charges. The current airline agreements include a true-up feature which causes airline rates and charges to be recalculated based on actual operating expenditures rather than budgeted operating expenditures. Fiscal year 2022 operating expenditures were under budget which in turn caused airline revenues to be 5.9% below budget due to the true-up feature applied to airline revenues.





Deducting cargo airline landing fees of $5,272 and airline net revenue share of $3,245 from total airline revenue of $30,499 results in effective passenger airline revenue of $21,984. This equates to a fiscal year 2022 Cost per Enplaned Passenger (CPE) of $7.85 based on fiscal year 2022 enplaned passengers of 2,800, a 46.0% decrease from the fiscal year 2021 CPE of $14.54.

Total non-airline revenues increased by $25,923, or 91.8%, from fiscal year 2021. Non-airline revenues are comprised of the various concessions operating at Bradley, land rent and other operating revenue. Concession operations include auto parking, rental cars, terminal concessions and other concessions, which combine for total revenue of $43,855. The largest source of concession revenue is vehicle parking operations which totaled $26,992. Terminal concessions include food and beverage, retail, advertising and miscellaneous services provided in the terminal. Other concessions include in-flight food catering, the Sheraton Hotel adjacent to the terminal, ground transportation services and others. Non-airline revenues were 61.5% higher than budget (62.6% higher when GASB 87 lease revenue adjustments and GASB 87 interest revenue are included) stemming from passenger activity-based revenues (i.e., concession, parking and rental car revenue).



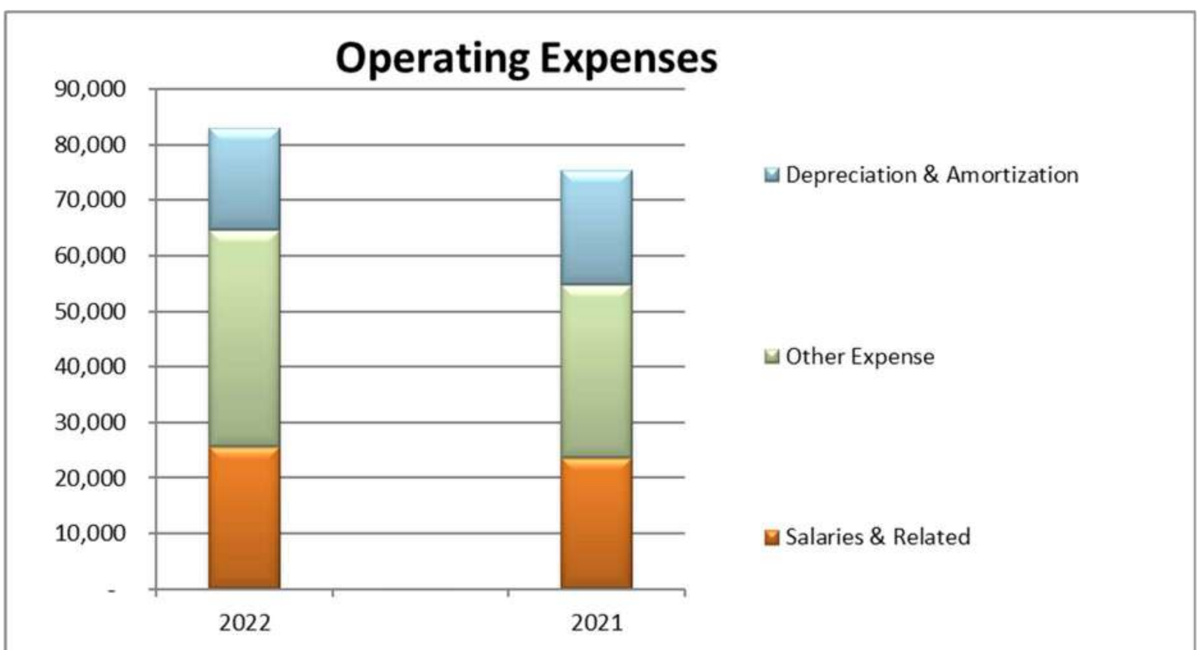
Total concession revenue of $43,855 equates to $15.66 per enplaned passenger based on fiscal year 2022 enplaned passengers of 2,800, a 6.2% increase from fiscal year 2021 concession revenue per enplaned passenger of $14.75. The division of revenues per passenger among the various concessions is shown above.

Operating Expenses

Operating expenses in fiscal year 2022 totaled $82,903, an increase of $7,585 or 10.1% from fiscal year 2021. Operating expenses include salaries and related expenses, security costs, administration costs, repairs & maintenance, energy and utilities, and depreciation. The distribution and comparison of fiscal year 2022 and fiscal year 2021 operating expenses is shown in Table 3. Increases in primarily salaries & related expenses, administrative & general costs, and security costs resulted in a $9,957 year over year increase in operating expenses before depreciation, partially offset by a reduction in depreciation and amortization by $2,372, or 11.5%, from fiscal year 2021.

TABLE 3
OPERATING EXPENSES
June 30, 2022 and 2021
(In thousands)

			2022 - 2021	
Salaries & Related	**2022**	**2021**	**Change ($)**	**Change (%)**
Salaries	$ 11,948	$ 10,860	$ 1,087	10.0%
Overtime	795	859	(64)	-7.5%
Other Payroll	342	403	(61)	-15.2%
Fringe Benefit	12,444	11,413	1,031	9.0%
Salaries & Related	25,529	23,536	1,993	8.5%
Other Expense				
Payment In Lieu of Tax	4,679	4,679	0	0.0%
Security	9,146	7,594	1,552	20.4%
Administrative & General Costs	12,166	6,754	5,412	80.1%
Repairs and Maintenance	7,904	6,864	1,040	15.1%
Utilities	5,185	5,225	(40)	-0.8%
Other Expense	39,079	31,116	7,964	25.6%
Expenses Before Depreciation	**64,609**	**54,652**	**9,957**	**18.2%**
Depreciation & Amortization	18,294	20,666	(2,372)	-11.5%
Total Operating Expenses	**$ 82,903**	**$ 75,318**	**$ 7,585**	**10.1%**



Net Nonoperating Revenue (Expense)

Nonoperating revenues and expenses includes Bradley's Passenger Facility Charges (PFCs), Car Rental Facility Charges (CFCs), Federal grant revenue, investment income, revenue bond interest expense, other nonoperating expenses, actuarial pension and OPEB gain/loss, and airline net revenue share expense. Bradley is presently authorized by the Federal Aviation Administration (FAA) to assess a PFC charge of $4.50 per enplaned passenger. The revenue associated with this charge is restricted for approved capital projects, and currently supports debt service incurred for eligible components of the terminal expansion and improvement program as well as certain "pay as you go" projects. In fiscal year 2022, Bradley collected total PFCs (excluding PFC interest) of $11,026, an increase of 74.9% from fiscal year 2021. Bradley is also authorized by contract with the rental car companies to assess a CFC per rental car transaction day. The current CFC rate is $8.40 per rental car transaction day. The revenue associated with this charge is recognized according to criteria established by bond indenture and used to fund CFC revenue bond debt service as well as to partially fund the cost to design, engineer and construct a ground transportation center at Bradley, of which the largest component is a consolidated rental car facility. As of July 2022, the ground transportation center (including the consolidated rental car facility) is fully constructed and open for rental car and public parking operations. CFC collections commenced December 2009 and revenues for fiscal year 2022 totaled $9,480 (excluding interest), an increase of 72.6% from fiscal year 2021. The current airline lease provides for the potential sharing of net revenues with the airlines. If enough net revenue is available (excluding restricted sources such as PFC's and CFC's) after all operating expenses and applicable bond costs are satisfied, those net revenues are shared with the airlines pursuant to a formula outlined in the airline lease. For FY22, the airlines will share in $3,244 which is reflected as a nonoperating expense to Bradley.

Investment income from all accounts totaled $727, a 128.6% increase from fiscal year 2021 investment income of $318. Investments are addressed in Note 2 to the financial statements. Investment earnings on certain accounts are restricted for the purposes of the account as discussed in the notes to financial statements. Bond interest expense for fiscal year 2022 totaled $9,087, a decrease of 4.5% from fiscal year 2021. Other nonoperating expenses for fiscal year 2022 equaled ($1,307), which is slightly greater than the other nonoperating expense of ($341) in FY21.

FY22 net nonoperating revenues were higher than FY21, primarily attributable to increased PFC and CFC revenues, coupled with favorable pension and OPEB actuarial gains. The overall increase in nonoperating revenue was offset by the reduced amount of federal grant revenue recognized during FY22 of $25.2 million versus $36.8 million recognized in FY21. Net income before capital contributions for fiscal year 2022 was $36,542. Overall, with capital contributions of $21,736, net position increased $58,278.

CAPITAL CONTRIBUTIONS

Total FY22 capital contributions equaled $21,736, an increase of $19,510 from fiscal year 2021 capital contributions of $2,226. In FY22, repairs to the glycol facility were completed and a final reconciliation of insurance recoveries to actual costs was performed resulting in a reduction to capital contributions in the amount of $135. Capital contributions related to the Glycol Facility Repairs and Inline Baggage Screen Building stem from insurance proceeds and TSA funding, respectively. The remainder of capital contributions were funded by the FAA's Airport Improvement Program (AIP). Under the AIP program, the FAA provides grants that are available for eligible, approved projects within the funding limitations of the program, which requires certain matching contributions to be made by Bradley. AIP-funded projects and other capital contributions are summarized below.

Capital Contributions ($000)	**2022**	**2021**	**2022 - 2021 Change ($)**	**Change (%)**
Taxiways	$ 17,805	$ 287	$ 17,518	6103.8%
Obstruction Removal	358	500	(142)	-28.4%
Invertebrate Study	-	44	(44)	-100.0%
Airfield Signage & Circuit Study	2,884	76	2,808	3694.7%
Total AIP	21,047	907	20,140	2220.5%
Glycol Facility Repairs	(135)	821	(956)	-116.4%
Inline Baggage Screen Building	824	498	326	65.5%
Total Other	689	1,319	(630)	-47.8%
Total Capital Contributions	**$ 21,736**	**$ 2,226**	**$ 19,510**	**876.5%**

BUDGET TO ACTUAL PERFORMANCE

Bradley's annual operating budget for fiscal year 2022 was developed pursuant to procedures established in applicable State Statute as well as in the Airline Operating Agreement and Terminal Building Lease between the CAA and the signatory air carriers which went into effect July 1st, 2015. These procedures provide for preparation of the budget, submission to and approval of the budget by the Authority's Board of Directors (the Board) and consultation with signatory airlines before the beginning of each fiscal year. The operating budget includes airline and non-airline revenues, passenger facility charges, customer facility charges, operating and maintenance expenses, expenditure allocation to Bradley cost centers including the landing, apron, terminal and other cost centers, and development of the rates and charges that will be paid by the airlines during the ensuing fiscal year. Budget to actual performance for fiscal year 2022 is shown in Table 4.

Total operating revenues were 28.8% over budget. Most categories of airline revenue fell below budget as a result of performing an airline rates and charges true-up calculation. FY22 airline rates and charges are initially set based on the FY22 operating budget. Pursuant to the airline operating agreement, once the full year of actual operating results are available, the airline rates and charges are recalculated using actual, rather than budgeted, operating expenses as the base for the calculation. Given operating expenses were under budget, adjusted airline revenue was $1,907, or 5.9%, under budget. Non-airline revenues exceeded budget by $20,480, or 61.5%. PFC revenue and related interest was $2,814 or 33.6% over budget. CFC revenue and related interest was also over budget by 1,624, or 20.4%. Total operating expenses before depreciation were 8.7% below budget with surpluses realized in all categories of expenses.

Table 4
FY 2022 Budget to Actual Performance ($000)

			Variance Greater (Less) Than Budget	
	Budget	**Actual**	**($000)**	**Percent**
Airline Revenue	$ 32,406	$ 30,499	$ (1,907)	-5.9%
Non-Airline Revenue	33,306	53,786	20,480	61.5%
GASB 87 Adjs	-	385	385	100.0%
Total Operating Revenue	$ 65,712	$ 84,670	$ 18,958	28.8%
Passenger Facility Charges & PFC Interest	8,381	11,195	2,814	33.6%
Car Rental Facility Charge Revenue & CFC Interest	7,957	9,581	1,624	20.4%
Operating & Maintenance Expenses before Depreciation	$ 70,790	$ 64,609	$ (6,181)	-8.7%

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Bradley's gross capital assets increased $72,339 for the year ended June 30, 2022. Changes in detailed capital asset categories are summarized in Table 5 below. The large increase in Construction in Progress reflects the ongoing work on the Ground Transportation Center.

Table 5 Capital Assets as of June 30 ($000)			
	2022	2021	2022 - 2021 Additions
Building Improvements	$ 337,926	$ 337,909	$ 17
Land Improvements	266,249	264,141	2,108
Machinery and Equipment	42,493	42,520	(27)
Total Depreciable	**646,669**	**644,569**	**2,099**
Land	3,250	3,224	26
Construction in Progress	238,999	168,867	70,132
Total Non - Depreciable	**242,249**	**172,090**	**70,158**
Total	**$ 888,918**	**$ 816,660**	**$ 72,258**

Debt
At year-end, Bradley has $78,650 in General Airport Revenue Bonds (GARB) outstanding versus $86,780 in fiscal year 2021 – a decrease of $8,130, or 9.4%. Bradley has two outstanding series of GARB bonds as of June 30, 2022. These include the Series 2011A and Series 2011B issued to refund bonds previously issued in support of Bradley's terminal expansion and improvement program.

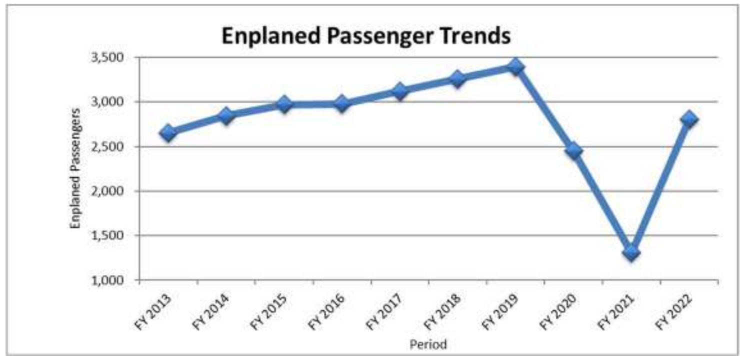
On April 9, 2019, Bradley issued new Customer Facility Charge (CFC) revenue bonds, the proceeds of which finance a portion of the costs to develop and construct a ground transportation center. As of June 30, 2022, Bradley has $151,100 in CFC Revenue bonds outstanding, comprised of Series 2019A and Series 2019B.

Principal outstanding on these bonds as of June 30 is shown below:

Principal Outstanding	**2022**	**2021**	**2022 - 2021 Change**
Series 2011A	$ 47,190	$ 52,070	$ (4,880)
Series 2011B	31,460	34,710	(3,250)
GARB Principal Outstanding*	$ 78,650	$ 86,780	$ (8,130)
CFC Series 2019A	$ 35,410	$ 35,410	$ -
CFC Series 2019B	115,690	115,690	-
Other Debt Principal Outstanding	$ 151,100	$ 151,100	$ -
Total Principal Outstanding	**$ 229,750**	**$ 237,880**	**$ (8,130)**

* Less current maturities of $6,555 results in GARB bonds payable (long-term portion) of $72,095 as of June 30, 2022. For a more detailed description of long-term debt obligations see Note 6 in the accompanying financial statements.

ECONOMIC FACTORS AND OUTLOOK



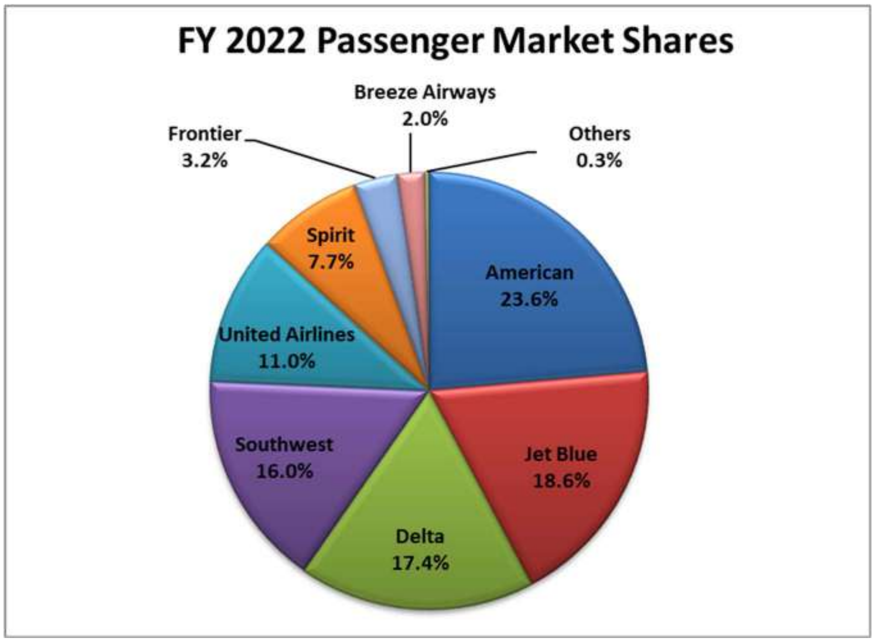
The financial health and stability of the airline industry nationally, regionally and at Bradley is the most significant economic factor with the potential to adversely affect Bradley. After six consecutive years of passenger growth through fiscal year 2019 under the management of the CAA, the travel industry, and in particular, air travel, were significantly impacted by the COVID-19 pandemic beginning in March 2020. Passenger traffic continued to remain depressed until March 2021 when the easing of travel restrictions and a COVID-19 vaccine roll-out began to support the recovery of air travel. Passenger traffic at Bradley began to significantly improve beginning in March 2021 and continued to improve into fiscal year 2022 where stable and consistent enplanement levels were realized throughout the year representing approximately 82.5% of fiscal year 2019 enplanements (the most recent pre-pandemic year to compare). Despite contending with airline staffing shortages, rising jet fuel prices, and airline route network changes, overall the airline industry has achieved more stability and consistency during fiscal year 2022 allowing passenger volumes across the nation, and at Bradley, to return to more normal pre-pandemic activity levels.

