

**CONNECTICUT AIRPORT AUTHORITY
(A COMPONENT UNIT OF THE STATE OF CONNECTICUT)**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2024



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INDEPENDENT AUDITORS' REPORT

Board of Directors
Connecticut Airport Authority
Hartford, Connecticut

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and each major fund of the Connecticut Airport Authority (a component unit of the State of Connecticut), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Connecticut Airport Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and each major fund of the Connecticut Airport Authority, as of June 30, 2024, and the changes in financial position, and, its cash flows thereof 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Connecticut Airport Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Connecticut Airport Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 Connecticut Airport 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 Connecticut Airport 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 Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the pension and OPEB schedules, as described 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 who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit for the year ended June 30, 2024 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Connecticut Airport Authority's basic financial statements. The statement of net position for Bradley Airport, the statement of revenues, expenses and changes in net position for Bradley Airport, the combining statement of net position and the combining statement of revenues, expenses and changes in net position for General Aviation, as identified in the table of contents, for the year ended June 30, 2024 is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2024 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 GAAS. In our opinion, the statement of net position for Bradley Airport, the statement of revenues, expenses and changes in net position for Bradley Airport, the combining statement of net position and the combining statement of revenues, expenses and changes in net position for General Aviation, as identified in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2024.

The Connecticut Airport Authority's basic financial statements for the year ended June 30, 2023 (not presented herein), were audited by other auditors whose report thereon dated October 10, 2023, expressed unmodified opinions on the respective financial statements of the business-type activities and each major fund. The report of the other auditors dated October 10, 2023, stated that the statement of net position for Bradley Airport, the statement of revenues, expenses and changes in net position for Bradley Airport, the combining statement of net position and the combining statement of revenues, expenses and changes in net position for General Aviation, as identified in the table of contents, was subjected to the auditing procedures applied in the audit of the 2023 basic financial statements and certain additional auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or the those basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in their opinion, was fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2023.

Board of Directors
Connecticut Airport Authority

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 18, 2024, on our consideration of the Connecticut Airport Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Connecticut Airport 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 Connecticut Airport Authority's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

West Hartford, Connecticut
October 18, 2024

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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, 2024. 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).

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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.

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.

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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.

Bradley continued to outperform operating income budget expectations in fiscal year 2024. Operating revenues (excluding GASB 87 Lease accounting adjustments) were 6.0% over budget primarily due to increases in non-airline revenues, such as parking, rental cars and concessions with a minimal increase in aircraft parking revenue. 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 fiscal year 2023, total operating revenue increased 12.8% to \$116,461, while total operating expenses before depreciation experienced less of an increase of 10.2% to \$82,206.

CAA management continues to be judicious with managing its operations and expenses. This approach has yielded budget surpluses in nearly all major operating expense categories during fiscal year 2024. Operating income before depreciation increased 19.4% to \$34,255 compared to prior year. Despite increases in both CFC and PFC revenue collections of \$3,006, interest income of \$2,662, and favorable actuarial pension and Other Post-Employment Benefits (OPEB) gains, there was a reduction of \$3,446 or 14.1% in overall non-operating revenue due to a reduction in grant revenue and an increased airline revenue sharing expense.

An increase in passenger traffic was again realized in fiscal year 2024. In fiscal year 2024, enplanements increased 4.3% over the fiscal year 2023 enplanements and 14.1% over fiscal year 2022 enplanements. The positive trends in passenger activity are a result of the Authority's efforts to grow new airline routes as well as from an overall improvement in the economy.

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 17.0%, \$67,978 from FY23 to fiscal year 2024. Total assets increased by \$71,216, or 7.9%, and total liabilities increased by \$11,431, or 3.2%. Two larger projects contributing to Bradley's increase in net investment in capital assets are the Inline Baggage Screen Building and the Vertical Circulation Project to increase terminal space, which will reduce passenger bottlenecks and allow for increased passenger flow.

Bradley generated debt service coverage of 639.7% for its General Airport Revenue Bonds, which is well above the 125.0% 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.

Table 1 also illustrates Bradley's assets (including deferred outflows of resources) exceeded its liabilities (including deferred inflows of resources) by \$468,820 as of June 30, 2024. This net position includes \$298,609 invested in capital assets net of related debt (an increase of 14.6%), assets restricted for PFC, CFC and bond indenture purposes of \$121,452 (a decrease of 14.1%) and unrestricted assets of \$48,759 (an increase of >100%) from fiscal year 2023.

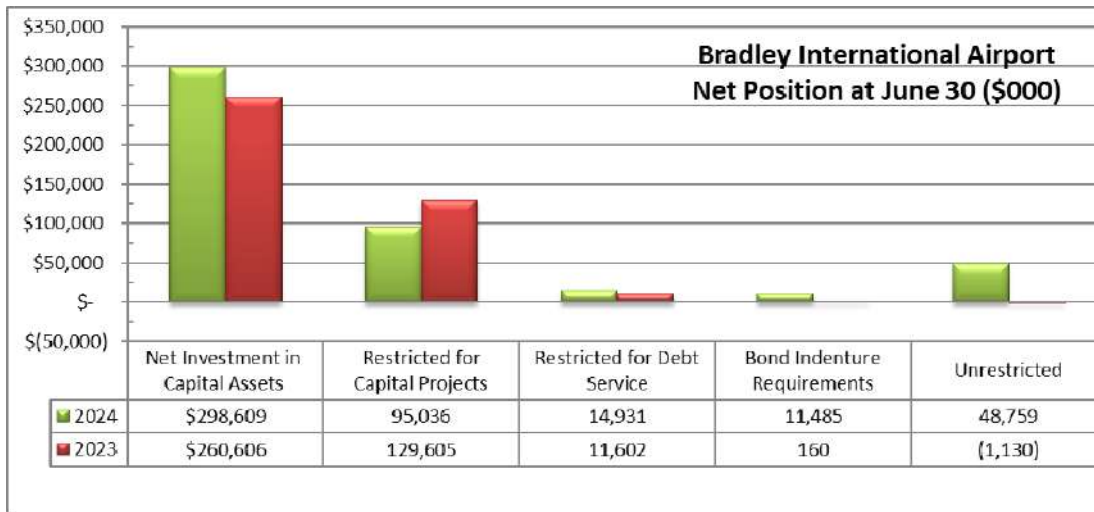
**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

As of June 30, 2024, total general airport revenue bonds payable and CFC revenue bonds payable (excluding current maturities and bond premium) of \$203,665 equates to \$63.73 per enplaned passenger based on fiscal year 2024 enplaned passengers of 3,196, an 8.9% decrease from FY 2023 bonds payable of \$69.97 per enplaned passenger. This decrease is attributable to the continued increase in passenger activity as well as a reduction in outstanding debt.

**Table 1
Statement of Net Position
June 30, 2024 and 2023
(In thousands)**

	2024	2023	2024 - 2023	
			Change (\$)	Change (%)
ASSETS				
Current and Other Assets	\$ 321,476	\$ 314,322	\$ 7,154	2.3%
Net Capital Assets	538,775	469,808	68,967	14.7%
GASB 87 - Long-term Lease Receivable	114,567	119,472	(4,906)	-4.1%
TOTAL ASSETS	974,818	903,602	71,216	7.9%
DEFERRED OUTFLOWS OF RESOURCES				
Other Deferred Costs - Net	29	32	(4)	-11.1%
Deferred Pension Outflows	10,958	15,269	(4,311)	-28.2%
Deferred OPEB Outflows	12,046	13,579	(1,533)	-11.3%
TOTAL DEFERRED OUTFLOWS OF RESOURCES	23,033	28,880	(5,847)	-20.2%
LIABILITIES				
Long-term Debt Outstanding	206,417	217,237	(10,820)	-5.0%
Other Liabilities	78,800	49,406	29,394	59.5%
Net Pension Liability	37,248	47,009	(9,761)	-20.8%
Net OPEB Liability	50,718	48,099	2,619	5.4%
TOTAL LIABILITIES	373,183	361,751	11,431	3.2%
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Cost Reductions	16,943	16,245	698	4.3%
Deferred GASB 87 Leases	113,417	121,068	(7,651)	-6.3%
Deferred OPEB Cost Reductions	25,487	32,576	(7,088)	-21.8%
TOTAL DEFERRED INFLOWS OF RESOURCES	155,848	169,889	(14,041)	-9.0%
NET POSITION				
Net Investments in Capital Assets	298,609	260,606	38,004	14.6%
Restricted	121,452	141,366	(19,915)	-14.1%
Unrestricted	48,759	(1,130)	49,889	> 100.0%
TOTAL NET POSITION	\$ 468,820	\$ 400,841	\$ 67,978	17.0%
Net Position at June 30				
	2024	2023	2024 - 2023	
			Change (\$)	Change (%)
Net Investment in Capital Assets	\$ 298,609	\$ 260,606	\$ 38,004	14.6%
Restricted for Capital Projects	95,036	129,605	(34,569)	-26.7%
Restricted for Debt Service	14,931	11,602	3,329	28.7%
Bond Indenture Requirements	11,485	160	11,325	> 100.0%
Unrestricted	48,759	(1,130)	49,889	> 100.0%
Total Net Position	\$ 468,820	\$ 400,841	\$ 67,978	17.0%