Bradley received $28.5 million in federal grant funds in fiscal 2021 through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to buffer the national economic downturn caused by the pandemic. In addition, a second wave of federal grant funding was provided to Bradley through the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA). CRRSAA provided Bradley a general grant of $7.9 million as well as $712 thousand that must be used to provide rent relief to qualifying concessionaires. Bradley requested reimbursement of all $7.9 million of general grant funds and recorded as non-operating revenue in fiscal year 2021 and has received all general grant funds during fiscal year 2022. The $712 thousand of concessionaire rent relief was awarded to qualifying Bradley concessionaires in fiscal year 2022.

Lastly, a third round of federal stimulus was provided when the American Rescue Plan Act (ARPA) was signed into law on March 11th, 2021. ARPA includes $8 billion of funds to be awarded to airports which will be distributed by the FAA through Airport Rescue Grants. Similar to CRRSAA, ARPA funds were primarily allocated to commercial service airports based on a modified Airport Improvement Program apportionment formula. Bradley was awarded a general grant of $24.3 million as well as $2.8 million that must be used to provide rent relief to qualifying concessionaires. Bradley requested and received the $24.3 million of general grant funds and recorded as non-operating grant revenue in fiscal year 2022 to further support the financial position of Bradley as passenger volumes continue to recover. The CAA will look to award the aforementioned $2.8 million in concessionaire rent relief during fiscal year 2023.

Bradley's strong airline cost recovery structure and its non-airline revenue structure have historically provided consistent financial performance. These revenue structures, three waves of federal stimulus (CARES, CRRSAA, ARPA), a strong reserve position, and diligent operating cost cutting measures has allowed Bradley to ride out the worst of the pandemic induced industry downturn and return to more normalized passenger volumes and revenue generation.

In fiscal year 2022, Bradley enplaned 2.8 million passengers, a 114.2% increase from fiscal year 2021. Enplanement activity began to significantly improve in March 2021 and by the end of fiscal year 2021 and throughout fiscal year 2022, Bradley experienced stable levels of monthly enplanements. Fiscal year 2022 enplanements of 2.8 million represented approximately 82.5% of the 3.4 million enplanements experienced in fiscal year 2019, (the last full pre-pandemic fiscal year to compare to). The CAA continues its route development efforts to improve the menu of destinations served and to further bolster the strong diversity of air carriers at Bradley. In February 2022, Breeze Airways announced Bradley as its fifth "base" of operations. Naming Bradley as a base will support hiring of local flight crews, locally performed aircraft maintenance, and support establishment of new routes. Breeze has also announced the start of seven new direct routes from Bradley to complement the existing four routes served. Those new routes include: Savannah, GA; Sarasota/Bradenton, FL; Jacksonville, FL; Richmond, VA; Akron/Canton, OH; Nashville, TN; and Las Vegas, NV. Frontier recently added direct service to Las Vegas, NV in August 2022. Spirit has recently become a Signatory airline at Bradley effective July 1st, 2022 and also recently announced direct service to Jamaica beginning in December 2022. In addition, Delta airlines recently began direct service to La Guardia airport in New York starting August 2022. Although passenger traffic was significantly impacted by the pandemic, through new route additions and general passenger activity recovery, Bradley has returned to stable and consistent passenger volumes much closer to pre-pandemic levels. Cargo operations remain strong and an important revenue source for Bradley. In fiscal year 2022, cargo landed weight represented approximately 28.5% of the overall landed weight at Bradley.



During fiscal year 2022, Bradley continued to maintain a strong diverse market share amongst 9 active main carriers. Due to international travel restrictions imposed in response to the pandemic, Air Canada and Aer Lingus both ceased operations at Bradley in March 2020. With international travel restrictions loosened, Aer Lingus recently announced the resumption of direct transatlantic service to Dublin, Ireland beginning in spring of 2023. Air Canada resumed direct service to Toronto in June 2022 through October 2022. Following October 2022, Air Canada will suspend service from Bradley until summer of 2023 to allow them time to build operational resiliency as they rebuild their route network. Year over year, all carriers experienced an increase in passenger traffic as air travel continued to return to pre-pandemic levels. American remains the largest carrier at Bradley with 23.6% of the market followed by Jet Blue with 18.6% and Delta with 17.4% of the market.

These market shares reflect the activity of Bradley's major air carriers combined with the enplaned passengers of their affiliated or contracted regional commuter / express operators. As of June 2022, American, Jet Blue, Delta, Southwest, United, Spirit, Frontier, Breeze, Sun Country and 15 additional regional commuter/express operators served Bradley. Bradley continues to offer a diverse mix of air carriers. Enplaned passenger traffic by carrier and market shares for fiscal year 2022 and fiscal year 2021 are shown below in Table 6.

Table 6
Bradley International Airport
Passenger Market Share Trends

	2022 Enplaned Passengers			2021 Enplaned Passengers		
Carrier	**Mainline**	**Regional / Express Operations**	**Total**	**Mainline**	**Regional / Express Operations**	**Total**
American	430,687	230,530	**661,217**	197,815	128,568	**326,383**
Jet Blue	521,888	-	**521,888**	260,127	-	**260,127**
Delta	431,765	56,266	**488,031**	128,144	74,645	**202,789**
Southwest	448,450	-	**448,450**	232,594	-	**232,594**
United Airlines	249,053	59,493	**308,546**	38,505	75,118	**113,623**
Spirit	216,818	-	**216,818**	140,739	-	**140,739**
Frontier	89,924	-	**89,924**	28,138	-	**28,138**
Breeze Airways	56,871	-	**56,871**	1,321	-	**1,321**
Others	7,435	1,214	**8,649**	1,508	211	**1,719**
Total	**2,452,891**	**347,503**	**2,800,394**	**1,028,891**	**278,542**	**1,307,433**

	2022 Market Shares			2021 Market Shares		
Carrier	**Mainline**	**Regional / Express Operations**	**Total**	**Mainline**	**Regional / Express Operations**	**Total**
American	15.4%	8.2%	**23.6%**	15.1%	9.8%	**25.0%**
Jet Blue	18.6%	0.0%	**18.6%**	19.9%	0.0%	**19.9%**
Delta	15.4%	2.0%	**17.4%**	9.8%	5.7%	**15.5%**
Southwest	16.0%	0.0%	**16.0%**	17.8%	0.0%	**17.8%**
United Airlines	8.9%	2.1%	**11.0%**	2.9%	5.7%	**8.7%**
Spirit	7.7%	0.0%	**7.7%**	10.8%	0.0%	**10.8%**
Frontier	3.2%	0.0%	**3.2%**	2.2%	0.0%	**2.2%**
Breeze Airways	2.0%	0.0%	**2.0%**	0.1%	0.0%	**0.1%**
Others	0.3%	0.0%	**0.3%**	0.1%	0.0%	**0.1%**
Total	**87.6%**	**12.4%**	**100.0%**	**78.7%**	**21.3%**	**100.0%**

Bradley has worked diligently with the air carriers to attract additional flights in order to increase passenger traffic. Management will continue to work with the airlines in order to support continued growth of passenger traffic. Bradley continues to offer landing fee discounts and cooperative air service marketing assistance to new entrant and incumbent air carriers establishing new nonstop scheduled service to targeted domestic and international destinations. Landing fee discounts vary depending on the level of service offered. Marketing assistance available under the Air Service Incentive Program provides that Bradley will fund concept, development and placement of advertising in local and destination point media announcing and supporting ongoing use of the flights eligible under the promotion. The level of assistance available varies and is dependent upon the routes served.

Management at Bradley continuously monitors the airline industry, economic and regional market trends and the relevant potential impacts on Bradley traffic and financial performance with a view toward identifying and implementing appropriate response measures.

FINANCIAL HIGHLIGHTS - GENERAL AVIATION AIRPORTS ENTERPRISE FUND

Unless otherwise stated, all values presented in the following MD&A are in thousands, with the exception of various per passenger ratios presented. Totals and subtotals presented in the tables and charts below may not optically sum in their rounded format as the underlying figures to the whole dollar were used for summation purposes but presented in thousands.

The General Aviation Airport Enterprise Fund consists of five general aviation airports located within the State of Connecticut (the State). They include Groton/New London Airport, Hartford/Brainard Airport, Waterbury/Oxford Airport, Danielson Airport and Windham Airport. These airports are owned, operated and managed by the Connecticut Airport Authority.

On July 1, 2013, these airports were legally transferred to the Connecticut Airport Authority from the State of Connecticut Department of Transportation (ConnDOT). Prior to the transition, the airports were owned and operated by the ConnDOT and the accounting for these five airports were based on the modified cash basis of governmental accounting. With this transition the airports became an Enterprise Fund. The assets and liabilities were transferred at book value and the accounting for these airports was changed to an accrual basis of accounting with separate and distinct financial statements.

The Statement of Net Position for the General Aviation Airports shows total assets including deferred outflow of resources for fiscal year 2022 to be $114,368, an increase of $3,543, or 3.2%, from fiscal year 2021. Total assets are broken down by current assets of $24,610, net capital assets of $84,027 and GASB 87 long-term lease receivable of $318. The deferred outflow of resources represents the consumption of net assets by the State that is applicable to a future reporting period. For fiscal year 2022, the amount for deferred outflow of resources is $5,412, which represents the deferred pension and OPEB outflows. For fiscal year 2021 the amount for deferred outflow of resources was $7,024.

Total liabilities including deferred inflow of resources for fiscal year 2021 equal $30,895, reflecting a decrease of ($6,312), or 17.0%, from fiscal year 2021. The decrease is primarily attributable to reductions in balances in accounts payable and accrued liabilities, as well as reductions in pension and OPEB liabilities, slightly offset by increases to deferred inflows of resources associated with pensions and OPEB. Overall, the total net position for the General Aviation airports is $83,473 compared to net position of $73,617 in fiscal year 2021. Table 7 below shows the details for total net position.

Table 7
Statement of Net Position
June 30, 2022
(in thousands)

	2022	2021	2022 - 2021 Change ($)	2022 - 2021 Change (%)
ASSETS				
Current and other assets	$ 24,610	$ 20,136	$ 4,474	22.2%
Net capital assets	84,027	83,665	363	0.4%
GASB 87 - Long-term Lease Receivable	318	0	318	100.0%
TOTAL ASSETS	**108,956**	**103,801**	**5,155**	**5.0%**
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	2,352	2,861	(509)	-17.8%
Deferred OPEB Outflows	3,060	4,163	(1,102)	-26.5%
TOTAL DEFERRED OUTFLOWS OF RESOURCES	**5,412**	**7,024**	**(1,612)**	**-22.9%**
LIABILITIES				
Accounts Payable and Accrued Liabilities	1,877	4,535	(2,659)	-58.6%
Due to Affiliate/State/Muni	348	2,638	(2,290)	-86.8%
Deferred Revenue and Other	121	158	(37)	-23.5%
Net Pension Liability	10,882	12,316	(1,434)	-11.6%
Net OPEB Liability	10,495	14,394	(3,899)	-27.1%
TOTAL LIABILITIES	**23,722**	**34,042**	**(10,319)**	**-30.3%**
DEFERRED INFLOWS OF RESOURCES				
Deferred Amount for Pensions	1,663	905	758	83.8%
Deferred Amount for OPEB	5,150	2,261	2,889	127.8%
GASB 87 - Lease Deferred Inflows	360	-	360	100.0%
TOTAL DEFERRED INFLOWS OF RESOURCES	**7,172**	**3,166**	**4,007**	**126.6%**
NET POSITION				
Net Investments in Capital Assets	84,027	83,665	363	0.4%
Unrestricted	(555)	(10,047)	9,492	94.5%
TOTAL NET POSITION	**$ 83,473**	**$ 73,617**	**$ 9,855**	**13.4%**

	2022	2021	2022 - 2021 Change ($)	2022 - 2021 Change (%)
NET POSITION at JUNE 30				
Invested in Capital Assets (net)	$ 84,027	$ 83,665	$ 363	0.4%
Unrestricted	(555)	(10,047)	9,492	94.5%
TOTAL NET POSITION	**$ 83,473**	**$ 73,617**	**$ 9,855**	**13.4%**

Net Position

In FY 2018, the GA Fund began receiving aviation fuel tax revenue from the State generated by a sales tax imposed by the State on aviation fuel sales. Pursuant to FAA regulations, aviation fuel tax revenues must be used to fund costs of airports. The new aviation fuel tax revenue stream replaced state subsidies received in prior years as a means of supplemental funding to the GA airports' own revenues. These aviation fuel tax revenues are passed to the GA Fund from the State quarterly based on actual amounts collected by the State. In FY 2022, the General Aviation Airports received $10,893 from these tax revenues. Changes in Net Position, Table 8, illustrates the various categories used to calculate the change in net position. Net position at the beginning of the year for the General Aviation Airports Enterprise Fund was $73,617 and increased to 83,473 by the end of fiscal 2022. Operating revenues for fiscal year 2022 totaled $3,440, a

5.9% increase from fiscal year 2021. Revenues consisted of airline revenue totaling $293 and non-airline revenue of $3,147. The majority of the non-airline revenue is attributable to land rent and other operating revenue (the majority of which comes from fixed-base operators). Operating expenses before depreciation totaled $6,212 which is an increase of 12.6% over fiscal year 2021 which was primarily driven by increases in Salaries & Related expenses. Operating expenses include salaries and related expenses, administrative and general, repairs and maintenance, and energy and utilities. Depreciation expense for fiscal year 2022 is $4,429, which is 2.2% higher than fiscal year 2021. The net nonoperating revenue for fiscal year 2022 is $10,490, far exceeding the net nonoperating expense generated in the prior fiscal year of ($234). Nonoperating revenue includes aviation fuel tax receipts of $10,893 and investment income of $47, offset by nonoperating expenses of $822, which is comprised primarily of grants awarded to non-CAA owned GA airports. The GA airports recorded a $167 actuarial pension gain and a ($92) actuarial OPEB loss for a combined gain of $75 recorded in fiscal year 2022, compared to combined prior fiscal year losses in the same lines of ($1,711). GA airports also recorded $84 of CRRSA grant revenue and $214 of ARPA grant revenue in FY22. Fiscal year 2022 income before capital contributions equaled $3,289 compared to a ($6,836) loss in fiscal year 2021. Capital contributions are $6,567, which is largely funding from the FAA for capital infrastructure at each of the General Aviation Airports. Table 8 below shows the change in net position.

Table 8
Statement of Revenue, Expenses, and Changes in Net Position
For the Year Ended June 30, 2022
(In Thousands)

	2022	2021	2022 - 2021 Change ($)	2022 - 2021 Change (%)
OPERATING REVENUES				
Landing Fees	$ 178	$ 138	$ 40	29.2%
Airline Terminal Rent	11	11	-	0.0%
Aircraft Parking	104	118	(14)	-11.9%
Rental Cars	149	122	28	22.9%
Terminal Concessions	-	-	-	0.0%
Land Rent	1,735	1,757	(23)	-1.3%
Other Operating Revenue	1,256	1,102	153	13.9%
GASB 87 - Lease Revenue Adjustment	(10)	-	(10)	-100.0%
GASB 87 - Interest Revenue	17	-	17	100.0%
TOTAL OPERATING REVENUES	3,440	3,248	192	5.9%
OPERATING EXPENSES				
Salaries and Related Expenses	4,686	4,077	609	14.9%
Administrative and General	402	465	(63)	-13.5%
Repairs and Maintenance	807	683	124	18.2%
Energy and utilities	317	291	26	9.1%
OPER EXPENSES BEFORE DEPRECIATION	6,212	5,515	697	12.6%
OPER LOSS BEFORE DEPRECIATION	(2,772)	(2,267)	(505)	-22.3%
Depreciation and Amortization	4,429	4,335	94	2.2%
OPERATING (LOSS)	(7,201)	(6,602)	(599)	-9.1%
NON OPERATING REVENUES (EXPENSES)				
Investment income	47	13	34	268.3%
Other Non operating expenses	(822)	(1,913)	1,090	57.0%
Aviation Fuel Tax Revenue	10,893	3,273	7,620	232.8%
Federal Grant Revenue	298	104	194	186.2%
Actuarial Pension Gain (Loss)	167	(825)	992	120.2%
Actuarial OPEB Gain (Loss)	(92)	(886)	794	89.6%
NET NON OPERATING REVENUES (EXPENSE)	10,490	(234)	10,724	4584.0%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	3,289	(6,836)	10,125	148.1%
CAPITAL CONTRIBUTIONS	6,567	2,852	3,714	130.2%
Change in Net Position	9,855	(3,983)	13,839	347.4%
Total Net Position, Beginning of Year	73,617	77,601	(3,984)	-5.1%
Total Net Position, End of Year	**$ 83,473**	**$ 73,617**	**$ 9,855**	**13.4%**

Revenues

Revenues generated at the general aviation airports include several different sources. There are some that utilize rates established annually by the CAA during the annual budgeting process such as aircraft parking fees and aircraft landing fees while others are based upon negotiated lease terms within tenant lease and operating agreements. Tenant lease and operating agreements can include revenues derived from straight land parcel and building rents as well as from various percentages paid on gross receipts reported for assorted services they provide. The largest share of revenues for the General Aviation Airport Enterprise Fund is derived from land and building rent followed by other operating revenue.