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**



Changes in Net Position

The increase in net position shown on Table 1 was generated from the activity shown on Table 2, Statement of Revenue, Expenses, and Changes in Net Position. Changes in net position represent the fiscal year financial results of Bradley. The change in net position for fiscal year 2024 is an increase of \$67,978 compared to a \$36,613 increase experienced in fiscal year 2023. Fiscal year 2024 total net position increased 17.0% compared to fiscal year 2023.

Bradley experienced another year of net income before capital contributions in fiscal year 2024. Operating revenues increased by \$13,196, or 12.8%, attributable to strong results across most core revenue streams, including landing fees, airline terminal rent and parking, terminal concessions and auto parking. Modest growth in rental car revenue and other concessions contributed as well. Operating expenses before depreciation increased \$7,634, or 10.2%, compared to fiscal year 2023, largely due to higher personnel and administrative costs, repairs and maintenance and utilities. Depreciation and amortization decreased \$676, or 2.4%, from fiscal year 2023 contributing to an operating income of \$7,327.

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

**Table 2
Statement of Revenue, Expenses, and Changes in Net Position
For the Year Ended June 30, 2024
(In Thousands)**

	2024	2023	2024 - 2023	
			Change (\$)	Change (%)
OPERATING REVENUES				
Landing fees	\$ 24,259	\$ 21,726	\$ 2,532	11.7%
Airline terminal rent	12,186	10,063	2,123	21.1%
Apron and remote aircraft parking	5,607	3,787	1,820	48.1%
Rental cars	10,183	9,811	372	3.8%
Terminal concessions	6,319	2,330	3,988	171.2%
Land rent	7,330	7,251	79	1.1%
Other concessions	5,869	5,454	415	7.6%
Other operating revenue	4,099	3,395	705	20.8%
Auto parking	38,288	35,765	2,523	7.1%
GASB 87 - lease revenue adjustment	(3,712)	(2,405)	(1,307)	54.3%
GASB 87 - interest revenue	6,033	6,088	(55)	-0.9%
TOTAL OPERATING REVENUES	116,461	103,265	13,196	12.8%
OPERATING EXPENSES				
Salaries and related expenses	28,651	26,864	1,787	6.7%
Administrative and general	34,706	32,121	2,585	8.0%
Repairs and maintenance	10,575	9,131	1,444	15.8%
Utilities	8,275	6,455	1,819	28.2%
OPERATING EXPENSES BEFORE DEPRECIATION	82,206	74,571	7,634	10.2%
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	34,255	28,693	5,562	19.4%
Depreciation and amortization	26,928	27,604	(676)	-2.4%
OPERATING INCOME (LOSS)	7,327	1,089	6,238	572.7%
NONOPERATING REVENUES (EXPENSES)				
Passenger Facility Charge revenue	16,303	14,996	1,306	8.7%
Car Rental Facility Charge revenue	13,916	12,216	1,700	13.9%
Investment income	9,634	6,971	2,662	38.2%
Non-op revenue - grant revenue	192	3,014	(2,821)	-93.6%
Other nonoperating revenues (expenses)	(6,752)	(3,544)	(3,208)	90.5%
Bond interest expense	(8,398)	(11,370)	2,972	-26.1%
Airline revenue share expense	(11,522)	(8,995)	(2,527)	28.1%
Actuarial pension gain	4,752	8,536	(3,784)	-44.3%
Actuarial OPEB gain	2,937	2,683	254	9.5%
NET NONOPERATING REVENUE	21,060	24,506	(3,446)	-14.1%
INCOME BEFORE CAPITAL CONTRIBUTIONS	28,387	25,595	2,792	10.9%
CAPITAL CONTRIBUTIONS	39,591	11,017	28,573	259.3%
Change in Net Position	67,978	36,613	31,366	85.7%
Total Net Position, Beginning of Year	400,841	364,229	36,613	10.1%
Total Net Position, End of Year	\$ 468,820	\$ 400,841	\$ 67,978	17.0%

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

BRADLEY INCOME

As indicated on Table 2, Bradley generated an operating income of \$7,327, net nonoperating revenues of \$21,060 and \$39,591 of capital contributions. The change in net position for fiscal year 2024 was \$67,978 as compared to the prior year change in net position of \$36,613. The operating and nonoperating revenues and expenditures associated with this income are addressed below.

Operating Revenues

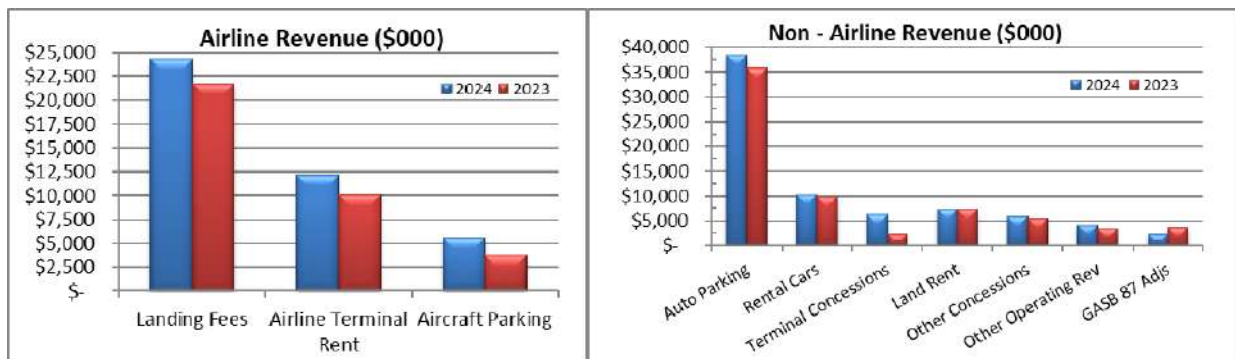
Operating revenues for fiscal year 2024 totaled \$116,461, an increase of \$13,196, or 12.8%, from fiscal year 2023. Operating revenues are split between airline and non-airline sources. Airline revenues were \$42,052 or 36.1% of total operating revenue, and non-airline revenues, inclusive of GASB 87-related adjustments, were \$74,409, or 63.9% of total operating revenue as shown at left and in greater detail below.



Effective July 1, 2021, the CAA had adopted Governmental Accounting Standards Board Statement No. 87, *Leases* (GASB 87). GASB 87 established 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 \$3,712 deduction to lease revenue offset by \$6,033 of interest revenue. See Note 1 (Significant Accounting Policies) and Note 8 (Lease Accounting –

GASB 87) of the Notes to Financial Statements for more information regarding GASB 87.