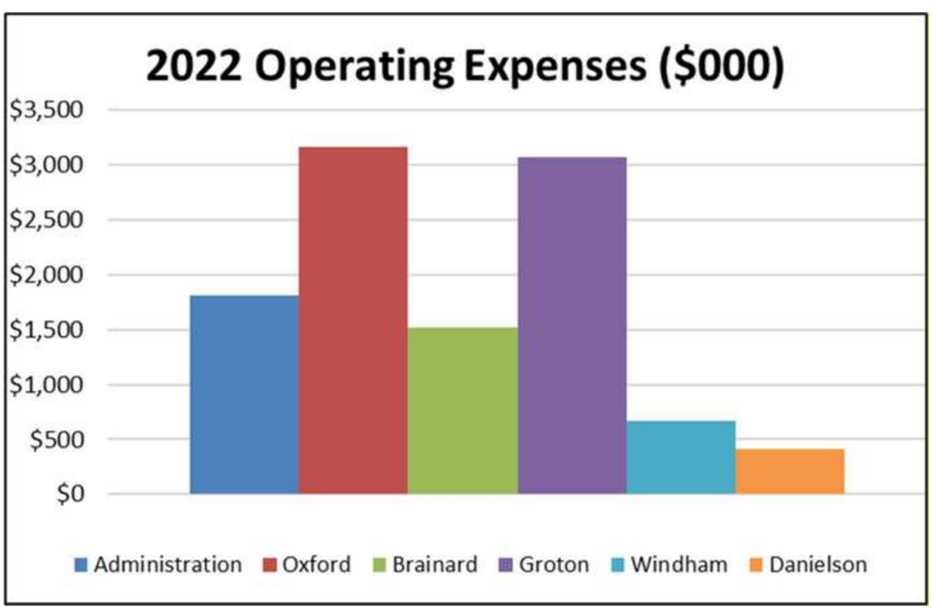
Operating Expenses

Operating expenses in fiscal year 2022 totaled $10,641, which includes salaries and related expenses, security, administrative & general, repairs & maintenance, energy & utilities along with equipment and depreciation. The distribution of operating expenses for fiscal year 2022 is shown on Table 9.

As indicated earlier, the General Aviation Airports Enterprise Fund receives proceeds from the Aviation Fuel tax revenue to support operating expenses and the capital improvement needs of the airports. For fiscal year 2022, the GA Fund received $10,893 of Aviation fuel tax revenue to help fund operating and capital expenses for all five general aviation airports and the general aviation administration. Operating expenses before depreciation equaled $6,212. Table 9 below details the fiscal year 2022 operating expenses by airport, by category.

Table 9
Operating Expenses
For the Year Ended June 30, 2022
(In thousands)

Salaries & Related	**Total 2022**	**GA Airport Administration**	**Oxford**	**Brainard**	**Groton**	**Windham**	**Danielson**
Salaries	$ 2,134	$ 937	$ 353	$ 332	$ 421	$ 47	$ 44
Overtime	197	0	49	54	90	2	2
Other Payroll	145	(28)	24	66	54	14	14
Fringe Benefit	2,209	809	397	411	492	52	49
Salaries & Related	**4,686**	**1,718**	**822**	**863**	**1,057**	**116**	**110**
Other Expense							
Security	52	-	10	17	15	5	5
Administrative Costs	350	26	95	63	111	33	22
Repairs and Maintenance	834	2	121	203	208	192	109
Utilities	317	1	64	79	145	17	10
Equip/Operating Exp. Misc.	(27)	-	(23)	(4)	-	-	-
Other Expense	**1,526**	**29**	**267**	**358**	**479**	**247**	**146**
Expenses Before Depreciation	**6,212**	**1,747**	**1,089**	**1,221**	**1,537**	**363**	**255**
Depreciation & Amortization	4,429	59	2,072	303	1,539	306	151
Total Operating Expenses	**$ 10,641**	**$ 1,806**	**$ 3,161**	**$ 1,524**	**$ 3,075**	**$ 669**	**$ 406**



Budget to Actual Performance

The fiscal year 2022 budget was presented and approved by the Board of Directors as per the State Statute Title 15 Chapter 267B. However, as explained earlier the funding for the General Aviation Airports is largely dependent on the actual tax revenue received from the aviation fuel tax. Aviation fuel tax revenues exceeded budgeted expectation by $8,398, over 100%, supported by recovering airline activity levels. The Fund’s management continues to work diligently to manage costs within the confines of its anticipated funding sources. Table 10 compares budget to actual for the general aviation airports using the Board-approved budget.

TABLE 10
COMPARISON OF BUDGET TO ACTUAL - GENERAL AVIATION AIRPORTS
For the Year Ended June 30, 2022
(in thousands)

			Variance Greater (Less) Than Budget	
	Budget	**Actual**	**($000)**	**Percent**
Airline Revenue	$ 245	$ 293	$ 48	19.7%
Non-Airline Revenue	2,676	3,147	472	17.6%
Total Operating Revenue	**$ 2,920**	**$ 3,440**	**$ 520**	**17.8%**
Aviation Fuel Tax Revenue	2,495	10,893	8,398	336.6%
Investment Income	15	47	32	214.8%
Operating and Maintenance Expenses before Depreciation	**$ 7,012**	**$ 6,212**	**$ (800)**	**-11.4%**

The GA Fund continues to evaluate options to help reduce dependence on outside funding sources yet continues to operate the airports safely and maintain them in the same good condition in which they were transferred and their users have grown accustomed. Cash reserves are invested into the State of Connecticut Short Term Investment Fund to build a sufficient working capital and emergency reserve balance for the General Aviation Airports Enterprise Fund. Expenses are closely monitored, and the GA Fund is actively exploring new avenues of increasing revenues.

REQUESTS FOR INFORMATION

This management’s discussion and analysis and the following financial statements are designed to be in conformance with generally accepted accounting principles (GAAP) for governmental units as promulgated by the Governmental Accounting Standards Board (GASB). We believe that this report presents fairly the financial position of the airports and the results of its operations for the fiscal year ended June 30, 2022. The report is consistent with full disclosure so that the reader may gain a solid understanding of the Funds’ financial affairs.

This report was prepared in its entirety by CAA management, and we take full responsibility for the accuracy of the data and the completeness and fairness of the presentation.

Statement of Net Position

June 30, 2022

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund	Total Connecticut Airport Authority
Assets			
Current assets:			
Cash	$ 7,778,831	$ 882,540	$ 8,661,371
Current portion of restricted investments	3,155,764	-	3,155,764
Short-term investments	147,433,610	15,619,302	163,052,912
Accounts receivable	5,370,606	6,669,759	12,040,365
Lease receivable - GASB 87	2,232,085	48,986	2,281,071
Prepaid expenses and other assets	888,550	1,685	890,235
Grants receivable	18,603,493	527,273	19,130,766
Due from the State	4,484,084	860,553	5,344,637
Total current assets	189,947,023	24,610,098	214,557,121
Noncurrent assets:			
Restricted assets:			
Cash	730,505	-	730,505
Investments	101,564,490	-	101,564,490
Accounts receivable	1,901,650	-	1,901,650
Interest receivable	86,552	-	86,552
Capital assets:			
Assets not subject to depreciation	242,248,792	30,549,535	272,798,327
Assets subject to depreciation - Net	232,443,485	53,477,946	285,921,431
Lease receivable - Net of current portion - GASB 87	11,038,242	318,129	11,356,371
Total noncurrent assets	590,013,716	84,345,610	674,359,326
Total assets	779,960,739	108,955,708	888,916,447
Deferred Outflows of Resources			
Interest rate swaps	5,798,791	-	5,798,791
Deferred loss on bond refunding	1,137,852	-	1,137,852
Other deferred costs - Net	36,102	-	36,102
Deferred pension costs	13,040,387	2,351,805	15,392,192
Deferred OPEB costs	16,968,544	3,060,238	20,028,782
Total deferred outflows of resources	36,981,676	5,412,043	42,393,719

June 30, 2022

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund	Total Connecticut Airport Authority
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	$ 34,422,428	$ 1,876,567	$ 36,298,995
Unearned revenue and other	6,792,388	120,759	6,913,147
Due to the State	-	348,093	348,093
Payables from restricted assets:			
Current portion of revenue bonds payable	6,555,000	-	6,555,000
Revenue bond interest payable	3,784,472	-	3,784,472
Total current liabilities	51,554,288	2,345,419	53,899,707
Noncurrent liabilities:			
Net pension liability	60,339,526	10,882,097	71,221,623
Net OPEB liability	58,192,866	10,494,951	68,687,817
Revenue bonds payable and premium - Net of current portion	226,167,353	-	226,167,353
Interest rate swap	5,798,791	-	5,798,791
Total noncurrent liabilities	350,498,536	21,377,048	371,875,584
Total liabilities	402,052,824	23,722,467	425,775,291
Deferred Inflows of Resources			
Deferred pension cost reductions	9,221,857	1,663,142	10,884,999
Deferred OPEB cost reductions	28,554,034	5,149,655	33,703,689
Lease deferred inflow - GASB 87	12,884,972	359,682	13,244,654
Total deferred inflows of resources	50,660,863	7,172,479	57,833,342
Net Position			
Net investment in capital assets	260,704,059	84,027,480	344,731,539
Restricted:			
Bond indenture requirement	2,167,881	-	2,167,881
Debt service	6,972,935	-	6,972,935
Capital projects	80,735,607	-	80,735,607
Unrestricted	13,648,246	(554,675)	13,093,571
Total net position	**$ 364,228,728**	**$ 83,472,805**	**$ 447,701,533**

Statement of Revenue, Expenses, and Changes in Net Position

Year Ended June 30, 2022

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund	Total Connecticut Airport Authority
Operating Revenue			
Airline revenue:			
Landing fees	$ 17,334,967	$ 178,160	$ 17,513,127
Airline terminal rent	9,887,053	10,920	9,897,973
Apron and remote aircraft parking	3,276,842	104,125	3,380,967
Total airline revenue	30,498,862	293,205	30,792,067
Nonairline revenue:			
Rental cars	8,770,658	149,340	8,919,998
Terminal concessions	3,714,406	-	3,714,406
Land rent	7,004,321	1,734,821	8,739,142
Other concessions	4,377,018	-	4,377,018
Other operating revenue	2,927,125	1,255,505	4,182,630
Auto parking	26,992,465	-	26,992,465
Lease revenue adjustment - GASB 87	(237,205)	(10,030)	(247,235)
Interest revenue - GASB 87	622,560	17,463	640,023
Total nonairline revenue	54,171,348	3,147,099	57,318,447
Total operating revenue	84,670,210	3,440,304	88,110,514
Operating Expenses			
Salaries and related expenses	25,529,353	4,685,671	30,215,024
Administrative and general	25,990,288	402,171	26,392,459
Repairs and maintenance	7,904,019	806,933	8,710,952
Energy and utilities	5,185,257	317,204	5,502,461
Depreciation and amortization	18,294,224	4,429,249	22,723,473
Total operating expenses	82,903,141	10,641,228	93,544,369
Operating Income (Loss)	1,767,069	(7,200,924)	(5,433,855)
Nonoperating Revenue (Expense)			
Passenger facility charge revenue	11,194,636	-	11,194,636
Car rental facility charge revenue	9,581,021	-	9,581,021
Investment income	456,703	47,222	503,925
Federal grant revenue	25,240,554	297,525	25,538,079
Aviation fuel tax revenue	-	10,892,741	10,892,741
Other nonoperating expenses	(1,306,902)	(822,447)	(2,129,349)
Bond interest expense	(9,086,634)	-	(9,086,634)
Airline revenue share expense	(3,243,643)	-	(3,243,643)
Noncash pension and OPEB actuarial assumption adjustments	1,938,858	74,805	2,013,663
Total nonoperating revenue	34,774,593	10,489,846	45,264,439
Income - Before capital contributions	36,541,662	3,288,922	39,830,584
Capital Contributions	21,736,001	6,566,539	28,302,540
Change in Net Position	58,277,663	9,855,461	68,133,124
Net Position - Beginning of year	305,951,065	73,617,344	379,568,409
Net Position - End of year	**$ 364,228,728**	**$ 83,472,805**	**$ 447,701,533**

See notes to financial statements.

Fund Statement of Cash Flows

Year Ended June 30, 2022

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund	Total Connecticut Airport Authority
Cash Flows from Operating Activities			
Receipts from customers	$ 76,118,944	$ 2,430,933	$ 78,549,877
Payments to suppliers	(35,516,542)	(6,475,029)	(41,991,571)
Payments to employees and fringes	(25,529,353)	(4,685,671)	(30,215,024)
Net cash provided by (used in) operating activities	15,073,049	(8,729,767)	6,343,282
Cash Flows Provided by Noncapital Financing Activities - Federal grant revenue	25,240,554	-	25,240,554
Cash Flows from Capital and Related Financing Activities			
Capital grant receipts	21,736,001	17,756,805	39,492,806
Proceeds from sale of capital assets	11,000	2	11,002
Purchase of capital assets	(72,708,562)	(4,792,208)	(77,500,770)
Principal and interest paid on capital debt	(17,296,480)	-	(17,296,480)
Car rental facility charge receipts	9,581,021	-	9,581,021
Passenger facility charge receipts	11,194,636	-	11,194,636
Other nonoperating expenses	(611,988)	(822,446)	(1,434,434)
Airline revenue share expense	(3,243,643)	-	(3,243,643)
Net cash (used in) provided by capital and related financing activities	(51,338,015)	12,142,153	(39,195,862)
Cash Flows from Investing Activities			
Interest received on investments	374,609	47,222	421,831
Sale (purchases) of investment securities	12,699,166	(2,903,123)	9,796,043
Net cash provided by (used in) investing activities	13,073,775	(2,855,901)	10,217,874
Net Increase in Cash	2,049,363	556,485	2,605,848
Cash - Beginning of year	6,459,973	326,055	6,786,028
Cash - End of year	**$ 8,509,336**	**$ 882,540**	**$ 9,391,876**
Classification of Cash			
Cash and investments	$ 7,778,831	$ 882,540	$ 8,661,371
Restricted cash	730,505	-	730,505
Total cash	**$ 8,509,336**	**$ 882,540**	**$ 9,391,876**
Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities			
Operating income (loss)	$ 1,767,069	$ (7,200,924)	$ (5,433,855)
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation and amortization	18,294,224	4,429,249	22,723,473
Changes in assets and liabilities:			
Receivables	(8,492,884)	(972,325)	(9,465,209)
Prepaid and other assets	(1)	(16)	(17)
Accounts payable and accrued liabilities	3,563,023	(4,948,704)	(1,385,681)
Unearned revenue	(58,382)	(37,047)	(95,429)
Total adjustments	13,305,980	(1,528,843)	11,777,137
Net cash provided by (used in) operating activities	**$ 15,073,049**	**$ (8,729,767)**	**$ 6,343,282**

Note 1 - Significant Accounting Policies

Nature of Business

The Connecticut Airport Authority (the "Authority" or CAA) was established by the State of Connecticut (the "State") effective July 1, 2011 to operate Bradley International Airport, as well as the other state-owned (general aviation) airports. CAA is a component unit of the State of Connecticut.

Pursuant to Connecticut General Statute Title 15 Chapter 267B, effective July 1, 2013, the assets and liabilities of the Bradley International Airport Enterprise Fund (BDL) and the general aviation airports were transferred from the Department of Transportation (ConnDOT) to CAA. BDL was previously accounted for in a separate enterprise fund of ConnDOT, while the General Aviation Airports Enterprise Fund (GA) was accounted for in governmental funds of ConnDOT. The act requires establishment of the following funds within CAA:

BDL - To account for the operations of Bradley International Airport

GA - To account for the operations of the following general aviation airports: Oxford Airport, Brainard Airport, Groton/New London Airport, Danielson Airport, and Windham Airport

Accounting and Reporting Principles

The accompanying financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America prescribed in pronouncements of the GASB. The following is a summary of significant accounting policies of the Authority:

Basis of Presentation

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

The Authority distinguishes between operating and nonoperating revenue and expenses. Operating revenue and expenses generally result from providing services in connection with operating airports and related transportation modes. The principal operating revenue of the Authority is charges to airlines, facilities tenants, passengers, and others for fees, rent, and services. Operating expenses include the cost of operating airports and related facilities, administrative expenses, and depreciation and amortization expense on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses. The major components of the nonoperating revenue sources are interest income from cash and investments, passenger facility charges, car rental facility charges, and aviation fuel tax revenue (for GA only). The major components of nonoperating expense are expenditures for the interest expense and other nonoperating expenses.