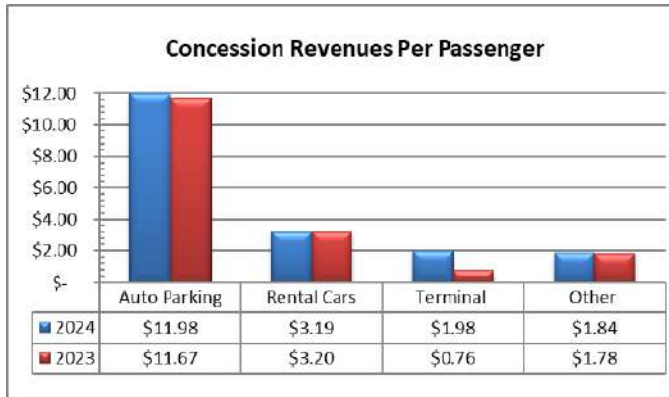
Airline revenues increased by \$6,475, or 18.2%, from fiscal year 2023 to fiscal year 2024. The airlines pay rates and charges based on budgeted operating expenditures and debt service allocated to airline cost centers including the landing area, terminal building and aircraft parking aprons. The fiscal year 2024 operating expense budget of \$89,355 (excluding depreciation and amortization) reflected an 8.4% increase in operating expenses over the fiscal year 2023 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 2024 operating expenditures were under budget but with the support of non-airline revenue, total operating revenues were 8.2% over budget.



**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Deducting cargo airline landing fees of \$6,165 and airline net revenue share of \$11,522 from total airline revenue of \$42,052 results in effective passenger airline revenue of \$24,365. This equates to a fiscal year 2024 Cost per Enplaned Passenger (CPE) of \$7.62 based on fiscal year 2024 enplaned passengers of 3,196, a 15.3% increase from the fiscal year 2023 CPE of \$6.61.

Total non-airline revenues increased by \$6,721, or 9.9%, from fiscal year 2023. 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 \$60,659. The largest source of concession revenue is vehicle parking operations which totaled \$38,288.



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 10.8% higher than budget (excluding GASB 87 lease revenue adjustments and GASB 87 interest revenue) stemming from passenger activity-based revenues (i.e., concession, parking, and rental car revenue).

Total concession revenue of \$60,659 equates to \$18.99 per enplaned passenger based on fiscal year 2024 enplaned passengers of 3,196, a 9.0% increase from fiscal year 2023 concession revenue per enplaned passenger of \$17.41. The division of revenues per passenger among the various concessions is shown above.

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

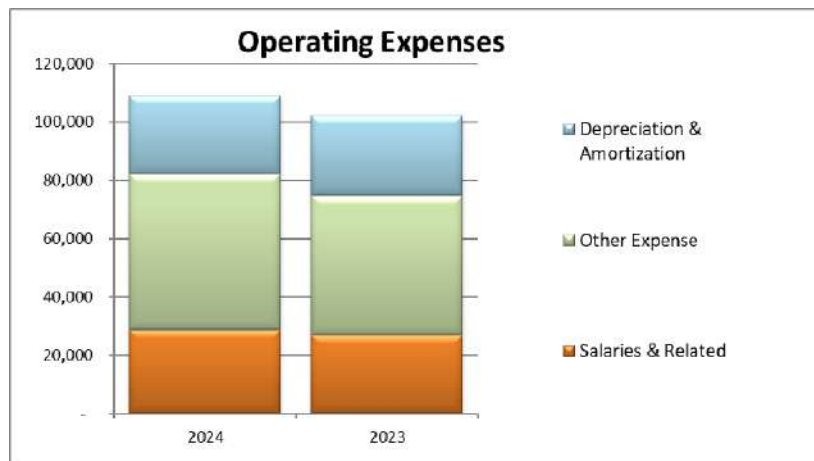
Operating Expenses

Operating expenses in fiscal year 2024 totaled \$109,134, an increase of \$6,958 or 6.8% from fiscal year 2023. 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 2024 and fiscal year 2023 operating expenses is shown in Table 3.

As indicated in Table 3, there are increases in salaries & related fringe expenses, security, administrative & general costs, repairs & maintenance, and utilities costs which result in a \$7,634 increase in operating expenses before depreciation from fiscal year 2023. Depreciation and amortization decreased by \$676, or 2.4%, from fiscal year 2023.

**TABLE 3
OPERATING EXPENSES
June 30, 2024 and 2023
(In thousands)**

	2024	2023	2024 - 2023	
			Change (\$)	Change (%)
Salaries & Related				
Salaries	\$ 13,648	\$ 12,453	\$ 1,195	9.6%
Overtime	872	764	107	14.0%
Other Payroll	500	436	64	14.7%
Fringe Benefit	13,631	13,211	421	3.2%
Salaries & Related	28,651	26,864	1,787	6.7%
Other Expense				
Payment In Lieu of Tax	4,679	4,679	(0)	0.0%
Security	10,053	9,645	407	4.2%
Administrative & General Costs	19,974	17,797	2,177	12.2%
Repairs and Maintenance	10,575	9,131	1,444	15.8%
Utilities	8,275	6,455	1,819	28.2%
Other Expense	53,555	47,707	5,847	12.3%
Expenses Before Depreciation	82,206	74,571	7,634	10.2%
Depreciation & Amortization	26,928	27,604	(676)	-2.4%
Total Operating Expenses	\$ 109,134	\$ 102,176	\$ 6,958	6.8%



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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, 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 2024, Bradley collected total PFCs (excluding PFC interest) of \$13,022, an increase of 2.4% from fiscal year 2023. 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. In July 2022, the ground transportation center (including the consolidated rental car facility) opened for rental car and public parking operations. CFC collections commenced December 2009 and revenues for fiscal year 2024 totaled \$12,146 (excluding interest), an increase of 8.8% from fiscal year 2023. The current Airline Operating Agreement and Terminal Building Lease with the signatory air carriers 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 FY24, the airlines will share in \$11,522 which is reflected as a nonoperating expense.

Investment income from all accounts totaled \$14,684, an increase of 42.4% from fiscal year 2023 investment income of \$10,311. 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. Revenue bond interest expense for fiscal year 2024 totals \$8,398, a decrease of 26.1% from fiscal year 2023 which is due to being a full year removed from the termination of Bradley's interest rate swaps (see Footnote 6 for further detail on debt). Non-operating other expenses for fiscal year 2024 total \$6,752, which is a 90.5% increase from fiscal year 2023. Other non-operating expenses are predominantly reflective of capital improvement project costs that must be expensed versus capitalized as an asset.

In FY 2024, the airport realized a combined \$7,688 actuarial pension and OPEB gain, which is \$3,530 less than fiscal year 2023's gain of \$11,218. Although positive, this \$3,530 reduction from fiscal year 2023 contributed to the overall reduction in nonoperating revenue. Net nonoperating revenues for fiscal year 2024 were \$21,060, a decrease of 14.1% from fiscal year 2023 nonoperating revenues of \$24,506. Nonoperating grant revenues decreased from \$3,014 in fiscal year 2023 to \$192 in fiscal year 2024. Net income before capital contributions for fiscal year 2024 is \$28,387, which is a 10.9% increase from fiscal year 2023 total of \$25,595. Overall, net income along with capital contributions of \$39,591 increased net position for the airport by \$67,978.

**CONNECTICUT AIRPORT AUTHORITY
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CAPITAL CONTRIBUTIONS

Total fiscal year 2024 capital contributions equaled \$39,591, an increase of \$28,574 from fiscal year 2023 capital contributions of \$11,017. Under the Airport Improvement Program (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. Reduced contribution to taxiways was the driving factor for less AIP funding in fiscal year 2024. Capital contributions related to the Inline Baggage Screen Building stem from multiple funding sources, the total of which is significantly higher in FY24 as the project progresses through construction. The remainder of capital contributions were funded by the airport's AIP. AIP-funded projects and other capital contributions are summarized below.

Capital Contributions (\$000)	2024	2023	2024 - 2023	
			Change (\$)	Change (%)
Terminal Improvements	\$ 12,480	\$ -	\$ 12,480	100.0%
Taxiways	505	9,169	(8,664)	-94.5%
Obstruction Removal	47	700	(653)	-93.2%
Airfield Signage	13	1,066	(1,053)	-98.8%
Wildlife Studies	6	11	(5)	-43.4%
Total AIP	13,052	10,946	2,106	19.2%
Inline Baggage Screen Building	26,539	71	26,468	37278.5%
Total Other	26,539	71	26,468	37278.5%
Total Capital Contributions	\$ 39,591	\$ 11,017	\$ 28,574	259.4%

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
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BUDGET TO ACTUAL PERFORMANCE

Bradley's annual operating budget for fiscal year 2024 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, 2022. 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 2024 is shown in Table 4.