Revenue

Revenue recognition policies are as follows:

- **Landing Fees** - Landing fees are principally generated from scheduled airlines, cargo carriers, and nonscheduled commercial aviation and are based on the landed weight of the aircraft. The estimated landing fee structure for Bradley International Airport is determined annually pursuant to an agreement between the airport and the signatory airlines based on the operating budget of the airport. Landing fees are recognized as revenue as landings occur.

Note 1 - Significant Accounting Policies (Continued)

- **Terminal Rents and Concessions** - Rental and concession fees are generated from airlines, food and beverage, retail, rental cars, hotel, advertising, and other commercial tenants. Leases are for various terms and generally require rentals based on the space occupied and/or the volume of business, with specific minimum annual rental payments often required. Rental revenue is recognized over the term of the respective leases, and concession revenue is recognized based on reported concessionaire revenue.

- **Auto Parking** - Auto parking fees are generated by Bradley International Airport from an agreement with a vendor to operate the airport's parking. Revenue is recognized based on gross receipts.

- **Passenger Facility Charges** - Passenger facility charge revenue is recognized when the fee is collected by the airline from the passenger.

- **Car Rental Facility Charges** - Car rental facility charge revenue is recognized when the fee is collected by the rental car companies from the rental car customer.

- **Other** - All other types of revenue are recognized when earned.

Certain expenditures for airport capital improvements are significantly funded through the Airport Improvement Program of the Federal Aviation Administration (FAA), with certain matching funds provided by the Authority. Capital funding provided under government grants is considered earned as the related allowable expenditures are incurred.

Grants for capital asset acquisitions, facility development and rehabilitation, and eligible long-term planning studies are reported in the statement of revenue, expenses, and changes in net position after nonoperating revenue (expenses) as capital contributions.

Investments

The Authority presents all investments at fair value except for external investment pools, which are reported at net asset value. See Note 3 for further discussion of fair values.

Accounts Receivable

Receivables are reported at the original amount billed, less an estimate made for doubtful accounts. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience, aviation industry trends, and current information regarding the creditworthiness of the debtors. Receivables from state and federal agencies are reported based on reimbursable capital expenditures.

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 cash and investments is that noncurrent cash and investments are restricted for long-term debt service and capital expenditures. These restrictions are described below:

- Restricted for debt service - These assets are restricted by the Master Bond Indenture dated March 1, 2001 for the retirement of the revenue bonds, Series 2011A and 2011B.

- Restricted for passenger facility - These assets represent passenger facility charge (PFC) collections based on an approved FAA application to impose such charges on enplaned passengers at BDL and are restricted for designated capital projects.

Note 1 - Significant Accounting Policies (Continued)

- Restricted for car rental facility - These assets represent customer facility charge (CFC) (rental cars) collections based on a board-approved resolution to impose such charges on customers of the rental car concessionaires and are restricted for designated capital projects. This currently includes unspent bond proceeds for the 2019 revenue bonds to be spent for the construction of a car rental facility.

Capital Assets and Depreciation

Capital assets, which include property, equipment, and infrastructure assets (runways, taxiways, and aprons), are stated at cost, which includes expenditures of the Federal Aviation Administration and state contributions in support of construction. The Authority defines capital assets as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at the estimated acquisition value at the date of donation.

Maintenance and repairs that do not add to the value of the asset or materially extend its life are charged to expense as incurred, while significant renewals and betterments are capitalized.

Depreciation is computed on a straight-line basis. The estimated useful lives of the major property, equipment, and infrastructure classifications are as follows: land improvements, 20 to 50 years; buildings and improvements, 10 to 40 years; and machinery and equipment, 3 to 15 years. Depreciation expense relating to both purchased and contributed assets is charged against operations.

Unearned Revenue

Unearned revenue of the Authority represents overpayments and advance payments by concessionaires and other renters.

Deferred Inflows and Outflows of Resources

In addition to assets, the statement of net position also reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources (expense) until then. The Authority's deferred outflows include the fair value of interest rate swaps, a deferred loss on bond refunding, a deferred bond issuance costs, and deferred amounts for pensions and OPEB. The deferred charge on refunding 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. See Notes 10 and 12 for details on deferred amounts for pensions and OPEB, respectively.

In addition to liabilities, the statement of net position also reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period or periods and, therefore, will not be recognized as an inflow of resources until that time. The Authority reports a deferred inflow of resources related to deferred amounts for pensions, OPEB, and deferred lease revenue. For pension and OPEB, this amount is deferred and will be included as a reduction of expense ratably over the next five years. See Notes 10 and 12 for details on deferred amounts for pensions and OPEB, respectively. See Note 9 for details on deferred lease revenue.

Long-term Obligations

Long-term debt and other noncurrent obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

Note 1 - Significant Accounting Policies (Continued)

Interest Rate Swap

BDL's interest rate swap agreements have been determined to be effective hedges for accounting purposes. Accordingly, the fair values of the hedges and changes therein are recognized as deferred inflows or outflows under interest rate swaps on the statement of net position.

Compensated Absences

Employees of the Authority are considered state employees for the purpose of employee benefits. Unclassified employees can accumulate up to a maximum of 120 days of vacation time. Union employees can accumulate up to 60 days of vacation time. Upon termination or death, the employee is entitled to be paid for the full amount of vacation time accrued.

In addition to vacation time, all employees accumulate time for sick pay. There is no limit placed on the number of sick days that an employee can accumulate. Sick pay leave is only paid out upon retirement or, after 10 years of service, upon death. In addition, sick leave pay is paid out at 25 percent of the accrued amount up to a maximum of 60 days. This is true for both unclassified and union employees.

All vacation and sick pay that would be payable assuming termination at year end is accrued on the statement of net position. The related liability is based upon current compensation levels. BDL and GA are generally used to liquidate compensated absences.

The total compensated absences liability for the Connecticut Airport Authority was $4,213,040 June 30, 2022. This liability is included in accounts payable and accrued liabilities on the statement of net position.

Net Pension Liability

Eligible employees of the Authority participate in the State Employees Retirement System (SERS). The Authority's contributions are based on a percentage of eligible compensation. The net pension liability is measured as the portion of the actuarial present value of projected benefits that is attributed to past periods of employee service (total pension liability), net of the pension plan's fiduciary net position. The pension plan's fiduciary net position is determined using the same valuation methods that are used by the pension plan for the purpose of preparing its statement of fiduciary net position. The net pension liability is measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period. BDL and GA are generally used to liquidate the net pension liability.

Other Postemployment Benefits

For the purpose of measuring the net other postemployment benefit (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State of Connecticut State Employee OPEB Plan (SEOPEBP) and additions to/deductions from SEOPEBP's fiduciary net position have been determined on the same basis as they are reported by SEOPEBP. SEOPEBP uses the economic resources measurement focus and the full accrual basis of accounting. For this purpose, SEOPEBP recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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.

Note 1 - Significant Accounting Policies (Continued)

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.

Allocation of Expenses

The financial statements include certain allocations of expenses incurred jointly by the Authority and the State. Fringe benefits costs, which are incurred at the state level, are charged to the airports based on each employee's actual benefit costs. Total fringe benefit charges to the Connecticut Airport Authority were $14,653,565 for the year ended June 30, 2022.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 reporting period. Actual results could differ from those estimates.

Leases

Effective July 1, 2021, CAA has adopted Governmental Accounting Standards Board Statement No. 87, *Leases*.

CAA is a lessor for noncancelable leases of airport space and other property to airlines, concessionaires, advertisers, and other third parties. CAA recognizes a lease receivable and a deferred inflow of resources in the financial statements.

At the commencement of a lease, CAA initially measures the lease receivable at the present value of payment expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how CAA determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- CAA uses its incremental borrowing rate at lease inception as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the leasee.

CAA monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Upcoming Accounting Pronouncements

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2023.

Note 1 - Significant Accounting Policies (Continued)

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

In June 2022, the Governmental Accounting Standards Board issued Statement No. 100, *Accounting Changes and Error Corrections*, which enhances the accounting and financial reporting requirements for accounting changes and error corrections. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2024.

In June 2022, the Governmental Accounting Standards Board issued Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2025.

Adoption of New Accounting Pronouncement

During the current year, the Authority adopted GASB Statement No. 87, *Leases*. As a result, the Authority now includes receivables for the present value of payments expected to be received and deferred inflows of resources that will be recognized as revenue over the term of the lease. Lease activity is further described in Note 9.

Note 2 - Cash and Investments

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

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund	Total Connecticut Airport Authority
Cash	$ 8,509,336	$ 882,540	$ 9,391,876
State Treasurer’s Short-Term Investment Fund	252,153,864	15,619,302	267,773,166
Total cash and investments	$ 260,663,200	$ 16,501,842	$ 277,165,042

Note 2 - Cash and Investments (Continued)

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. The Authority does not have a deposit policy for custodial credit risk. At year end, the Authority had bank deposits of $9,363,353 (checking and savings accounts) that were uninsured and uncollateralized. However, all bank deposits were in qualified public institutions, as defined by state statute. Under this statute, any bank holding public deposits must, at all times, maintain, segregated from its other assets, eligible collateral in an amount equal to at least a certain percentage of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio. The amount of public deposit is determined based on either the public deposits reported on the most recent quarterly call report or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank. CAA management believes that, due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, CAA management evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

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 their investments or collateral securities that are in the possession of an outside party. The Authority does not have a policy for custodial credit risk.

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. Because the Authority's investments are composed of the State Treasurer's Short-Term Investment Fund, which is a 2a-7 like pool, there is no interest rate risk at June 30, 2022.

Credit Risk

Connecticut General Statutes authorize the Authority to invest in obligations of the U.S. Treasury, including its agencies and instrumentalities; commercial paper; bankers' acceptances; repurchase agreements; and the State Treasurer's Short-Term Investment Fund. The State Treasurer's Short-Term Investment Fund's rating by Standard & Poor's is AAAm. The Authority has no investment policy that would further limit its investment choices.

Investment	Carrying Value	Rating	Rating Organization
State Treasurer's Short-Term Investment Fund - BDL	$ 252,153,864	AAAm	S&P
State Treasurer's Short-Term Investment Fund - GA	15,619,302	AAAm	S&P
Total	$ 267,773,166		

Concentration of Credit Risk

The Authority's investment policy does not limit the investment in any one investment vehicle. The State Treasurer’s Short-Term Investment Fund is a 2a-7 like pooled investment that is not subject to this disclosure.

Note 3 - 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 liabilities. Level 1 inputs are quoted prices in active markets for identical liabilities, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (NAV) or its equivalent as a practical expedient are not classified in the fair value hierarchy.

In instances where inputs used to measure fair value fall into different levels in the 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 liability.

The Authority has the following recurring fair value measurements as of June 30, 2022:

- The interest rate swaps liability of $5,798,791 was determined using a midmarket price generated by the counterparty's proprietary valuation model, which is based on certain assumptions regarding present and future market conditions or other factors from other sources of pricing information. These valuation inputs are considered to be Level 3 inputs.

The Authority holds shares or interests in investment companies where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient. As of June 30, 2022, the State Treasurer's Short-Term Investment Fund's fair value is disclosed in Note 2. There are no unfunded commitments or redemption restrictions on those investments. The State Treasurer's Short-Term Investment Fund is a Standard & Poor's AAAm-rated investment pool of high-quality, short-term money market instruments managed by the cash management division of the Office of the State Treasurer.

Note 4 - Restricted Assets

Car Rental Facility Charges

Car rental facility charges, as required by agreement, are restricted for expenditures for a car rental facility at Bradley International Airport. Restricted assets, including unspent bond proceeds from the 2019 revenue bonds more fully described in Note 6, are composed of the following as of June 30, 2022:

Car rental facility charges receivable	$ 994,325
Interest receivable	28,412
Investments	28,166,240
Total restricted car rental facility charges	29,188,977
Less current portion of restricted investments	(3,083,768)
Noncurrent restricted car rental facility charges	$ 26,105,209

Passenger Facility Charges

Passenger facility charges, as required by federal regulations, are restricted for expenditure for federally approved Bradley International Airport improvement projects or debt service of Bradley International Airport. Restricted assets are composed of the following as of June 30, 2022:

Cash	$ 730,505
Passenger facility charges receivable	907,325
Interest receivable	58,069
Investments	59,394,193
Total	$ 61,090,092

Note 4 - Restricted Assets (Continued)

Bond Indenture

Assets are restricted for debt service, as required under the bond indenture. Restricted assets are composed of the following as of June 30, 2022:

Interest receivable	$ 71
Investments	17,159,821
Total restricted debt service investments	17,159,892
Less current portion of restricted investments	(71,996)
Noncurrent restricted debt service investments	$ 17,087,896

Note 5 - Capital Assets

Capital asset activity of the Authority was as follows:

Bradley International Airport Enterprise Fund

	Balance July 1, 2021	Transfers	Additions	Disposals and Reclassifications	Balance June 30, 2022
Capital assets not being depreciated:					
Land	$ 3,223,554	$ 26,300	$ -	$ -	$ 3,249,854
Construction in progress	168,866,746	(2,152,126)	72,284,318	-	238,998,938
Subtotal	172,090,300	(2,125,826)	72,284,318	-	242,248,792
Capital assets being depreciated:					
Buildings and improvements	337,908,550	17,367	-	-	337,925,917
Machinery and equipment	42,519,675	-	343,763	(370,000)	42,493,438
Land improvements	264,140,900	2,108,459	-	-	266,249,359
Subtotal	644,569,125	2,125,826	343,763	(370,000)	646,668,714
Accumulated depreciation:					
Buildings and improvements	166,360,245	-	9,633,244	-	175,993,489
Machinery and equipment	32,871,660	-	2,307,515	(370,000)	34,809,175
Land improvements	197,166,117	-	6,256,448	-	203,422,565
Subtotal	396,398,022	-	18,197,207	(370,000)	414,225,229
Net capital assets being depreciated	248,171,103	2,125,826	(17,853,444)	-	232,443,485
Net Bradley International Airport Enterprise Fund capital assets	$ 420,261,403	$ -	$ 54,430,874	$ -	$ 474,692,277

Note 5 - Capital Assets (Continued)

General Aviation Airports Enterprise Fund

	Balance July 1, 2021	Transfers	Additions	Disposals and Reclassifications	Balance June 30, 2022
Capital assets not being depreciated:					
Land	$ 29,785,187	$ -	$ -	$ -	$ 29,785,187
Construction in progress	2,656,088	(6,564,119)	4,672,379	-	764,348
Subtotal	32,441,275	(6,564,119)	4,672,379	-	30,549,535
Capital assets being depreciated:					
Buildings and improvements	16,230,786	-	50,121	-	16,280,907
Machinery and equipment	10,475,238	-	69,706	-	10,544,944
Land improvements	111,831,436	6,564,119	-	-	118,395,555
Subtotal	138,537,460	6,564,119	119,827	-	145,221,406
Accumulated depreciation:					
Buildings and improvements	11,158,658	-	235,352	-	11,394,010
Machinery and equipment	8,913,590	-	304,962	-	9,218,552
Land improvements	67,241,963	-	3,888,935	-	71,130,898
Subtotal	87,314,211	-	4,429,249	-	91,743,460
Net capital assets being depreciated	51,223,249	6,564,119	(4,309,422)	-	53,477,946
Net General Aviation Airports Enterprise Fund capital assets	$ 83,664,524	$ -	$ 362,957	$ -	$ 84,027,481

Note 6 - Long-term Debt

Long-term debt activity for the year ended June 30, 2022 can be summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
BDL - Revenue bonds payable:					
Direct borrowings and direct placements:					
Series 2011A	$ 52,070,000	$ -	$ (4,880,000)	$ 47,190,000	$ 3,935,000
Series 2011B	34,710,000	-	(3,250,000)	31,460,000	2,620,000
Total direct borrowings and direct placements principal outstanding	86,780,000	-	(8,130,000)	78,650,000	6,555,000
BDL - Other revenue bonds payable:					
CFC Series 2019A	35,410,000	-	-	35,410,000	-
CFC Series 2019B	115,690,000	-	-	115,690,000	-
Total other debt principal outstanding	151,100,000	-	-	151,100,000	-
Unamortized bond premiums on Series 2019 bonds	3,082,440	-	(110,087)	2,972,353	-
Total BDL activities long-term debt	$ 240,962,440	$ -	$ (8,240,087)	$ 232,722,353	$ 6,555,000

The Authority had deferred outflows of $1,137,852 related to deferred charges on bond refundings at June 30, 2022.

Series 2011A and 2011B

On March 31, 2011, Bradley International Airport Revenue Refunding Bonds Series 2011A and 2011B were issued in the amount of $91,430,000 and $60,950,000, respectively, to retire $161,445,000 of outstanding 2001A bonds. The aggregate principal and interest payments of the Series 2011A and 2011B bonds total $228,421,866, replacing the aggregate principal and interest payments of $258,238,749 on the refunded bonds, generating an economic gain of $7,569,810. The transaction resulted in a deferred accounting loss of $30,753, which BDL is amortizing over the life of the refunded debt.

As of June 30, 2022, the outstanding principal balances on the Series 2011A and 2011B bonds were $47,190,000 and $31,460,000, respectively. On the Series 2011A bonds, interest is charged at a variable rate equal to 80 percent of the one-month LIBOR plus 42 basis points. On the Series 2011B bonds, interest is charged at a variable rate equal to 81.5 percent of the sum of the one-month LIBOR plus 44 basis points.

The 2011 bonds are secured by and payable solely from the operating revenue generated by BDL from the operation of Bradley International Airport and other receipts, funds, or moneys pledged in the bond indenture, including a portion of Bradley International Airport's passenger facility charges revenue. During the current year, net revenue of BDL was $58,580,280 compared to the annual debt requirement of $9,897,262. As of June 30, 2022, the Authority has also made all required principal and interest payments under the 2011A and 2011B bonds.

Note 6 - Long-term Debt (Continued)

CFC Series 2019A and 2019B

On April 9, 2019, Connecticut Airport Authority Customer Facility Charge Revenue Bonds Series 2019A and 2019B were issued in the amount of $35,410,000 and $115,690,000, respectively, to fund the construction of a ground transportation center at Bradley International Airport. The aggregate principal and interest payments of the Series 2019A and 2019B bonds total $277,717,133. The transaction resulted in a premium of $3,330,136, which BDL is amortizing over the life of the debt.

As of June 30, 2022, the outstanding principal balances on the Series 2019A and 2019B bonds were $35,410,000 and $115,690,000, respectively. On the Series 2019A and 2019B bonds, interest is charged at a graduating rate from 2.8 percent to 5.0 percent.

The 2019 bonds are secured by and payable solely from customer facility charges, facility payments, and contingent payments generated by BDL from receipts, funds, or moneys pledged in the bond indenture. During the current year, pledged revenue of BDL, including funds on deposit in the Coverage Fund, was $11,067,510, compared to the annual debt requirement of $7,709,170.

Debt Service Requirements to Maturity

For the Series 2011 bonds, a debt service account has been established in accordance with the various bond indentures to provide for payment of principal at maturity and semiannual interest payments due on April 1 and October 1 of each year. The annual principal payments and interest on the variable-rate Airport Revenue Refunding Bonds Series 2011 are disclosed in Note 7, along with the net receipt or payment arising from BDL's interest rate swaps.

Bond covenants require that certain accounts be established and maintained in the custody of the trustee into which bond proceeds, operating revenue, and investment earnings are deposited. The disbursement of funds from these accounts for the cost of facilities and debt service is provided for in the various indentures. Amounts on deposit at June 30, 2022 are recognized as restricted assets in the accompanying statement of net position.

For the Series 2019 bonds, a debt service account has been established in accordance with the various bond indentures to provide for payment of principal at maturity and semiannual interest payments due on July 1 and January 1 of each year. The annual principal payments and interest on the fixed-rate Customer Facility Charge Revenue Bonds Series 2019 are as follows:

	CFC Series 2019 Bonds		
Years Ending June 30	Principal	Interest	Total
2023	$ -	$ 6,167,336	$ 6,167,336
2024	1,840,000	6,140,968	7,980,968
2025	3,495,000	6,063,644	9,558,644
2026	3,595,000	5,958,331	9,553,331
2027	3,705,000	5,845,176	9,550,176
2028-2032	20,455,000	27,223,427	47,678,427
2033-2037	24,570,000	22,970,332	47,540,332
2038-2042	30,055,000	17,353,919	47,408,919
2043-2047	37,010,000	10,227,703	47,237,703
2048-2050	26,375,000	1,843,175	28,218,175
Total	$ 151,100,000	$ 109,794,011	$ 260,894,011

Note 6 - Long-term Debt (Continued)

Significant Terms

Direct Borrowings and Direct Placements

Pursuant to the continuing covenant agreements dated March 31, 2011, as amended, between CAA, the State of Connecticut, and the bond holders, the Series 2011A and 2011B revenue bonds would bear interest at the default rate in an event of default, as defined by those agreements.

Note 7 - Interest Rate Swaps

Objective

As a means to lock in its future borrowing costs, two forward-starting interest rate swaps were entered into in 2006. The swaps effectively changed BDL's interest rate on the Series 2011 bonds from a variable interest rate to a synthetic fixed rate. The interest rate swaps are considered to be effective cash flow hedges for accounting purposes.

Terms

The notional amount of the swaps matches the principal amounts of the associated debt. The swap agreements contain scheduled reductions to outstanding notional amounts that are expected to follow anticipated reductions to the associated bond issue's outstanding balance. Under the swaps, BDL pays the counterparty a fixed interest rate payment and receives a variable interest rate payment based on the three-month LIBOR. Only the net difference in interest payments will be actually exchanged between the parties. No cash was received or paid when the swap transactions were initiated.

Credit Risk

As of June 30, 2022, the Authority had no exposure to credit risk on either of the swaps, as both had negative fair values. The credit ratings of the swap counterparties are indicated below. Both swaps contain collateral agreements with the counterparties. The swaps require collateralization of the fair value of the swap in cash or government securities should either of the counterparties' credit ratings fall below A3, as issued by Moody's Investor Service, or A-, as issued by Standard & Poor's or Fitch Ratings. No collateral was required to be posted for either of the swaps as of June 30, 2022. BDL is not required to post collateral for either of the swaps.

Basis Risk

BDL variable-rate bond interest payments are reset weekly using a formula based on the one-month LIBOR. BDL receives a variable-rate payment from the swap counterparties that is reset weekly using a formula based on the three-month LIBOR. The fund is exposed to basis risk since both amounts are not calculated using the same formula.

Termination Risk

BDL or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. If either of the swaps is terminated, the associated variable-rate bonds would no longer carry synthetic fixed interest rates. If at the time of the termination the swap has a negative fair value, BDL would be liable to the counterparty for a payment approximately equal to the swap's fair value. Under both swap agreements, BDL has up to 270 days to fund any required termination payment.

Note 7 - Interest Rate Swaps (Continued)

The following is a summary of terms of the interest rate swaps held on June 30, 2022 by the Authority:

Counterparty	Goldman Sachs Capital Markets, L.P.	Bank of America, N.A.
Bond issue	2011A	2011B
Original notional amount	$91,430,000	$60,950,000
Face value of related bonds	$91,430,000	$60,950,000
Total outstanding amount	$47,190,000	$31,460,000
Effective date	April 1, 2011	April 1, 2011
Maturity date	October 31, 2031	October 31, 2031
Fixed rate paid	3.693%	3.683%
Variable rate received	60 percent of three-month USD LIBOR plus 40 basis points	60 percent of three-month USD LIBOR plus 40 basis points
Variable interest rate in effect under swap as of June 30, 2022	1.76628%	1.76628%
Variable interest rate in effect on related bonds as of June 30, 2022	1.79052%	1.75500%
Credit rating of counterparty:		
Moody's Investors Service	A1	Aa2
Standard & Poor's	A+	A+
Fitch Ratings	A+	AA

The following is a summary of the changes in fair value of the interest rate swaps for the year ended June 30, 2022, which are accounted for as changes in deferred outflows reported in the statement of net position:

	Goldman Sachs	Bank of America	Total
Fair value as of July 1, 2021	$ (7,597,512)	$ (5,074,737)	$ (12,672,249)
Change in fair value	4,119,356	2,754,102	6,873,458
Fair value as of June 30, 2022	$ (3,478,156)	$ (2,320,635)	$ (5,798,791)

Note 7 - Interest Rate Swaps (Continued)

Interest Rate Swap Payments and Hedged Debt

Aggregate debt service requirements of the Authority's variable-rate bonds and net receipt/payments on the associated interest rate swap agreements as of June 30, 2022 are presented below. These amounts assume that current rates on variable-rate bonds and the current reference rates on the swaps will remain the same for their terms. As these rates vary, interest payments on variable-rate bonds and the net receipts/payments on the interest rate swaps will also vary.

Fiscal Year Ending June 30	Variable-rate Bond Principal	Variable-rate Bond Interest	Interest Rate Swaps - Net	Total
2023	$ 6,555,000	$ 1,309,681	$ 1,960,703	$ 9,825,384
2024	6,815,000	1,189,785	1,781,107	9,785,892
2025	7,090,000	1,065,071	1,594,316	9,749,387
2026	7,370,000	935,407	1,400,278	9,705,685
2027	7,665,000	800,568	1,198,384	9,663,952
2028-2032	43,155,000	1,784,998	2,857,787	47,797,785
Total	$ 78,650,000	$ 7,085,510	$ 10,792,575	$ 96,528,085

Note 8 - Accounts Payable and Accrued Liabilities

The following is the detail of accounts payable and accrued liabilities as of June 30, 2022:

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund	Total Connecticut Airport Authority
Accrued operating expenses	$ 4,165,351	$ 581,146	$ 4,746,497
Accounts payable - Projects	25,023,830	309,629	25,333,459
Accrued payroll and compensated absences	5,233,247	985,792	6,219,039
Total	$ 34,422,428	$ 1,876,567	$ 36,298,995

Note 9 - Lease Accounting (GASB 87)

For the year ended June 30, 2022, the Connecticut Airport Authority's financial statements include the adoption of GASB Statement No. 87, *Leases* (GASB 87). The primary objective of GASB 87 is to enhance the relevance and consistency of information about the Authority's leasing activities. GASB 87 establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Authority's operations as a lessee are immaterial to the financial statements as a whole and, therefore, not disclosed in the footnote, whereas the Authority's operations as a lessor are material and disclosures are shown below.

Note 9 - Lease Accounting (GASB 87) (Continued)

Lessor

The Authority leases certain land and building assets to various third-party tenants/operators. Lease payments received in exchange for the contracted use of these assets will be based on a fixed rental amount paid in intervals outlined within the lease agreement (monthly, quarterly, or annually), a variable payment directly related to the type of business performed (with or without a minimum annual guarantee), or a combination of both fixed and variable payments. Fixed rental amounts, as well as minimum annual guarantee amounts, are reflected within the GASB 87 lease receivable calculations, while true variable rents paid are not included in the lease receivable calculation. Variable payments not included in the measurement of the GASB 87 lease receivable are based on a percentage of the lessee's revenue above the minimum annual guarantee.

During the year ended June 30, 2022, the Authority recognized the following inflows related to its lessor agreements:

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund
Lease revenue	$ 2,944,344	$ 54,263
Interest revenue	622,560	17,463
Revenue from variable payments not previously included in measurement of lease receivable	1,074,237	-

Summary of GASB 87 Lessor Lease Activities as of June 30, 2022

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund
Number of leases	13 leases	4 leases
Remaining term	6 to 414 months	12 to 186 months
Lease receivable	$13,270,327	$367,115

The Authority has bond repayment obligations related to its outstanding State of CT Bradley International Airport General Airport Revenue Refunding Bonds, Series 2011 (2011 GARB). All 2011 GARB repayments are secured by the operating revenue received from tenants and operators at Bradley International Airport, including those inflows related to GASB 87 lessor leases. The 2011 GARB proceeds were used to refund the outstanding balance of 2001 GARB debt, which proceeds were used to fund terminal and concourse construction and rehabilitation projects. Included in Bradley International Airport Enterprise Fund lease receivables at June 30, 2022 are $13,270,327 related to leases whose revenue is pledged to secure the outstanding 2011 GARB obligations. See Notes 6 and 7 for more information regarding Bradley International Airport's outstanding debt.

The leases contain lessee options to terminate the leases or abate payments under certain circumstances. These include Bradley International Airport ceasing to function as a commercial service airport for at least 30 consecutive days, destruction of the underlying leased asset where insurance coverage is inadequate to rebuild the asset, and if the underlying asset is taken by way of eminent domain or condemnation.

Note 9 - Lease Accounting (GASB 87) (Continued)

Future principal and interest payment requirements related to the Authority's lease receivable as of June 30, 2022 are as follows:

Bradley International Airport Enterprise Fund

Years Ending June 30	Principal	Interest	Total
2023	$ 2,232,085	$ 536,516	$ 2,768,601
2024	1,755,505	471,998	2,227,503
2025	1,093,371	415,167	1,508,538
2026	97,001	399,557	496,558
2027	48,115	396,282	444,397
2028-2032	177,645	1,956,297	2,133,942
2033-2037	296,930	1,906,647	2,203,577
2038-2042	1,147,578	1,727,421	2,874,999
2043-2047	1,504,381	1,408,119	2,912,500
2048-2052	2,308,679	941,320	3,249,999
2053-2057	2,609,037	303,463	2,912,500
Total	$ 13,270,327	$ 10,462,787	$ 23,733,114

General Aviation Airports Enterprise Fund

Years Ending June 30	Principal	Interest	Total
2023	$ 48,986	$ 15,709	$ 64,695
2024	23,232	14,236	37,468
2025	16,148	13,413	29,561
2026	16,917	12,643	29,560
2027	17,723	11,837	29,560
2028-2032	102,119	45,683	147,802
2033-2037	128,884	18,919	147,803
2038-2042	13,106	165	13,271
Total	$ 367,115	$ 132,605	$ 499,720

The Authority recently completed construction of a Ground Transportation Center (GTC), which primarily consists of a Consolidated Rental Car Facility (CONRAC) plus public parking and public transit improvements. The GTC consists of a total of 1,806,486 square feet. Of the overall total square footage, 589,905 is identified as common area for the rental car companies, 834,439 is identified as exclusive use area for the rental car companies, and the remaining 382,142 is identified as space used by the Authority for additional public parking, as well as public access and walkways. The new rental car lease agreements for use and occupancy of the CONRAC portion of the GTC become effective in July 2023, and, therefore, is not included in the GASB 87 calculations for the fiscal year ended June 30, 2022. As a result, the new rental car lease agreements for the CONRAC facility are superseding the previous lease agreement under which the rental car companies had been operating; those soon to be terminated lease agreements were deemed short term and are not included in the GASB 87 calculations for fiscal year ended June 30, 2022.

Note 9 - Lease Accounting (GASB 87) (Continued)

Payments related to the new CONRAC facility will consist of concession fees with a minimum annual guarantee component and fixed ground rentals. Customer facility charges will continue to be paid to the Authority/trustee and are pledged to pay the requirements of the 2019 Customer Facility Charge Revenue Bonds, as will the newly established facility payments, as required by the agreements. The leases contain lessee options to terminate the leases or abate payments under certain circumstances. These include prevention or restraint of normal use of the Airport by way of an injunction for 90 consecutive days; inability to use the Airport in excess of 45 consecutive days due to casualty, acts of God, or the public enemy; the Airport is assumed in a manner that substantially restricts operations for at least 30 consecutive days; or the underlying asset is taken by way of eminent domain or condemnation.

Regulated Leases

The Authority leases certain assets to various third parties that are considered regulated leases, as defined by GASB 87. Regulated leases are certain leases that are subject to external laws, regulations, or legal rulings. For example, the U.S. Department of Transportation (DOT) and the Federal Aviation Administration regulate aviation leases between airport and air carriers and other aeronautical users through various policies and guidance, including the FAA's Rates and Charges Policy and Federal Grant Assurances. In accordance with GASB 87, the Authority does not recognize a lease receivable and a deferred inflow of resources for regulated leases. The regulated lease assets include terminal passenger holdrooms, operations space, baggage service areas, terminal apron areas, jet bridges, ticket counters, ticket offices, hangars, and land. Leased land and several of the terminal locations are considered exclusive use by the second parties to the agreement, while some terminal areas are considered either preferential or shared/joint use. Terminal areas considered exclusive or preferential use under regulated leases are as follows:

- Passenger holdrooms - 74 percent of available space is preferential use
- Operations space - 76 percent of available space is exclusive use
- Bag make-up area - 75 percent of available space is preferential use
- Bag service office - 90 percent of available space is exclusive use
- Gates/Apron space - Of 23 gates, 17 are considered preferential, which includes the 2,306 liner feet of related apron area out of the total 3,168 linear feet, with the remaining 6 gates being common-use gates controlled by the CAA
- Jetbridges - Of the 23 jetbridges associated with the gates, 7 are owned by carriers, while 10 are considered preferential use, with the remaining 6 jetbridges being common use
- Ticket counter/ATO - 77 percent of available ATO space is exclusive use, while 71 percent of available ticket counter space is exclusive space

During the year ended June 30, 2022, the Authority recognized the following from regulated leases:

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund
Regulated lease revenue	$ 6,113,372	$ 1,341,356
Revenue from variable payments not included in schedule of future minimum payments	6,567,306	1,363,077

Note 9 - Lease Accounting (GASB 87) (Continued)

The Authority has certain airline leases that are regulated by the FAA. However, those airline leases are not included in the below future minimum expected receipts as of June 30, 2022, as they expired on June 30, 2022. The Authority has since executed new signatory airline lease agreements for a new five-year term beginning on July 1, 2022 and expiring on June 30, 2027. Future minimum receipt related to the new signatory airline lease agreements will be presented in future year audited financial statements notes of the Authority.