Total operating revenues were 8.2% over budget. Fiscal year 2024 airline rates and charges are initially set based on the fiscal year 2024 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 substantially under budget, there was a \$523 true-up to airline operating revenues. Adjusted airline revenue was down \$548, or 1.3%, below budget. Non-airline revenues exceeded budget expectations by \$7,017, or 10.8% primarily due to auto parking and terminal and other concessions revenue. PFC revenue and related interest was \$3,226 or 24.7% over budget. CFC revenue and related interest was also over budget by \$3,123, or 28.9%. Total operating expenses before depreciation were \$7,149, 8.0% under budget with surpluses realized in almost all categories of expenses.

**Table 4
FY 2024 Budget to Actual Performance (\$000)**

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	
			<u>Greater (Less) Than Budget (\$000)</u>	<u>Percent</u>
Airline Revenue	\$ 42,600	\$ 42,052	\$ (548)	-1.3%
Non-Airline Revenue	65,071	72,088	7,017	10.8%
GASB 87 Adjs	-	2,321	2,321	100.0%
Total Operating Revenue	\$ 107,671	\$ 116,461	\$ 8,790	8.2%
Passenger Facility Charges & PFC Interest	13,077	16,303	3,226	24.7%
Car Rental Facility Charge Revenue & CFC Interest	10,792	13,916	3,123	28.9%
Operating & Maintenance Expenses before Depreciation	\$ 89,355	\$ 82,206	\$ (7,149)	-8.0%

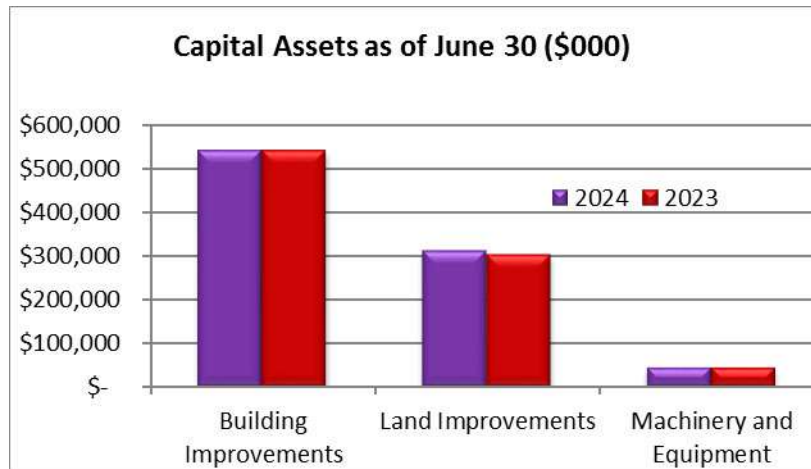
**CONNECTICUT AIRPORT AUTHORITY
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CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Bradley's gross capital assets increased \$95,232 for the year ended June 30, 2024. The large increase in Construction in Progress reflects the ongoing work on the Inline Baggage Screen Building. Changes in detailed capital asset categories are summarized in Table 5 below.

Table 5			
Capital Assets as of June 30 (\$000)			
	2024	2023	2024 - 2023 Additions
Building Improvements	\$ 541,664	\$ 541,665	\$ (1)
Land Improvements	310,305	303,296	7,009
Machinery and Equipment	43,519	43,553	(33)
Total Depreciable	895,489	888,514	6,974
Land	3,652	3,652	-
Construction in Progress	106,526	18,269	88,258
Total Non - Depreciable	110,178	21,920	88,258
Total	\$ 1,005,667	\$ 910,435	\$ 95,232



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Debt

On March 31st, 2023, Bradley International Airport Revenue Refunding Bonds Series 2011A and 2011B were fully redeemed and retired. On March 31st, 2023 the Authority issued Connecticut Airport Authority Airport Revenue Bonds, Series 2023 (AMT) in the original principal amount of \$72,095. The proceeds of the Series 2023 Bond issuance were utilized to fund the full redemption of the 2011A and 2011B Bonds. At year-end, Bradley has \$65,115 in General Airport Revenue Bonds (GARB) outstanding versus \$72,095 in fiscal year 2023, a decrease of \$6,980, or 9.7%. Refer to Note 6 in the accompanying financial statements for additional discussion around the redemption.

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, 2024, Bradley has \$149,260 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	2024	2023	2024 - 2023 Change
Series 2023	\$ 65,115	\$ 72,095	\$ (6,980)
GARB Principal Outstanding*	<u>65,115</u>	<u>72,095</u>	<u>(6,980)</u>
CFC Series 2019A	35,410	35,410	-
CFC Series 2019B	113,850	115,690	(1,840)
Other Debt Principal Outstanding**	<u>149,260</u>	<u>151,100</u>	<u>(1,840)</u>
Total Principal Outstanding	<u>\$ 214,375</u>	<u>\$ 223,195</u>	<u>\$ (8,820)</u>

* Less current maturities of \$7,215 results in GARB bonds payable (long-term portion) of \$57,900 as of June 30, 2024.

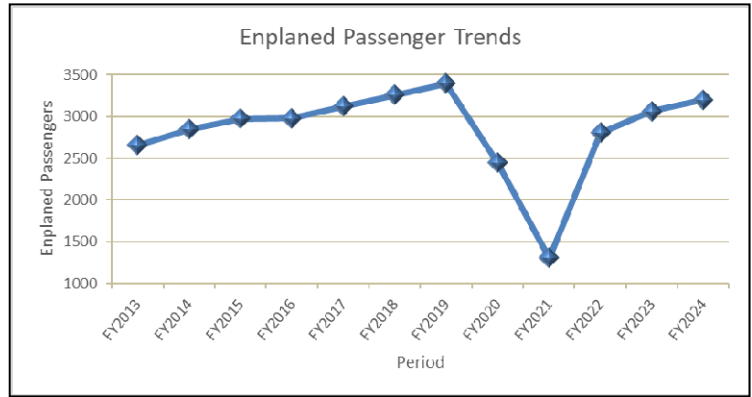
** Less current maturities of \$3,495 results in CFC revenue bonds payable (long-term portion) of \$145,765 as of June 30, 2024.

For a more detailed description of long-term debt obligations see Note 6 in the accompanying financial statements.

**CONNECTICUT AIRPORT AUTHORITY
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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, the travel industry, and in particular, air travel, were significantly impacted by the COVID-19 pandemic beginning in March 2020. Following the vaccine roll-out, the travel industry and the passenger traffic at Bradley began to significantly improve once again in March 2021 and has continued to improve into fiscal year 2024 where stable and consistent enplanement levels were realized throughout the year. Despite contending with airline staffing shortages, delayed aircraft deliveries, and airline route network changes, overall, the airline industry has achieved more stability and consistency during fiscal year 2024. Passenger volumes across the nation, and at Bradley, have been consistently increasing to more normal levels.



Bradley has shown consistent growth in passenger traffic reflecting the CAA's efforts in route development and a stronger economy. Bradley's strong airline cost recovery structure and its non-airline revenue structure have provided consistent financial performance.

In fiscal year 2024, Bradley enplaned 3.2 million passengers, a 4.3% increase from fiscal year 2023 and a 14.1% increase from fiscal year 2022. The CAA continues its route development efforts to improve the menu of destinations served and to further bolster the strong diversity of air carriers. Bradley has expanded its route network to nearly 41 nonstop domestic and international destinations, including Cincinnati, OH, Greenville-Spartanburg, SC, and New Bern, NC.

Since Spring 2023, Aer Lingus' has resumed transatlantic service nonstop to Dublin, Ireland and Air Canada has resumed service to Toronto. During fiscal year 2024, Bradley continued to maintain a strong diverse market share amongst 11 active main carriers. American remains the largest carrier at Bradley with 21.7% of the airport's market share followed by Delta with 18.4% and Southwest with 17.9% 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 2024, American, Southwest, Delta, JetBlue, United, Breeze Airways, Spirit, Frontier, Sun Country, Air Lingus, and Air Canada, along with regional operators Envoy Air, Piedmont, PSA, SkyWest, Endeavor Air, Mesa Airlines, GoJet Airlines, CommuteAir, Republic Airways, and Jazz Aviation have operated at Bradley.