Future expected minimum payments related to the Authority's regulated leases as of June 30, 2022 are as follows:

Years Ending June 30	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund
2023	$ 5,988,412	$ 1,551,311
2024	4,165,798	1,478,910
2025	3,294,244	1,475,603
2026	3,048,988	1,382,405
2027	2,820,790	1,359,436
2028-2032	6,502,482	6,597,963
2033-2037	3,010,178	5,677,542
2038-2042	2,463,504	5,466,484
2043-2047	2,463,504	4,214,188
2048-2052	2,463,504	3,696,964
2053-2057	2,463,504	1,014,676
2058-2061	1,724,453	-
Total	$ 40,409,361	$ 33,915,482

The Authority has entered into certain regulated leases where the related lease revenue received from tenants and operators at Bradley International Airport is pledged to secure the outstanding 2011 GARB debt obligations of the Authority, as noted previously. These leases contain lessee options to terminate the lease or abate payments under certain circumstances. These include Bradley International Airport ceasing to function as a commercial service airport for at least 30 consecutive days, destruction of the underlying leased asset where insurance coverage is inadequate to rebuild the asset, and if the underlying asset is taken by way of eminent domain or condemnation.

Note 10 - Pension Plan

Plan Description

Eligible employees of the Authority participate in the State Employees Retirement System. SERS is the single-employer defined benefit pension plan of the State of Connecticut's primary government and its component units, covering substantially all of the full-time employees who are not eligible for another state-sponsored retirement plan. The plan is administered by the State Employees Retirement Commission and governed by Sections 5-152 to 5-192 of the Connecticut General Statutes.

The Authority's employees are employees of the State of Connecticut. The State charges the Authority for its share of the pension obligation under a cost-sharing methodology in which pension obligations for employees are pooled and plan assets are available to pay the benefits of the employees of all participating employers, regardless of the status of the employers' payment of their pension obligations to the plan.

SERS issues a publicly available financial report that includes financial statements and required supplementary information for the plans. The report may be obtained at osc.ct.gov/rbsd/reports.

Note 10 - Pension Plan (Continued)

Benefits Provided

SERS provides retirement, disability, and death benefits. Employees are covered under one of four tiers, depending on when they were hired. Tier I employees who retire at or after age 65 with 10 years of credited service or at or after age 55 with 25 years of service are eligible for an annual retirement benefit payable monthly for life, in the amount of 2 percent of the annual average earnings (which are based on the 3 highest years of service), subject to adjustment on receipt of Social Security benefits. Employees at age 55 with 10 years but with less than 25 years of service or at age 70 with 5 years of service are entitled to a reduced benefit.

Tier II and Tier IIA employees who retire at or after age 60 with 25 years of service, at age 65 with 10 years of service, at age 70 with 5 years of service, or at age 55 with 10 years of service with reduced benefits are entitled to an annual retirement benefit payable monthly for life in the amount of 1.33 percent of the average annual earnings plus 0.5 percent of the average annual earnings in excess of the salary breakpoint in the year of retirement for each year of credited service. In addition, any years of service over 35 would be at 1.625 percent.

For Tier III employees, full retirement benefits are attained at age 63 with 25 years of service or at age 65 with 10 years of service and are payable monthly for life in the amount equal to 1.33 percent of the average annual earnings plus 0.5 percent of the average annual earnings in excess of the salary breakpoint in the year of retirement for each year of credited service. In addition, any years of service over 35 would be at 1.625 percent.

SERS Tier IV consists of a defined benefit (DB) and defined contribution (DC) plan. For Tier IV employees, full retirement benefits under the DB plan are attained at age 63 with 25 years of service or at age 65 with 10 years of service and are payable monthly for life in the amount of 1.33 percent of the average annual earnings (based on the 5 highest years of service). Employees at age 58 with 10 years of service are entitled to a reduced benefit. Employees pay a mandatory 1 percent into the DC plan, and the State contributes 1 percent to the account. Employee contributions are vested immediately; employer contributions are 100 percent vested after completing 3 years of service.

Contributions

Tier I requires an employee contribution of either 3.5 percent or 6.5 percent of salary, depending on the plan. Tier II requires an employee contribution of 1.5 percent of salary. Tier IIA, Tier III, and Tier IV require an employee contribution of 3.5 percent of salary. The Authority's contribution is determined by applying a state-mandated percentage to eligible salaries and wages. There were no changes in benefit terms in the valuation for the year ended June 30, 2021.

Net Pension Liability

At June 30, 2022, the Authority reported a liability of $71,221,623 ($60,339,526 and $10,882,097 for the Bradley International Airport Enterprise Fund and General Aviation Airports Enterprise Fund, respectively) for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020, which used update procedures to roll forward the estimated liability to the measurement date. The Authority's proportion of the net pension liability was based on the Authority's actuarially required contribution for the year ended June 30, 2021 relative to all other contributing employers. At June 30, 2021, the Authority's proportion was 0.334943 percent, which was a decrease of 0.008329 percent from its proportion measured as of June 30, 2020. BDL and GA allocate their proportionate share based on the ratio of employee wages between the funds.

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

For the year ended June 30, 2022, the Authority recognized pension expense of $(1,782,773).

Note 10 - Pension Plan (Continued)

At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Bradley International Airport Enterprise Fund	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 4,174,782	$ -
Changes in assumptions	-	(111,208)
Net difference between projected and actual earnings on pension plan investments	-	(4,254,662)
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	3,153,121	(4,855,987)
Employer contributions to the plan subsequent to the measurement date	5,712,484	-
Total	$ 13,040,387	$ (9,221,857)

	General Aviation Airports Enterprise Fund	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 752,913	$ -
Changes in assumptions	-	(20,057)
Net difference between projected and actual earnings on pension plan investments	-	(767,319)
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	568,658	(875,766)
Employer contributions to the plan subsequent to the measurement date	1,030,234	-
Total	$ 2,351,805	$ (1,663,142)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (note that employer contributions subsequent to the measurement date will not be included in the presentation below):

Fiscal Years Ending June 30	BDL	GA
2023	$ 471,897	$ 85,106
2024	209,468	37,777
2025	(892,242)	(160,914)
2026	(1,717,799)	(309,801)
2027	34,722	6,261
Total	$ (1,893,954)	$ (341,571)

Note 10 - Pension Plan (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using an inflation assumption of 2.50 percent, assumed salary increases (including inflation) of 3.50 through 11.50 percent, an investment rate of return (net of investment expenses, including inflation) of 6.90 percent, and the Pub-2010 mortality tables projected generationally with scale MP-2020. These assumptions were applied to all periods included in the measurement and are based on an experience study conducted for the period from July 1, 2015 through June 30, 2020.

Discount Rate

The discount rate used to measure the total pension liability was 6.90 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 the Authority's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

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.

Investment Rate of Return

Best estimates of arithmetic real rates of return as of the June 30, 2021 measurement date for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment note, are summarized in the following tables:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	20.00 %	5.40 %
Developed market (non-U.S.)	11.00	6.40
Emerging markets (non-U.S.)	9.00	8.60
Fixed income (core)	13.00	0.80
Private credit	5.00	3.80
Emerging market debt	5.00	3.40
High-yield bonds	3.00	5.20
Real estate	19.00	9.40
Private equity	10.00	6.50
Alternative investments	3.00	3.10
Cash or cash equivalents	2.00	(0.40)

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

The following presents the net pension liability of the Authority, calculated using the discount rate of 6.9 percent, as well as what the Authority's net pension liability 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 (5.9%)	Current Discount Rate (6.9%)	1 Percentage Point Increase (7.9%)
Net pension liability of the State Employees Retirement System - BDL	$ 73,329,000	$ 60,339,526	$ 49,507,973
Net pension liability of the State Employees Retirement System - GA	13,224,719	10,882,097	8,928,651

Note 10 - Pension Plan (Continued)

Assumption Changes

For the 2021 measurement date, assumptions changed related to wage inflation rates increasing and mortality tables revised to the Pub-2010 Above Median Mortality Tables (Amount-weighted) projected generationally with MP-2020 improvement scale, resulting in a decrease in the total pension liability.

Note 11 - Related Party Transactions

The State of Connecticut is responsible for processing the Authority's payroll and certain capital asset transactions involving the general aviation airports. Moneys are transferred to the State on a monthly basis for this purpose.

In addition, the Authority receives certain grants and revenue that reimburse project costs incurred by the State. Such amounts are remitted to the State on a regular basis. GA had amounts due to the State presented in the statement of net position totaling $348,093 at June 30, 2022. BDL had no amounts due to the State at June 30, 2022.

Amounts due from the State presented in the statement of net position totaled $4,484,084 and $860,553 at June 30, 2022 for BDL and GA, respectively.

Note 12 - Other Postemployment Benefit Plan

Plan Description

The State provides postemployment health care and life insurance benefits in accordance with state statutes, Sections 5-257(d) and 5-259(a), to all eligible employees who retire from the State, including employees of the Authority. The benefits are provided through the State of Connecticut State Employee OPEB Plan (the "Plan"), a cost-sharing multiple-employer plan administered by the State of Connecticut. The Plan does not issue stand-alone financial statements; however, financial statements for the Plan are included as part of the State of Connecticut Annual Comprehensive Financial Report that is publicly available.

Under a cost-sharing plan, OPEB obligations for employees of all employers are pooled, and plan assets are available to pay the benefits of the employees of any participating employer providing OPEB benefits through the Plan, regardless of the status of the employers' payment of their OPEB obligation to the Plan. The Plan provides health care benefits to plan members.

Benefits Provided

When employees retire, the State pays up to 100 percent of their health care insurance premium cost (including dependents' coverage) depending upon the Plan. The State currently pays up to 20 percent of the cost for retiree dental insurance (including dependents' coverage) depending upon the Plan. In addition, the State pays 100 percent of the premium cost for a portion of the employees' life insurance continued after retirement. The amount of life insurance, continued at no cost to the retiree, is determined based on the number of years of service that the retiree had with the State at time of retirement as follows: (a) if the retiree had 25 years or more of service, the amount of insurance will be one-half of the amount of insurance for which the retiree was insured immediately prior to retirement, but the reduced amount cannot be less than $10,000; (b) if the retiree had less than 25 years of service, the amount of insurance will be the proportionate amount that such years of service is to 25, rounded to the nearest $100. The State finances the cost of postemployment health care and life insurance benefits on a pay as you go basis through an appropriation in the State's General Fund.

Note 12 - Other Postemployment Benefit Plan (Continued)

Contributions

In accordance with the Revised State Employees Bargaining Agent Coalition (SEBAC) 2011 Agreement between the State of Connecticut and SEBAC, all employees shall pay the 3 percent retiree health care insurance contribution for a period of 10 years or retirement, whichever is sooner. In addition, participants of Tier III and Tier IV shall be required to have 15 years of actual state service to be eligible for retirement health insurance. Deferred vested retirees who are eligible for retiree health insurance shall be required to meet the rule of 75, which is the combination of age and actual state service equaling 75 in order to begin receiving retiree health insurance based on applicable SEBAC agreement.

Net OPEB Liability

At June 30, 2022, the Authority reported a liability of $68,687,817 ($58,192,866 and $10,494,951 for the Bradley International Airport Enterprise Fund and General Aviation Airports Enterprise Fund, respectively) for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021 and was determined by an actuarial valuation as of June 30, 2021. The Authority's proportion of the net OPEB liability was based on the Authority's actuarially required contribution for the year ended June 30, 2021 relative to all other contributing employers. At June 30, 2021, the Authority's proportion was 0.352 percent, which was a decrease of 0.053 from its proportion measured as of June 30, 2020.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the Authority recognized OPEB expense of $(230,890).

Note 12 - Other Postemployment Benefit Plan (Continued)

At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Bradley International Airport Enterprise Fund	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 935,234	$ (1,159,207)
Changes in assumptions	8,422,967	(12,662,184)
Net difference between projected and actual earnings on OPEB plan investments	-	(547,197)
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	4,693,144	(14,185,446)
Employer contributions to the plan subsequent to the measurement date	2,917,199	-
Total	$ 16,968,544	$ (28,554,034)

	General Aviation Airports Enterprise Fund	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 168,667	$ (209,060)
Changes in assumptions	1,519,063	(2,283,596)
Net difference between projected and actual earnings on OPEB plan investments	-	(98,686)
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	846,398	(2,558,313)
Employer contributions to the plan subsequent to the measurement date	526,110	-
Total	$ 3,060,238	$ (5,149,655)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (note that employer contributions subsequent to the measurement date will reduce the net OPEB liability and, therefore, will not be included in future OPEB expense):

Fiscal Years Ending June 30	BDL	GA
2023	$ (2,447,169)	$ (441,341)
2024	(1,976,033)	(356,373)
2025	(4,613,217)	(831,983)
2026	(4,762,083)	(858,831)
2027	(704,187)	(126,999)
Total	$ (14,502,689)	$ (2,615,527)

Note 12 - Other Postemployment Benefit Plan (Continued)

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 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 6.90 percent; a health care cost trend rate of 6.00 percent, graded to 4.50 percent over six years; and the Pub-2010 General, Above-Median, Healthy Retiree Headcount-weighted Mortality Table projected generationally using Scale MP-2020 for healthy participants and the Pub-2010 General, Disabled Retiree Headcount-weighted Mortality Table projected generationally using Scale MP-2020 for disabled participants. These assumptions were applied to all periods included in the measurement.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.31 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 the Authority's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Investment Rate of Return

The long-term expected rate of return best-estimate on OPEB plan investments was determined by the actuary using a building-block method. The actuary started by calculating best-estimate future expected real rates of return (expected returns net of OPEB plan investment expense and inflation) for each major asset class, based on a collective summary of capital market expectations from eight nationally recognized investment consulting firms. The June 30, 2020 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity fund	20.00 %	5.40 %
Developed market international stock fund	11.00	6.40
Emerging markets international stock fund	9.00	8.60
Core fixed income	13.00	0.80
Emerging market debt fund	5.00	3.80
High-yield bond fund	3.00	3.40
Real estate fund	19.00	5.20
Private equity	10.00	9.40
Private credit	5.00	6.50
Alternative investments	3.00	3.10
Liquidity fund	2.00	(0.40)

Note 12 - Other Postemployment Benefit Plan (Continued)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Authority, calculated using the discount rate of 2.31 percent, as well as what the Authority's net OPEB liability 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 (1.31%)	Current Discount Rate (2.31%)	1 Percentage Point Increase (3.31%)
Net OPEB liability of the State of Connecticut State Employee OPEB Plan - BDL	$ 69,073,153	$ 58,192,866	$ 49,552,590
Net OPEB liability of the State of Connecticut State Employee OPEB Plan - GA	12,457,186	10,494,951	8,936,697

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate

The following presents the net OPEB liability of the Authority, calculated using the health care cost trend rate gradually decreasing to an ultimate rate of 4.5 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a health care cost trend rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (3.50%)	Current Health Care Cost Trend Rate (4.50%)	1 Percentage Point Increase (5.50%)
Net OPEB liability of the State of Connecticut State Employee OPEB Plan - BDL	$ 48,915,923	$ 58,192,866	$ 70,200,778
Net OPEB liability of the State of Connecticut State Employee OPEB Plan - GA	8,821,876	10,494,951	12,660,551

Assumption Changes

In the 2021 valuation, assumptions changed related to payroll growth and wage inflation decreasing; the discount rate decreasing from 2.38 percent to 2.31 percent; and change of mortality tables to the Pub-2010 General, Above-Median, Healthy and Disabled Retiree Headcount-weighted Mortality table projected generationally using Scale MP-2020.

Note 13 - Risk Management

The Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Authority has purchased commercial insurance for claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Note 14 - Commitments

The Authority has active construction projects at year end. At year end, the Authority's commitments with contractors are as follows:

Project Name	Spent to Date	Remaining Commitment	Airport
CONRAC facility	$ 209,953,315	$ 4,234,909	Bradley
Inline baggage screen building	3,810,507	511,836	Bradley
Replace airfield guidance signs	3,266,346	2,863,979	Bradley
Reconstruct portion of Taxiway S	5,449,020	12,415,717	Bradley
Terminal Enhancement & Refurbishment Program	1,269,563	826,371	Bradley
Reconstruction of Taxiway E	12,696,100	6,335,987	Bradley
Total	$ 236,444,851	$ 27,188,799	

Required Supplemental Information

Required Supplemental Information
Bradley International Airport Enterprise Fund
Schedule of the Fund's Proportionate Share of the Net Pension Liability
Connecticut State Employees Retirement System

Last Eight Fiscal Years

Plan Years Ended June 30

	2022	2021	2020	2019	2018	2017	2016	2015
Fund's proportion of the net pension liability	0.28377 %	0.29135 %	0.32040 %	0.28625 %	0.27716 %	0.27163 %	0.29059 %	0.29971 %
Fund's proportionate share of the net pension liability	$ 60,339,526	$ 69,113,458	$ 73,090,730	$ 61,595,799	$ 57,990,740	$ 61,956,274	$ 47,598,087	$ 47,575,674
Fund's covered payroll	$ 12,742,000	$ 11,720,000	$ 12,036,000	$ 11,122,000	$ 10,673,000	$ 10,107,000	$ 10,514,000	$ 10,055,000
Fund's proportionate share of the net pension liability as a percentage of its covered payroll	473.55 %	589.71 %	607.27 %	627.82 %	543.34 %	613.00 %	452.71 %	473.15 %
Plan fiduciary net position as a percentage of total pension liability	44.55 %	35.84 %	36.79 %	36.62 %	36.25 %	31.69 %	39.23 %	39.54 %

No information by component is available prior to the June 30, 2014 valuation.