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Route development at Bradley in fiscal year 2024 included the continued expansion of Breeze Airways. Breeze Airways added new nonstop routes to Cincinnati, OH, Greenville-Spartanburg, SC, and New Bern, NC. Breeze also added flights to Myrtle Beach, SC and Orlando, FL, which are new to Breeze but not to Bradley. Frontier has also added flights to Tampa, FL.

In fiscal year 2025, Avelo Airlines will introduce new domestic and international routes, including Charlotte/Concord, NC, Wilmington, NC, Houston, TX (Hobby), Daytona Beach, FL, Orlando/Lakeland, FL, Montego Bay, Jamaica, and Cancun, Mexico. JetBlue will be expanding services to Florida's most popular destinations, including Orlando, West Palm Beach, Tampa, Fort Myers and Fort Lauderdale. Additionally, Breeze Airways will fly nonstop to Daytona Beach, FL and Wilmington, NC.

To streamline the security and checkpoint process, Bradley has recently introduced CLEAR Verified, identity verification technology. With continued passenger growth, Bradley has taken the initiative to revitalize the service, food and beverage offerings throughout the terminal as well. Recently added Starbucks and sit-down concept BeerCode have been added to the long list of options. The CAA is continuing to work with concessionaires to continue to add new concepts and improve food and beverage offerings throughout the terminal in the coming year.

Landside, the ConRAC (consolidated rental car) facility is fully operational, combining on-site car rental and return with public parking and ground transportation, all adjacent and conveniently accessible to and from the Bradley's terminal. With state-of-the-art technology and modern design, customers experience a vast improvement from the array of the former remote rental car facilities.

**CONNECTICUT AIRPORT AUTHORITY
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Enplaned passenger traffic by carrier and market shares for fiscal year 2024 and fiscal year 2023 are shown below in Table 6.

**Table 6
Bradley International Airport
Passenger Market Share Trends**

Carrier	2024 Enplaned Passengers			2023 Enplaned Passengers		
	Mainline	Regional / Express Operations	Total	Mainline	Regional / Express Operations	Total
American	500,727	193,181	693,908	482,779	176,727	659,506
Delta	557,504	29,119	586,623	528,628	54,668	583,296
Southwest	571,574	-	571,574	516,755	-	516,755
JetBlue	450,209	-	450,209	453,087	-	453,087
United	272,082	48,866	320,948	241,333	56,031	297,364
Breeze	267,752	-	267,752	132,876	-	132,876
Frontier	148,468	-	148,468	222,847	-	222,847
Spirit	97,146	-	97,146	173,198	-	173,198
Other	43,445	15,907	59,352	19,504	5,193	24,697
Total	2,908,907	287,073	3,195,980	2,771,007	292,619	3,063,626

Carrier	2024 Market Shares			2023 Market Shares		
	Mainline	Regional / Express Operations	Total	Mainline	Regional / Express Operations	Total
American	15.7%	6.0%	21.7%	15.8%	5.8%	21.5%
Delta	17.4%	0.9%	18.4%	17.3%	1.8%	19.0%
Southwest	17.9%	0.0%	17.9%	16.9%	0.0%	16.9%
JetBlue	14.1%	0.0%	14.1%	14.8%	0.0%	14.8%
United	8.5%	1.5%	10.0%	7.9%	1.8%	9.7%
Breeze	8.4%	0.0%	8.4%	4.3%	0.0%	4.3%
Frontier	4.6%	0.0%	4.6%	7.3%	0.0%	7.3%
Spirit	3.0%	0.0%	3.0%	5.7%	0.0%	5.7%
Other	1.4%	0.5%	1.9%	0.6%	0.2%	0.8%
Total	91.0%	9.0%	100.0%	90.4%	9.6%	100.0%

**CONNECTICUT AIRPORT AUTHORITY
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The CAA has worked diligently with the air carriers to attract additional flights in order to increase 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. 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. Cargo operations remain strong and an important revenue stream for Bradley. In fiscal year 2024, cargo landed weight represented approximately 24.2% of overall revenue producing landed weight at Bradley.

Recent activity from June 2024 compared to June 2023 indicates that Bradley has an average of 78 daily departures, which is an increase of 7.6%. Departing seats are up by 10.6% over that same period, which is greater than other U.S. Medium hub airports, which reported a 6.5% increase.

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.

**CONNECTICUT AIRPORT AUTHORITY
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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 General Aviation Airports Enterprise Fund Statement of Net Position total assets including deferred outflow of resources for fiscal year 2024 to be \$112,606, a decrease of \$3,401, or 2.9%, from fiscal year 2023. Total assets are broken down by current assets of \$29,786, net capital assets of \$78,163 and GASB 87 long-term lease receivable of \$772. 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 2024, the amount for deferred outflow of resources is \$3,885, which represents the deferred pension and OPEB outflows and a decrease of 20.3% from fiscal year 2023.

Total liabilities including deferred inflow of resources for fiscal year 2024 equal \$24,873, reflecting a decrease of \$2,111, or 7.8%, from fiscal year 2023. The decrease is primarily attributable to reductions in pension and OPEB liabilities and associated deferred inflows of resources offsetting them. Overall, the total net position for the General Aviation airports for fiscal year 2024 is \$87,732 which is a 1.4% decrease from fiscal year 2023. Table 7 below shows the details for total net position.

**CONNECTICUT AIRPORT AUTHORITY
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**Table 7
Statement of Net Position
June 30, 2024
(in thousands)**

	2024	2023	2024 - 2023	
			Change (\$)	Change (%)
ASSETS				
Current and other assets	\$ 29,786	\$ 30,066	\$ (280)	-0.9%
Net capital assets	78,163	80,771	(2,608)	-3.2%
GASB 87 - Long-term Lease Receivable	772	295	477	161.7%
TOTAL ASSETS	108,720	111,132	(2,411)	-2.2%
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	1,851	2,580	(729)	-28.3%
Deferred OPEB Outflows	2,034	2,295	(260)	-11.3%
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,885	4,875	(990)	-20.3%
LIABILITIES				
Accounts Payable and Accrued Liabilities	1,900	2,058	(158)	-7.7%
Due to Affiliate/State/Muni	-	172	(172)	-100.0%
Deferred Revenue and Other	131	128	3	2.7%
Net Pension Liability	6,291	7,944	(1,653)	-20.8%
Net OPEB Liability	8,566	8,128	438	5.4%
TOTAL LIABILITIES	16,888	18,429	(1,541)	-8.4%
DEFERRED INFLOWS OF RESOURCES				
Deferred Amount for Pensions	2,862	2,745	116	4.2%
Deferred Amount for OPEB	4,305	5,505	(1,200)	-21.8%
GASB 87 - Lease Deferred Inflows	819	305	514	168.2%
TOTAL DEFERRED INFLOWS OF RESOURCES	7,985	8,555	(570)	-6.7%
NET POSITION				
Net Investments in Capital Assets	77,423	80,771	(3,347)	-4.1%
Unrestricted	10,309	8,251	2,058	-24.9%
TOTAL NET POSITION	\$ 87,732	\$ 89,022	\$ (1,290)	-1.4%

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Net Position

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 \$89,022 and decreased to \$87,732 by the end of fiscal 2024.

The State passed legislation in fiscal year 2023 that suspended aviation fuel tax until it returns in effect July 1st, 2025. The aviation fuel tax revenue was an important funding source which helped the CAA to cover operational loss of the General Aviation Airports Enterprise Fund, as well as to fund capital projects. The CAA will use a prudent approach to managing operating expenses and utilize unrestricted GA reserves to cover any funding shortfalls over the next fiscal year until the suspension is lifted.

Operating revenues for fiscal year 2024 totaled \$4,860, a 25.5% increase from fiscal year 2023. Revenues consisted of airline revenue totaling \$335 and non-airline revenue totaling \$4,525. The largest components of non-airline revenue are land rent and other operating revenue, the majority of which comes from fixed-base operators.

Operating expenses before depreciation totaled \$7,052, an increase of 11.1% from fiscal year 2023. This increase comes from all major categories of expense, including personnel and administrative costs, repairs and maintenance, and energy and utilities expenses. Depreciation expense for fiscal year 2024 is \$4,068, which is 3.7% less than fiscal year 2023. The net nonoperating revenue for fiscal year 2024 is \$2,094, 79.8% less than the \$10,377 of nonoperating revenue generated in fiscal year 2023. Net nonoperating revenue includes investment income of \$1,469, offset by nonoperating expenses of \$684 and actuarial pension and OPEB gain. The GA airports recorded a \$807 actuarial pension gain and a \$502 actuarial OPEB gain in fiscal year 2024, which is \$2,022 less than fiscal year 2023. Fiscal year 2024 loss before capital contributions equaled (\$4,165), which is a decrease of 213.2% from fiscal year 2023 gain of \$3,678. Table 8 below shows the change in net position.

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

**Table 8
Statement of Revenue, Expenses, and Changes in Net Position
For the Year Ended June 30, 2024
(In Thousands)**

	2024	2023	2024 - 2023	
			Change (\$)	Change (%)
OPERATING REVENUES				
Landing Fees	\$ 172	\$ 177	\$ (6)	-3.3%
Airline Terminal Rent	13	11	2	13.5%
Federal Inspection Station	36	32	3	10.2%
Aircraft Parking	115	108	7	6.2%
Rental Cars	193	172	21	12.2%
Terminal Concessions	-	-	-	0.0%
Land Rent	3,015	2,164	850	39.3%
Other Operating Revenue	1,258	1,201	57	4.7%
GASB 87 - Lease Revenue Adjustment	28	(10)	38	-364.4%
GASB 87 - Interest Revenue	32	16	17	106.0%
TOTAL OPERATING REVENUES	4,860	3,871	988	25.5%
OPERATING EXPENSES				
Salaries and Related Expenses	4,715	4,447	268	6.0%
Administrative and General	670	570	100	17.5%
Repairs and Maintenance	1,266	957	309	32.3%
Energy and utilities	401	372	29	7.7%
OPER EXPENSES BEFORE DEPRECIATION	7,052	6,347	705	11.1%
OPER LOSS BEFORE DEPRECIATION	(2,192)	(2,476)	284	11.5%
Depreciation and Amortization	4,068	4,223	(155)	-3.7%
OPERATING (LOSS)	(6,260)	(6,698)	439	6.5%
NON OPERATING REVENUES (EXPENSES)				
Investment income	1,469	894	575	64.3%
Other Non operating expenses	(684)	(2,414)	1,730	-71.7%
Aviation Fuel Tax Revenue	0	8,565	(8,565)	-100.0%
Actuarial Pension Gain (Loss)	807	2,085	(1,278)	-61.3%
Actuarial OPEB Gain (Loss)	502	1,246	(744)	59.7%
NET NON OPERATING REVENUES (EXPENSE)	2,094	10,377	(8,282)	79.8%
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(4,165)	3,678	(7,844)	-213.2%
CAPITAL CONTRIBUTIONS	2,876	1,871	1,005	53.7%
Change in Net Position	(1,290)	5,549	(6,839)	-123.2%
Total Net Position, Beginning of Year	89,022	83,473	5,549	6.6%
Total Net Position, End of Year	\$ 87,732	\$ 89,022	\$ (1,290)	-1.4%

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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 operating revenues for the General Aviation Airport Enterprise Fund is derived from land and building rent followed by other operating revenue.

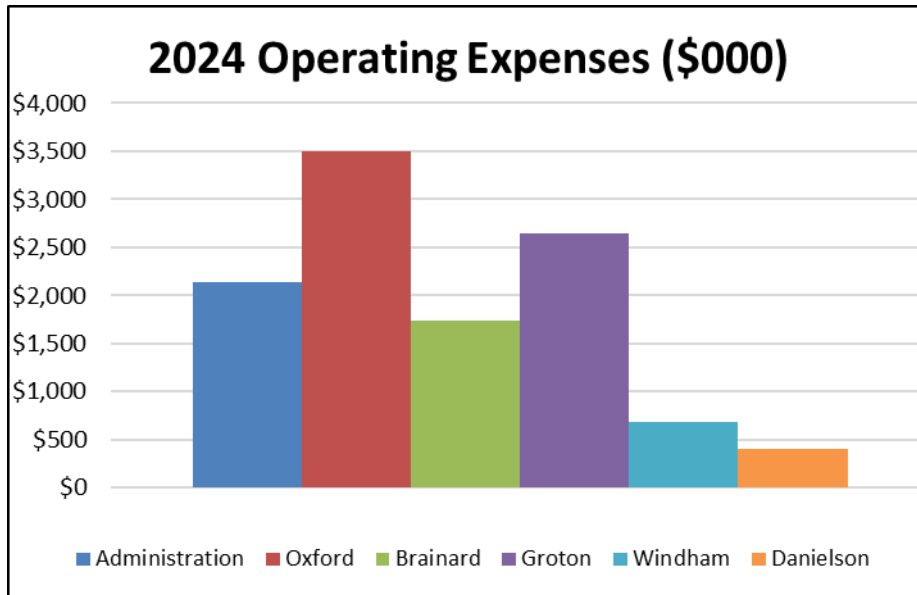
Operating Expenses

Operating expenses in fiscal year 2024 totaled \$11,119, 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 2024 is shown on Table 9.

**Table 9
Operating Expenses
For the Year Ended June 30, 2024
(In thousands)**

	Total 2024	GA Airport Administration	Oxford	Brainard	Groton	Windham	Danielson
Salaries & Related							
Salaries	\$ 2,227	\$ 1,101	\$ 386	\$ 357	\$ 296	\$ 46	\$ 42
Overtime	226	0	81	82	56	4	4
Other Payroll	83	46	9	8	19	0	0
Fringe Benefit	2,178	913	397	439	341	45	42
Salaries & Related	4,715	2,061	872	887	712	94	89
Other Expense							
Security	80	-	16	29	19	8	8
Administrative Costs	590	31	251	154	115	29	10
Repairs and Maintenance	1,266	236	275	146	248	226	136
Utilities	401	1	86	86	194	21	13
Other Expense	2,337	268	628	414	575	285	166
Expenses Before Depreciation	7,052	2,329	1,500	1,301	1,288	379	255
Depreciation & Amortization	4,068	30	1,953	327	1,302	307	150
Total Operating Expenses	\$ 11,119	\$ 2,359	\$ 3,453	\$ 1,628	\$ 2,589	\$ 686	\$ 405

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**



Budget to Actual Performance

The fiscal year 2024 budget was presented and approved by the Board of Directors as per the State Statute Title 15 Chapter 267B. 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, 2024
(in thousands)**

	Budget	Actual	Variance Greater (Less) Than Budget	
			(\$000)	Percent
Airline Revenue	\$ 340	\$ 335	\$ (6)	-1.7%
Non-Airline Revenue	4,553	4,525	(28)	-0.6%
Total Operating Revenue	\$ 4,894	\$ 4,860	\$ (34)	-0.7%
Aviation Fuel Tax Revenue	7,000	0	(7,000)	-100.0%
Investment Income	20	1,469	1,449	7245.4%
Operating and Maintenance Expenses before Depreciation	\$ 8,273	\$ 7,052	\$ (1,221)	-14.8%

The CAA 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 in the State of Connecticut Short Term Investment Fund to build an adequate working capital and emergency reserve balance for the General Aviation Airports Enterprise Fund. Expenses are closely monitored, and the General Aviation Airports Enterprise Fund is actively exploring new avenues of increasing revenues.

**CONNECTICUT AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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, 2024. 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.