Required Supplemental Information
Bradley International Airport Enterprise Fund
Schedule of Pension Contributions
Connecticut State Employees Retirement System

Last Eight Fiscal Years

Years Ended June 30

	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 5,712,484	$ 5,070,628	$ 4,709,153	$ 5,056,971	$ 4,130,664	$ 4,274,662	$ 4,079,450	$ 3,985,793
Contributions in relation to the statutorily required contribution	5,712,484	5,070,628	4,709,153	5,056,971	4,130,664	4,274,662	4,079,450	3,985,793
Contribution Deficiency	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Fund's Covered Payroll	$ 12,742,000	$ 11,720,000	$ 12,036,000	$ 11,122,000	$ 10,673,000	$ 10,107,000	$ 10,514,000	$ 10,055,000
Contributions as a Percentage of Covered Payroll	44.83 %	40.18 %	42.02 %	42.10 %	40.05 %	40.36 %	37.91 %	37.82 %

No information by component is available prior to the June 30, 2014 valuation.

Required Supplemental Information
Bradley International Airport Enterprise Fund
Schedule of the Fund's Proportionate Share of the Net OPEB Liability
State of Connecticut State Employee OPEB Plan

Last Six Fiscal Years

Plan Years Ended June 30

	2022	2021	2020	2019	2018	2017
Fund's proportion of the net OPEB liability	0.41519 %	0.34312 %	0.39987 %	0.33442 %	0.33889 %	0.34034 %
Fund's proportionate share of the net OPEB liability	$ 58,192,866	$ 80,774,097	$ 82,702,357	$ 57,534,119	$ 58,839,962	$ 58,682,410
Fund's covered payroll	$ 12,742,000	$ 11,720,000	$ 12,036,000	$ 11,122,000	$ 10,673,000	$ 10,107,000
Fund's proportionate share of the net OPEB liability as a percentage of its covered payroll	456.70 %	689.20 %	687.12 %	459.57 %	551.30 %	580.61 %
Plan fiduciary net position as a percentage of total OPEB liability	10.12 %	6.13 %	5.47 %	4.69 %	3.03 %	1.94 %

No information by component is available prior to the June 30, 2016 valuation.

Required Supplemental Information
Bradley International Airport Enterprise Fund
Schedule of OPEB Contributions
State of Connecticut State Employee OPEB Plan

Last Six Fiscal Years

Years Ended June 30

	2022	2021	2020	2019	2018	2017
Statutorily required contribution	$ 2,917,199	$ 2,586,896	$ 3,008,652	$ 3,010,775	$ 2,681,661	$ 2,261,751
Contributions in relation to the statutorily required contribution	2,917,199	2,586,896	3,008,652	3,010,775	2,681,661	2,261,751
Contribution Deficiency	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Fund's Covered Payroll	$ 12,742,000	$ 11,720,000	$ 12,036,000	$ 11,122,000	$ 10,673,000	$ 10,107,000
Contributions as a Percentage of Covered Payroll	22.89 %	25.67 %	25.01 %	21.42 %	21.19 %	20.49 %

No information by component is available prior to the June 30, 2016 valuation.

See notes to required supplemental information.

Required Supplemental Information
General Aviation Airports Enterprise Fund
Schedule of the Fund's Proportionate Share of the Net Pension Liability
State of Connecticut State Employee OPEB Plan

Last Eight Fiscal Years

Plan Years Ended June 30

	2022	2021	2020	2019	2018	2017	2016	2015
Fund's proportion of the net pension liability	0.05117 %	0.05192 %	0.05683 %	0.05542 %	0.05407 %	0.05299 %	0.05668 %	0.05846 %
Fund's proportionate share of the net pension liability	$ 10,882,097	$ 12,316,318	$ 12,964,358	$ 12,500,018	$ 11,802,030	$ 12,585,970	$ 9,785,110	$ 9,782,981
Fund's covered payroll	$ 2,298,000	$ 2,089,000	$ 2,135,000	$ 2,153,000	$ 2,082,000	$ 1,972,000	$ 2,051,000	$ 1,962,000
Fund's proportionate share of the net pension liability as a percentage of its covered payroll	473.55 %	589.58 %	607.23 %	657.90 %	566.86 %	638.23 %	477.09 %	498.62 %
Plan fiduciary net position as a percentage of total pension liability	44.55 %	35.84 %	36.79 %	36.62 %	36.25 %	31.69 %	39.23 %	39.54 %

No information by component is available prior to the June 30, 2014 valuation.

See notes to required supplemental information.

Required Supplemental Information
General Aviation Airports Enterprise Fund
Schedule of Pension Contributions
State of Connecticut State Employee OPEB Plan

Last Eight Fiscal Years

Years Ended June 30

	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 1,030,234	$ 914,476	$ 839,191	$ 896,974	$ 799,752	$ 833,861	$ 795,781	$ 777,511
Contributions in relation to the statutorily required contribution	1,030,234	914,476	839,191	896,974	799,752	833,861	795,781	777,511
Contribution Deficiency	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Fund's Covered Payroll	$ 2,298,000	$ 2,089,000	$ 2,135,000	$ 2,153,000	$ 2,082,000	$ 1,972,000	$ 2,051,000	$ 1,962,000
Contributions as a Percentage of Covered Payroll	44.83 %	43.78 %	39.31 %	41.66 %	38.41 %	42.29 %	38.80 %	39.63 %

No information by component is available prior to the June 30, 2014 valuation.

Required Supplemental Information
General Aviation Airports Enterprise Fund
Schedule of the Fund's Proportionate Share of the Net OPEB Liability
Connecticut State Employees Health Plan

Last Six Fiscal Years

Plan Years Ended June 30

	2022	2021	2020	2019	2018	2017
Fund's proportion of the net OPEB liability	(0.06344)%	0.06115 %	0.07092 %	0.06475 %	0.06699 %	0.06728 %
Fund's proportionate share of the net OPEB liability	$ 10,494,951	$ 14,394,295	$ 14,669,205	$ 11,379,143	$ 11,631,972	$ 11,600,826
Fund's covered payroll	$ 2,298,000	$ 2,089,000	$ 2,135,000	$ 2,153,000	$ 2,082,000	$ 1,972,000
Fund's proportionate share of the net OPEB liability as a percentage of its covered payroll	456.70 %	689.05 %	687.08 %	469.44 %	558.69 %	588.28 %
Plan fiduciary net position as a percentage of total OPEB liability	10.12 %	6.13 %	5.47 %	4.69 %	3.03 %	31.69 %

No information by component is available prior to the June 30, 2016 valuation.

See notes to required supplemental information.

Required Supplemental Information
General Aviation Airports Enterprise Fund
Schedule of OPEB Contributions
Connecticut State Employees Health Plan

Last Six Fiscal Years

Years Ended June 30

	2022	2021	2020	2019	2018	2017
Statutorily required contribution	$ 523,110	$ 466,541	$ 536,155	$ 534,032	$ 519,206	$ 447,122
Contributions in relation to the statutorily required contribution	523,110	466,541	536,155	534,032	519,206	447,122
Contribution Deficiency	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Fund's Covered Payroll	$ 2,298,000	$ 2,089,000	$ 2,135,000	$ 2,153,000	$ 2,082,000	$ 1,972,000
Contributions as a Percentage of Covered Payroll	22.76 %	25.67 %	25.01 %	21.42 %	21.48 %	20.76 %

No information by component is available prior to the June 30, 2016 valuation.

Pension Information

Benefit Changes

In 2017, benefits changed related to the COLA used and contribution rates based on tiered structure, resulting in a decrease in the total pension liability.

Changes in Assumptions

In 2016, assumptions changed related to the investment rate of return and salary increases, resulting in an increase in the total pension liability.

In 2021, assumptions changed related to wage inflation rates increasing and mortality tables revised to the Pub-2010 Above Median Mortality Tables (Amount-weighted) projected generationally with MP-2020 improvement scale, resulting in a decrease in the total pension liability.

OPEB Information

Benefit Changes

There were no changes of benefit terms in 2022 other than the change to the Medicare Advantage plan and new benefit rates.

Changes in Assumptions

In 2022, the discount rate was updated to 2.31 percent, there were payroll growth and inflation percent decreases, and there was a change of mortality tables to the Pub-2010 General, Above-Median, Healthy and Disabled Retiree Headcount-weighted Mortality table projected generationally using Scale MP-2020, resulting in a decrease in total OPEB liability.

In 2021, the discount rate was updated to 2.38 percent, and the trends for Medicare-eligible retiree costs were updated to reflect final negotiated changes in Medicare Advantage rates for calendar year 2022.

In 2018, assumptions changed related to updating the valuation year per capital health costs and future trend and decreasing the discount rate, resulting in an increase in total OPEB liability.

Other Supplemental Information

Other Supplemental Information
Statement of Net Position
Bradley International Airport Enterprise Fund

June 30, 2022
(with comparative totals for 2021)

	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	$ 7,778,831	$ 6,459,951
Short-term investments	147,433,610	108,677,442
Current portion of restricted investments	3,155,764	6,738,813
Accounts receivable	5,370,606	4,765,042
Lease receivable - GASB 87	2,232,085	-
Due from the State	4,484,084	5,379,615
Grants receivable	18,603,493	10,205,997
Prepaid expenses and other assets	888,550	888,549
Total current assets	189,947,023	143,115,409
Noncurrent assets:		
Restricted assets:		
Cash	730,505	22
Investments	101,564,490	149,436,775
Accounts receivable	1,901,650	2,624,100
Interest receivable	86,552	4,458
Capital assets:		
Assets not subject to depreciation	242,248,792	172,090,300
Assets subject to depreciation - Net	232,443,485	248,171,103
Lease receivable - Net of current portion - GASB 87	11,038,242	-
Total noncurrent assets	590,013,716	572,326,758
Total assets	779,960,739	715,442,167
Deferred Outflows of Resources		
Interest rate swaps	5,798,791	12,672,249
Deferred loss on bond refunding	1,137,852	1,260,863
Other deferred costs - Net	36,102	39,712
Deferred pension costs	13,040,387	16,055,085
Deferred OPEB costs	16,968,544	23,358,348
Total deferred outflows of resources	36,981,676	53,386,257

Other Supplemental Information
Statement of Net Position (Continued)
Bradley International Airport Enterprise Fund

June 30, 2022
(with comparative totals for 2021)

	2022	2021
Liabilities		
Current liabilities:		
Accounts payable	$ 34,422,428	$ 30,859,406
Unearned revenue and other	6,792,388	6,850,770
Payables from restricted assets:		
Current portion of revenue bonds payable	6,555,000	8,130,000
Revenue bond interest payable	3,784,472	3,880,852
Total current liabilities	51,554,288	49,721,028
Noncurrent liabilities:		
Net pension liability	60,339,526	69,113,458
Net OPEB liability	58,192,866	80,774,097
Revenue bonds payable and premium - Net of current portion	226,167,353	232,832,440
Interest rate swap	5,798,791	12,672,249
Total noncurrent liabilities	350,498,536	395,392,244
Total liabilities	402,052,824	445,113,272
Deferred Inflows of Resources		
Deferred pension cost reductions	9,221,857	5,078,572
Deferred OPEB cost reductions	28,554,034	12,685,515
Lease deferred inflow - GASB 87	12,884,972	-
Total deferred inflows of resources	50,660,863	17,764,087
Net Position		
Net investment in capital assets	260,704,059	207,660,939
Restricted:		
Capital projects	80,735,607	118,386,236
Debt service	6,972,935	11,214,377
Bond indenture requirements	2,167,881	2,142,077
Unrestricted	13,648,246	(33,452,564)
Total net position	**$ 364,228,728**	**$ 305,951,065**

*2021 column does not include adoption of GASB 87.

Other Supplemental Information
Statement of Revenue, Expenses, and Changes in Net Position
Bradley International Airport Enterprise Fund

Year Ended June 30, 2022
(with comparative totals for 2021)

	2022	2021
Operating Revenue		
Airline revenue:		
Landing fees	$ 17,334,967	$ 11,857,239
Airline terminal rent	9,887,053	9,160,678
Apron and remote aircraft parking	3,276,842	2,995,203
Total airline revenue	30,498,862	24,013,120
Nonairline revenue:		
Rental cars	8,770,658	5,728,525
Terminal concessions	3,714,406	2,632,763
Land rent	7,004,321	6,512,800
Other concessions	4,377,018	1,989,166
Other operating revenue	2,927,125	2,446,214
Auto parking	26,992,465	8,938,970
Lease revenue adjustment - GASB 87	(237,205)	-
Interest revenue - GASB 87	622,560	-
Total nonairline revenue	54,171,348	28,248,438
Total operating revenue	84,670,210	52,261,558
Operating Expenses		
Salaries and related expenses	25,529,353	23,536,284
Administrative and general	25,990,288	19,026,429
Repairs and maintenance	7,904,019	6,864,379
Energy and utilities	5,185,257	5,225,176
Depreciation and amortization	18,294,224	20,666,205
Total operating expenses	82,903,141	75,318,473
Operating Income (Loss)	1,767,069	(23,056,915)
Nonoperating Revenue (Expense)		
Passenger facility charge revenue	11,194,636	6,358,796
Car rental facility charge revenue	9,581,021	5,628,131
Investment income	456,703	125,764
Federal grant revenue	25,240,554	36,784,501
Other nonoperating expenses	(1,306,902)	(340,919)
Bond interest expense	(9,086,634)	(9,511,955)
Airline revenue share expense	(3,243,643)	-
Noncash pension and OPEB actuarial assumption adjustments	1,938,858	(9,046,614)
Total nonoperating revenue	34,774,593	29,997,704
Income - Before capital contributions	36,541,662	6,940,789
Capital Contributions	21,736,001	2,226,148
Change in Net Position	58,277,663	9,166,937
Net Position - Beginning of year	305,951,065	296,784,128
Net Position - End of year	**$ 364,228,728**	**$ 305,951,065**

*2021 column does not include adoption of GASB 87.

Other Supplemental Information
Combining Statement of Net Position
General Aviation Airports Enterprise Fund

June 30, 2022
(with comparative totals for 2021)

	Oxford Airport	Brainard Airport	Groton New London Airport	Danielson Airport	Windham Airport	GA Airport Administration	2022	2021
Assets								
Current assets:								
Cash	$ -	$ -	$ -	$ -	$ -	$ 882,540	$ 882,540	$ 326,055
Short-term investments	-	-	-	-	-	15,619,302	15,619,302	12,716,179
Accounts receivable	182,773	56,066	45,984	1,513	6,487	6,376,936	6,669,759	1,506,596
Lease receivable - GASB 87	-	-	-	-	-	48,986	48,986	-
Due from the State	-	-	-	-	-	860,553	860,553	977,275
Grants receivable	75,436	19,370	229,325	203,142	-	-	527,273	4,608,822
Prepaid expenses and other assets	-	-	1,685	-	-	-	1,685	1,669
Total current assets	258,209	75,436	276,994	204,655	6,487	23,788,317	24,610,098	20,136,596
Noncurrent assets - Capital assets:								
Assets not subject to depreciation	28,792,042	806,247	501,256	198,384	236,789	14,817	30,549,535	32,441,275
Assets subject to depreciation - Net	29,350,162	5,293,891	13,718,222	2,851,214	2,110,571	153,886	53,477,946	51,223,249
Lease receivable - Net of current portion - GASB 87	-	-	-	-	-	318,129	318,129	-
Total noncurrent assets - Capital assets	58,142,204	6,100,138	14,219,478	3,049,598	2,347,360	486,832	84,345,610	83,664,524
Total assets	58,400,413	6,175,574	14,496,472	3,254,253	2,353,847	24,275,149	108,955,708	103,801,120
Deferred Outflows of Resources								
Deferred pension costs	-	-	-	-	-	2,351,805	2,351,805	2,861,085
Deferred OPEB costs	-	-	-	-	-	3,060,238	3,060,238	4,162,560
Total deferred outflows of resources	-	-	-	-	-	5,412,043	5,412,043	7,023,645

Other Supplemental Information
Combining Statement of Net Position (Continued)
General Aviation Airports Enterprise Fund

June 30, 2022
(with comparative totals for 2021)

	Oxford Airport	Brainard Airport	Groton New London Airport	Danielson Airport	Windham Airport	GA Airport Administration	2022	2021
Liabilities								
Current liabilities:								
Accounts payable	$ 191,680	$ 161,471	$ 783,850	$ 70,863	$ 10,144	$ 651,032	$ 1,869,040	$ 4,535,455
Due to interfunds	-	-	-	-	-	7,527	7,527	-
Unearned revenue and other	47,900	17,107	16,593	24,123	6,291	8,745	120,759	157,805
Due to the State	30,951	-	116,498	200,644	-	-	348,093	2,637,910
Total current liabilities	270,531	178,578	916,941	295,630	16,435	667,304	2,345,419	7,331,170
Noncurrent liabilities:								
Net pension liability	-	-	-	-	-	10,882,097	10,882,097	12,316,318
Net OPEB liability	-	-	-	-	-	10,494,951	10,494,951	14,394,295
Total liabilities	270,531	178,578	916,941	295,630	16,435	22,044,352	23,722,467	34,041,783
Deferred Inflows of Resources								
Deferred pension cost reductions	-	-	-	-	-	1,663,142	1,663,142	905,024
Deferred OPEB cost reductions	-	-	-	-	-	5,149,655	5,149,655	2,260,614
Lease deferred inflow - GASB 87	-	-	-	-	-	359,682	359,682	-
Total deferred inflows of resources	-	-	-	-	-	7,172,479	7,172,479	3,165,638
Net Position								
Net investment in capital assets	58,142,204	6,100,138	14,219,478	3,049,598	2,347,360	168,703	84,027,481	83,664,524
Unrestricted	(12,322)	(103,142)	(639,947)	(90,975)	(9,948)	301,658	(554,676)	(10,047,180)
Total net position	**$ 58,129,882**	**$ 5,996,996**	**$ 13,579,531**	**$ 2,958,623**	**$ 2,337,412**	**$ 470,361**	**$ 83,472,805**	**$ 73,617,344**

*2021 column does not include adoption of GASB 87.