CONNECTICUT AIRPORT AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2024

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund	Total Connecticut Airport Authority
ASSETS			
CURRENT ASSETS			
Cash	\$ 8,735,978	\$ 143,364	\$ 8,879,342
Current Portion of Restricted Investments	14,930,588	-	14,930,588
Short-Term Investments	116,739,796	25,333,607	142,073,403
Accounts Receivable	6,543,814	416,276	6,960,090
Lease Receivable	5,239,703	120,181	5,359,884
Prepaid Expenses and Other Assets	1,986,100	1,859	1,987,959
Grants Receivable	40,896,243	2,734,055	43,630,298
Due from the State	5,844,415	1,036,472	6,880,887
Total Current Assets	<u>200,916,637</u>	<u>29,785,814</u>	<u>230,702,451</u>
NONCURRENT ASSETS			
Restricted Assets:			
Investments	117,023,700	-	117,023,700
Accounts Receivable	3,349,437	-	3,349,437
Interest Receivable	186,713	-	186,713
Capital Assets:			
Assets not Subject to Depreciation	110,178,241	32,318,780	142,497,021
Assets Subject to Depreciation, Net	428,596,333	45,844,215	474,440,548
Lease Receivable, Net of Current Portion	114,566,584	771,622	115,338,206
Total Noncurrent Assets	<u>773,901,008</u>	<u>78,934,617</u>	<u>852,835,625</u>
Total Assets	974,817,645	108,720,431	1,083,538,076
DEFERRED OUTFLOWS OF RESOURCES			
Other Deferred Costs, Net	28,881	-	28,881
Deferred Amounts Related to Pensions	10,957,716	1,850,626	12,808,342
Deferred Amounts Related to OPEB	12,046,395	2,034,491	14,080,886
Total Deferred Outflows of Resources	<u>23,032,992</u>	<u>3,885,117</u>	<u>26,918,109</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable and Accrued Liabilities	61,018,773	1,900,499	62,919,272
Unearned Revenue and Other	3,458,462	131,126	3,589,588
Payables from Restricted Assets:			
Current Portion - Revenue Bonds Payable	10,710,000	-	10,710,000
Revenue Bond Interest Payable	3,612,405	-	3,612,405
Total Current Liabilities	<u>78,799,640</u>	<u>2,031,625</u>	<u>80,831,265</u>
NONCURRENT LIABILITIES			
Net Pension Liability	37,248,068	6,290,751	43,538,819
Net OPEB Liability	50,718,046	8,565,668	59,283,714
Revenue Bonds Payable, Net of Current Portion	206,417,178	-	206,417,178
Total Noncurrent Liabilities	<u>294,383,292</u>	<u>14,856,419</u>	<u>309,239,711</u>
Total Liabilities	373,182,932	16,888,044	390,070,976
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts Related to Pensions	16,943,293	2,861,518	19,804,811
Deferred Amounts Related to OPEB	25,487,462	4,304,526	29,791,988
Deferred Amounts Related to Leases	113,417,295	819,149	114,236,444
Total Deferred Inflows of Resources	<u>155,848,050</u>	<u>7,985,193</u>	<u>163,833,243</u>
NET POSITION			
Net Investment in Capital Assets	298,609,274	77,423,475	376,032,749
Restricted:			
Bond Indenture Requirement	11,484,779		11,484,779
Debt Service	14,930,588		14,930,588
Capital Projects	95,036,230		95,036,230
Unrestricted	48,758,784	10,308,836	59,067,620
Total Net Position	<u>\$ 468,819,655</u>	<u>\$ 87,732,311</u>	<u>\$ 556,551,966</u>

See accompanying Notes to Basic Financial Statements.

CONNECTICUT AIRPORT AUTHORITY
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2024

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund	Total Connecticut Airport Authority
OPERATING REVENUE			
Airline Revenue:			
Landing Fees	\$ 24,258,671	\$ 171,548	\$ 24,430,219
Airline Terminal Rent	12,185,504	12,740	12,198,244
Apron and Remote Aircraft Parking	5,607,366	150,378	5,757,744
Total Airline Revenue	<u>42,051,541</u>	<u>334,666</u>	<u>42,386,207</u>
Nonairline Revenue:			
Rental Cars	10,183,079	192,737	10,375,816
Terminal Concessions	6,318,516	-	6,318,516
Land Rent	7,330,395	3,014,693	10,345,088
Other Concessions	5,868,852	-	5,868,852
Other Operating Revenue	4,099,216	1,257,703	5,356,919
Auto Parking	38,288,125	-	38,288,125
Lease Revenue Adjustment	(3,711,931)	27,583	(3,684,348)
Interest Revenue	6,032,896	32,360	6,065,256
Total Nonairline Revenue	<u>74,409,148</u>	<u>4,525,076</u>	<u>78,934,224</u>
Total Operating Revenue	116,460,689	4,859,742	121,320,431
OPERATING EXPENSES			
Salaries and Related Expenses	28,650,580	4,714,697	33,365,277
Administrative and General	34,705,532	669,885	35,375,417
Repairs and Maintenance	10,574,874	1,265,991	11,840,865
Energy and Utilities	8,274,530	401,016	8,675,546
Depreciation and Amortization	26,928,292	4,067,657	30,995,949
Total Operating Expenses	<u>109,133,808</u>	<u>11,119,246</u>	<u>120,253,054</u>
OPERATING INCOME (LOSS)	7,326,881	(6,259,504)	1,067,377
NONOPERATING REVENUE (EXPENSE)			
Passenger Facility Charge Revenue	16,302,750	-	16,302,750
Car Rental Facility Charge Revenue	13,915,633	-	13,915,633
Investment Income	9,633,562	1,469,071	11,102,633
Federal Grant Revenue	192,447	-	192,447
Aviation Fuel Tax Revenue	-	-	-
Other Nonoperating Expenses	(6,752,362)	(683,963)	(7,436,325)
Bond Interest Expense	(8,397,941)	-	(8,397,941)
Airline Revenue Share Expense	(11,522,071)	-	(11,522,071)
Noncash Pension and OPEB Actuarial Assumption	-	-	-
Adjustments	7,688,400	1,309,215	8,997,615
Total Nonoperating Revenue	<u>21,060,418</u>	<u>2,094,323</u>	<u>23,154,741</u>
INCOME (BEFORE CAPITAL CONTRIBUTIONS)	28,387,299	(4,165,181)	24,222,118
CAPITAL CONTRIBUTIONS	<u>39,590,871</u>	<u>2,875,593</u>	<u>42,466,464</u>
CHANGE IN NET POSITION	67,978,170	(1,289,588)	66,688,582
Net Position - Beginning of Year	<u>400,841,485</u>	<u>89,021,899</u>	<u>489,863,384</u>
NET POSITION - END OF YEAR	<u>\$ 468,819,655</u>	<u>\$ 87,732,311</u>	<u>\$ 556,551,966</u>

See accompanying Notes to Basic Financial Statements.

**CONNECTICUT AIRPORT AUTHORITY
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2024**

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund	Total Connecticut Airport Authority
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 111,276,434	\$ 7,942,545	\$ 119,218,979
Payments to Suppliers	(53,628,434)	(2,528,656)	(56,157,090)
Payments to Employees and Fringes	(28,262,964)	(4,633,043)	(32,896,007)
Net Cash Provided by Operating Activities	<u>29,385,036</u>	<u>780,846</u>	<u>30,165,882</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Federal Grant Revenue	192,447	-	192,447
Net Cash Provided by Noncapital Financing Activities	<u>192,447</u>	<u>-</u>	<u>192,447</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital Grant Receipts	5,532,768	352,331	5,885,099
Purchase of Capital Assets	(68,330,878)	(1,680,152)	(70,011,030)
Principal and Interest Paid on Capital Debt - Net of Refunding	(17,406,963)	-	(17,406,963)
Car Rental Facility Charge Receipts	13,915,633	-	13,915,633
Passenger Facility Charge Receipts	16,302,750	-	16,302,750
Other Nonoperating Expenses	(7,763,449)	(683,963)	(8,447,412)
Airline Revenue Share Expense	(11,522,071)	-	(11,522,071)
Net Cash Used by Capital and Related Financing Activities	<u>(69,272,210)</u>	<u>(2,011,784)</u>	<u>(71,283,994)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received on Investments	9,574,880	1,469,071	11,043,951
Purchases of Investment Securities	(263,983,203)	(21,711,902)	(285,695,105)
Sales of Investment Securities	292,002,439	21,025,609	313,028,048
Net Cash Provided by Investing Activities	<u>37,594,116</u>	<u>782,778</u>	<u>38,376,894</u>
NET DECREASE IN CASH	<u>(2,100,611)</u>	<u>(448,160)</u>	<u>(2,548,771)</u>
Cash - Beginning of year	10,836,589	591,524	11,428,113
CASH - END OF YEAR	<u>\$ 8,735,978</u>	<u>\$ 143,364</u>	<u>\$ 8,879,342</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ 7,326,881	\$ (6,259,504)	\$ 1,067,377
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities:			
Depreciation and Amortization	26,928,292	4,067,657	30,995,949
(Increase) Decrease in Assets:			
Receivables	(3,794,333)	3,079,351	(714,982)
Prepaid and Other Assets	(1,097,553)	(870)	(1,098,423)
Increase (Decrease) in Liabilities:			
Accounts Payable and Accrued Liabilities	1,411,671	(109,240)	1,302,431
Due to the State	-	-	-
Unearned Revenue	(1,389,922)	3,452	(1,386,470)
Total Adjustments	<u>29,385,036</u>	<u>780,846</u>	<u>30,165,882</u>
Net Cash Provided by Operating Activities	<u>\$ 29,385,036</u>	<u>\$ 780,846</u>	<u>\$ 30,165,882</u>
SUPPLEMENTAL DISCLOSURES OF NONCASH TRANSACTIONS			
Pension Gain	\$ 4,751,795	\$ 806,998	\$ 5,558,793
OPEB Gain	<u>\$ 2,936,605</u>	<u>\$ 502,217</u>	<u>\$ 3,438,822</u>
Purchase of Capital Assets on Account	<u>\$ 37,016,090</u>	<u>\$ 739,520</u>	<u>\$ 37,755,610</u>