Other Supplemental Information
Combining Statement of Revenue, Expenses, and Changes in Net Position
General Aviation Airports Enterprise Fund

Year Ended June 30, 2022
(with comparative totals for 2021)

	Oxford Airport	Brainard Airport	Groton New London Airport	Danielson Airport	Windham Airport	GA Airport Administration	2022	2021
Operating Revenue								
Airline revenue:								
Landing fees	$ 178,374	$ -	$ (214)	$ -	$ -	$ -	$ 178,160	$ 137,844
Airline terminal rent	-	-	10,920	-	-	-	10,920	10,920
Apron and remote aircraft parking	18,720	44,460	20,430	-	20,515	-	104,125	118,185
Total airline revenue	197,094	44,460	31,136	-	20,515	-	293,205	266,949
Nonairline revenue:								
Rental cars	3,557	1,711	144,072	-	-	-	149,340	121,558
Land rent	754,139	477,869	363,035	58,203	81,570	5	1,734,821	1,757,467
Other operating revenue	821,036	83,346	314,398	8,028	20,137	8,560	1,255,505	1,102,093
Lease revenue adjustment - GASB 87	-	-	-	-	-	(10,030)	(10,030)	-
Interest revenue - GASB 87	-	-	-	-	-	17,463	17,463	-
Total nonairline revenue	1,578,732	562,926	821,505	66,231	101,707	15,998	3,147,099	2,981,118
Total operating revenue	1,775,826	607,386	852,641	66,231	122,222	15,998	3,440,304	3,248,067
Operating Expenses								
Salaries and related expenses	822,367	863,235	1,057,324	109,697	115,533	1,717,515	4,685,671	4,076,703
Administrative and general	104,596	80,221	126,134	26,731	38,194	26,295	402,171	464,862
Repairs and maintenance	98,161	198,580	207,810	108,877	191,517	1,988	806,933	682,780
Energy and utilities	64,009	79,394	145,332	10,090	17,431	948	317,204	290,756
Depreciation and amortization	2,071,603	302,787	1,538,722	150,846	305,839	59,452	4,429,249	4,334,920
Total operating expenses	3,160,736	1,524,217	3,075,322	406,241	668,514	1,806,198	10,641,228	9,850,021
Operating Loss	(1,384,910)	(916,831)	(2,222,681)	(340,010)	(546,292)	(1,790,200)	(7,200,924)	(6,601,954)
Nonoperating Revenue (Expense)								
Investment income	-	-	-	-	-	47,222	47,222	12,821
Federal grant revenue	74,201	66,162	93,162	32,000	32,000	-	297,525	103,961
Aviation fuel tax revenue	-	-	-	-	-	10,892,741	10,892,741	3,273,127
Other nonoperating expenses	(1,502)	(18,308)	(533)	-	(1,321)	(800,783)	(822,447)	(1,912,718)
Noncash pension and OPEB actuarial assumption adjustments	-	-	-	-	-	74,805	74,805	(1,711,177)
Total nonoperating revenue (expense)	72,699	47,854	92,629	32,000	30,679	10,213,985	10,489,846	(233,986)
(Loss) Income - Before capital contributions	(1,312,211)	(868,977)	(2,130,052)	(308,010)	(515,613)	8,423,785	3,288,922	(6,835,940)
Capital Contributions	299,833	227,095	2,602,185	636,504	-	2,800,922	6,566,539	2,852,482
Transfer (Out) In	(577,113)	576,089	867,024	139,891	186,239	(1,192,130)	-	-
Change in Net Position	(1,589,491)	(65,793)	1,339,157	468,385	(329,374)	10,032,577	9,855,461	(3,983,458)
Net Position (Deficit) - Beginning of year	59,719,373	6,062,789	12,240,374	2,490,238	2,666,786	(9,562,216)	73,617,344	77,600,802
Net Position - End of year	**$ 58,129,882**	**$ 5,996,996**	**$ 13,579,531**	**$ 2,958,623**	**$ 2,337,412**	**$ 470,361**	**$ 83,472,805**	**$ 73,617,344**

*2021 column does not include adoption of GASB 87.

CONNECTICUT AIRPORT AUTHORITY
SCHEDULE OF INSURANCE COVERAGE - BRADLEY INTERNATIONAL AIRPORT
30-Jun-22
(*Unaudited*)

Type of Insurance	Property Covered	Amount of Coverage
Comprehensive Crime Policy	Employee Theft; ERISA; Forgery or Alteration, Computer Crime - Fraud, Funds Transfer Fraud	$2,000,000; $25,000 claims expense
	computer crime, funds transfer, claim expense	$25,000 claims expense
		$15,000 deductible
		$0 for ERISA and claim expense
Kidnap & Ransom	Ransom monies, in transits loss of ransom; judgments; settlements; defense costs; All other expenses	$5,000,000
	Consultant & Advisor costs	unlimited
	Personal accident per insured person	$250,000
	Personal accident per event aggregate	$2,500,000
Pers Acc'd Benefits per Ins person :	Death, loss of limb, loss of sight, permanent total disablement	100%
	Loss of extremity	50%
Other coverage :	Child abduction legal liability per abduction	$1,000,000
	Judgment, settlement, defense costs per abduction	$1,000,000
	Rest & Rehab sublimit per abduction	$25,000
Evacuation & repatriation costs:	No restricted countries	
	Evacuation & Repatriation per insured person; return or restoration costs per insured person	$25,000
	Salary continuation Indemnity period	3 Month(s)
	Personal effects	$10,000
	Subject to each evacuation & repatriation	$50,000.00
	Threat assessment extension	90 days $250,000 per threat assessment
	Disappearance extension	$250,000 per disappearance event
Express Kidnapping Extension:	Ransom & Expenses per insured event	$25,000
	Consultant Expenses per insured event	unlimited
	Personal Accident per insured person	$100,000
	Personal Accident per insured event	$500,000
	Hostage Extension per insured event	$5,000,000
	Business Interruption Extension per insured event	$5,000,000
	Business Interruption Extension Cyber Extortion	$1,000,000 per insured event/per annual aggregate
Workplace Violence Extension:	Per Workplace Violence event; annual aggregate	$5,000,000
	Indemnity Period	90 days
	Personal Accident per insured event/ per aggregate	$5,000,000
Fiduciary	Limit of Liability	$1,000,000 - $0 deductible
	Settlement program limit , HIPAA, 502 ©	$100,000 Limit
	Penalties limit	$100,000 Limit
	Prior and Pending Proceeding/Continuity Date 7/1/2013	
Paramedic Professional	Professional Liability Policy Aggregate	$3,000,000
	Each occurrence limit	$1,000,000
	Aggregate limit	$3,000,000
	Abuse Molestation limits per occ/aggregate	$1,000,000
		$ 0 deductible
Police Professional	Maximum limit of liability	$1,000,000 each claim/claimant
	Retroactive date 7/1/2013	$1,000,000 aggregate limit
		$25,000 deductible
Public Official	Maximum limit of liability/aggregate	$10,000,000 each claim
	Crisis Management Fund	$25,000
	A.1	$0 deductible
	A.2; B; C	$75,000 deductible
Pollution	Pollution Legal Liability (Each Pollution Condition Limit)	$20,000,000 each pollution condition limit
	On-site and off site clean up costs	$20,000,000 each pollution condition limit
	Contracting Services Pollution Liability	$2,000,000 each pollution condition limit
	Non owned Disposal site	$20,000,000 each pollution condition limit
	In bound and out bound contingent transpiration	$20,000,000 each pollution condition limit
	On site cleanup costs for biohazards	$50,000
	Business interruption or Contingent Bus	$5,000,000
	Policy Aggregate Limit	$22,000,000
	Pollution legal liability	$20,000,000 coverage aggregate limit
	On-site and off site clean up costs	$20,000,000 coverage aggregate limit
	Contracting Services Pollution Liability	$2,000,000 coverage aggregate limit
	Non owned Disposal site	$20,000,000 coverage aggregate limit
	In bound and out bound contingent transpiration	$20,000,000 coverage aggregate limit
	On site cleanup costs for biohazards	$100,000
	Business interruption or Contingent Bus	$5,000,000
	Pollution legal liability	Retention $50,000
	On-site and off site clean up costs	Retention $50,000
	Contracting Services Pollution Liability	Retention $50,000
	Non owned Disposal site	Retention $50,000
	In bound and out bound contingent transpiration	Retention $50,000
	Business interruption or Contingent Bus	3 days
	On site cleanup cost for biological hazards	$2,500
	Includes Terrorism	Terrorism Premium of $14,163 (Included in Premium Above)
Automobile Policy	Comprehensive and Collision coverage	
	Liability Limit	$1,000,000 Liability limit
	Uninsured Motorists,Underinsured Motorists	$1,000,000.00
	Medical Payments	$5,000.00
Deductibles:	Physical Damage - Collision,Comprehensive	$1,000 deductible
Equipment	Owned scheduled equipment (as per schedule)	$25,378,619
	Misc unscheduled tools & equip ($500 max on one item)	$100,000
	Lease rented or borrowed from others	$500,000
		$100,000 deductible - Groton only (flood only)
		$25,000 deductible - Hartford only (flood only)
		$2,500 deductible all other locations and perils
Property	Total insured Values	$1,186,294,381
	Policy Limit Building and Personal Property	$500,000,000
	Business Income (rental value incl/ord payroll excl)	$28,500,479
	Extra Expense	$10,000,000
	Earthquake (Excludes AL, HI, PR, CA, High and Moderate areas)	$100,000,000
	Flood Zone A	$10,000,000
	Flood at all other Insured Premises	$100,000,000
	Utility Services Combined Dr Damage & Time Element including Boiler and Machinery	$25,000,000
	Airport Runways, Aprons and Taxiways	Included
	Ordinance or Law Undamage Portion	Policy limit
	Ordinance or Law Demolition	$50,000,000

	Ordinance or Law Increased Cost of Construction	$50,000,000
Deductibles:	Earthquake, Volcanic Eruption, Landslide and Mine Subsidence in any one occurrence	$100,000 any one occurrence
	Flood	$100,000 any one occurrence
	Windstorm - 155 Tower Ave., Groton, CT 06340	$100,000 any one occurrence
	Windstorm - Occurring At All Other Locations, In Any One Occurrence	$100,000 any one occurrence
	Windstorm other locations (high hazard 5%)	$250,000 occurrence
	Boiler and machinery any one accident, utility serv	$100,000 deductible
	Soft costs & Utility services	24 hours
	Any other covered loss	$100,000 deductible
Equipment Breakdown (Boiler and Machinery)	Limit per Breakdown	$250,000,000.00
	Electronic Data or Media	$10,000,000.00
	Errors and Omissions	$1,000,000.00
	Expediting Expense	$1,000,000.00
	Extended Period of Restoration	60 Days
	Ordinance or Law - undamaged property/demolition/increased cost of construction	$5,000,000.00
Deductible	Covered Equipment	$100,000.00
	Utility Interruption-Spoilage, Utility Interruption-Time Element	24 Hours
	Power Generating Equipment	$100,000 PD / 7 Days (168 Hours) BI / EE
Airport Liability	All airports - Each Occurrence Limit	$200,000,000
	Damage to premise rented to you	$1,000,000 limit
	Personal & Advertising injury	$50,000,000 aggregate limit
	Products completed operations	$200,000,000 aggregate limit
	Hangar Keepers	$200,000,000 each aircraft limit/each loss limit
	Non owned Aircraft Liability(20 Seats); Host Liquor Liability	$25,000,000
	Non-Owned Airraft Physical Damage, subject to $5,000 Dedutible (aircraft with 20 seats or less)	$250,000
	War (any one occurrence and in the aggregate)	$200,000,000 any one occurrence and in the aggregate
	Excess auto liability, Excess Employers Liability	$25,000,000 xs $1,000,000
	Garagekeepers Legal Liability	$200,000,000
	National Response Plan	$50,000,000 sublimit
	Catastrophe Management	$250,000 annual limit
	National response Plan	$50,000,000 sublimit
	Employee Benefits Liability	$1,000,000
	Deductible:	$10,000 deductible ea occurrence/aggregate
		$500 deductible employee benefit liability
Excess Flood (Groton only)	75 Tower Ave	$500,000 building and contents $1,250 deductible
	165 Tower Ave	$500,000 building and contents $1,250 deductible
	155 Tower Ave	$500,000 building and contents $1,250 deductible
Network Security	Maximum Single Limit/Maximum aggregate	$2,000,000
First Party Agreements	Breach Response	
	Privacy Breach Notification,Computer and Legal Experts (Forensics),Cyber Extortion,Data Restoration,Public Relations	$2,000,000 - deductible $15,000
	Betterment	$100,000 - deductible $0
	Cyber Crime	
	Computer Fraud, Funds Transfer Fraud	$2,000,000 - deductible $15,000
	Social Engineering Fraud, Telecommunications Fraud	$100,000 - deductible $15,000
	Business Loss	
	Dependent Business Interruption, System Failure	$1,000,000 - 8 hours
	Dependent Business Interruption - System Failure,Outsource Provider,Outsource Provider System Failure	$100,000 - 8 hours
	Reputation Harm	$2,000,000 - deductible $15,000
Third Party Liability Agreements	Privacy & Security,Payment Card Costs, Media Liability, Regulatory Proceedings each claim/aggregate	$2,000,000 - deductible $15,000
Retroactive Dates:	None	Full Prior Acts
Pending or Prior Preceding Dates:		7/1/2021
International Property	Total insured Value - real, personal and time element*	$150,000
	*Subject to Any Applicable Sub-Limits, Deductibles, and Per Location Values Shown on the Policy	
	Cargo Coverage	$50,000
	Government Activity Endorsement - Schedule Below:	$25,000
	Personal Property While at Exhibitions	
	Personal Property in the Custody of Any One Outside Salesperson	
	Salesperson's Samples and Trade Fair Exhibition Materials	
	Deductible	$1,000 per occurrence
		$5,000 earth movement/flood/named windstorm
		$2,500 laptop per occurrence
International Gen Liability	General Aggregate	$2,000,000
	Products and Completed Operations	Not Covered
	Personal and Advertising Injury	$1,000,000
	Each Occurrence	$1,000,000
	Damage to premises rent to you	$1,000,000
	Medical Payments	$25,000
	Employee Benefits Liability - Claims Made/aggregate	$1,000,000
	Care, custody or control extension	$25,000 Property damage each occurrence
		$50,000 Aggregate
		$1,000 deductible each occurrence
	Limited Electronic Data Loss Cov A limit ea occurance	$1,000,000
	Limited Electronic Data Loss Cov B any one person/org	$1,000,000
	Limited Electronic Data Loss Aggregate limit	$1,000,000
International Auto	Each Accident	$1,000,000
	Hired auto physical damage - any one accident	$50,000
	Medical payments - each accident	$50,000
International Workers Comp	Benefits for Voluntary Comp - North Amer. - State of Hire	Third Country Nationals; Local Nationals not covered
	Policy Limits Medical Assist Serv	$1,000,000
	Employers Liability by accident/disease	$1,000,000 Each Accident / Policy limit/each employee
	Repatriation Expense & Emerg relocation	$5,000 per employee per insured event
		$10,000 policy limit regardless of # of insured events
	War Exclusion - See Policy for Schedule of Excluded Countries and Jurisdictions	
Accidental Death & Dismember	Coverage A: Accidental Death & Dismemberment: Principal Sum	$250,000
	Coverage A Spouse	Not Covered
	Coverage A Child	Not Covered
	Coverage B: Medical Expense: Principal Sum	$25,000
	Coverage B Spouce	Not Covered
	Coverage B Child	Not Covered
	Aggregate Limit of Liability	$1,500,000
	For Education Serv Aggregate limit of Liability	$2,000,000