See accompanying Notes to Basic Financial Statements.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

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 Government Accounting Standards Board (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, federal grants, 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.

CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.
- **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.

CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 Bond Indenture Requirement – these assets are restricted to the uses defined in the Master Bond Indenture dated April 1, 2019 Customer Facility Charge Revenue Bonds (Ground Transportation Center Project), Series 2019 A Series 2019 B and the Master Bond Indenture dated March 1, 2023 for the retirement of the revenue bonds, Series 2023.
- Restricted for Debt Service – these assets are restricted for the use of repayment of debt service. These assets represent passenger facility charge (PFC) collections based on an approved FAA application to impose such charges on enplaned passengers at BDL and also 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.
- Restricted for Capital Projects – these assets are restricted for the use of funding capital improvements per board approved resolution. These assets include property, equipment, and infrastructure assets (runways, taxiways, and aprons) that have an individual cost of more than \$5,000 and an estimated useful life in excess of one year.

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.

CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets and Depreciation (Continued)

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 deferred amounts for pensions and OPEB. See Notes 9 and 11 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 9 and 11 for details on deferred amounts for pensions and OPEB, respectively. See Note 8 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.

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% of the accrued amount up to a maximum of 60 days. This is true for both unclassified and union employees.

CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 \$4,074,107 for Bradley International Airport, \$785,666 for General Aviation, for a total liability of \$4,859,773 at June 30, 2024. 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.

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.

CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 \$15,809,027, \$13,631,359 for Bradley International Airport Enterprise Fund, and \$2,177,668 for General Aviation Airports Enterprise Fund for the year ended June 30, 2024.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

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 lessee.

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.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

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	\$ 8,735,978	\$ 143,364	\$ 8,879,342
State Treasurer's Short-Term Investment Fund	248,694,084	25,333,607	274,027,691
Total Cash and Investments	<u>\$ 257,430,062</u>	<u>\$ 25,476,971</u>	<u>\$ 282,907,033</u>

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 \$8,727,153 (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.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

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, 2024.

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.

<u>Investment</u>	<u>Carrying Value</u>	<u>Rating</u>	<u>Rating Organization</u>
State Treasurer's Short-Term Investment Fund - BDL	\$ 248,694,084	AAAm	S&P
State Treasurer's Short-Term Investment Fund - GA	25,333,607	AAAm	S&P
Total	<u>\$ 274,027,691</u>		

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.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 FAIR VALUE MEASUREMENTS (CONTINUED)

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, 2024, 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, 2024:

Car Rental Facility Charges Receivable	\$ 1,271,668
Interest Receivable	160,164
Investments	37,064,221
Total Restricted Car Rental Facility Charges	<u>38,496,053</u>
Less: Current Portion of Restricted Investments	<u>(8,881,368)</u>
Noncurrent Restricted Car Rental Facility Charges	<u>\$ 29,614,685</u>

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, 2024:

Passenger Facility Charges Receivable	\$ 2,077,769
Interest Receivable	26,549
Investments	63,906,160
Total	<u>\$ 66,010,478</u>

Bond indenture

Assets are restricted for capital improvements, as required under the bond indenture. Restricted assets are composed of the following as of June 30, 2024.

Capital Improvements	\$ 30,983,907
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CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 CAPITAL ASSETS

Capital asset activity of the Authority was as follows:

Bradley International Airport Enterprise Fund

	Balance July 1, 2023	Transfers	Additions	Disposals and Reclassifications	Balance June 30, 2024
Capital Assets not Being Depreciated					
Land	\$ 3,651,742	\$ -	\$ -	\$ -	\$ 3,651,742
Construction in Progress	18,268,637	(7,347,890)	95,605,752	-	106,526,499
Subtotal	<u>21,920,379</u>	<u>(7,347,890)</u>	<u>95,605,752</u>	<u>-</u>	<u>110,178,241</u>
Capital Assets Being Depreciated:					
Buildings and Improvements	541,665,458	-	-	(985)	541,664,473
Machinery and Equipment	43,552,638	372,419	399,187	(805,054)	43,519,190
Land Improvements	303,296,134	7,008,712	-	-	310,304,846
Subtotal	<u>888,514,230</u>	<u>7,381,131</u>	<u>399,187</u>	<u>(806,039)</u>	<u>895,488,509</u>
Accumulated Depreciation:					
Buildings and Improvements	192,369,679	-	16,373,178	-	208,742,857
Machinery and Equipment	36,848,024	33,241	2,072,539	(786,919)	38,166,885
Land Improvements	211,409,272	-	8,573,162	-	219,982,434
Subtotal	<u>440,626,975</u>	<u>33,241</u>	<u>27,018,879</u>	<u>(786,919)</u>	<u>466,892,176</u>
Net Capital Assets Being Depreciated	<u>447,887,255</u>	<u>7,347,890</u>	<u>(26,619,692)</u>	<u>(19,120)</u>	<u>428,596,333</u>
Net Bradley International Airport Enterprise Fund Capital Assets	<u>\$ 469,807,634</u>	<u>\$ -</u>	<u>\$ 68,986,060</u>	<u>\$ (19,120)</u>	<u>\$ 538,774,574</u>

General Aviation Airports Enterprise Fund

	Balance July 1, 2023	Transfers	Additions	Disposals and Reclassifications	Balance June 30, 2024
Capital Assets not Being Depreciated					
Land	\$ 30,160,151	\$ 100,402	\$ -	\$ -	\$ 30,260,553
Construction in Progress	1,000,359	(100,402)	1,158,270	-	2,058,227
Subtotal	<u>31,160,510</u>	<u>-</u>	<u>1,158,270</u>	<u>-</u>	<u>32,318,780</u>
Capital Assets Being Depreciated:					
Buildings and Improvements	16,280,907	-	-	-	16,280,907
Machinery and Equipment	10,800,318	(33,241)	301,516	-	11,068,593
Land Improvements	118,495,136	-	-	-	118,495,136
Subtotal	<u>145,576,361</u>	<u>(33,241)</u>	<u>301,516</u>	<u>-</u>	<u>145,844,636</u>
Accumulated Depreciation:					
Buildings and Improvements	11,618,053	-	224,657	-	11,842,710
Machinery and Equipment	9,486,651	(33,241)	277,386	-	9,730,796
Land Improvements	74,861,300	-	3,565,615	-	78,426,915
Subtotal	<u>95,966,004</u>	<u>(33,241)</u>	<u>4,067,658</u>	<u>-</u>	<u>100,000,421</u>
Net Capital Assets Being Depreciated	<u>49,610,357</u>	<u>-</u>	<u>(3,766,142)</u>	<u>-</u>	<u>45,844,215</u>
Net General Aviation Airports Enterprise Fund Capital Assets	<u>\$ 80,770,867</u>	<u>\$ -</u>	<u>\$ (2,607,872)</u>	<u>\$ -</u>	<u>\$ 78,162,995</u>

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 6 LONG-TERM DEBT

Long-term debt activity for the year ended June 30, 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 2023	\$ 72,095,000	\$ -	\$ (6,980,000)	\$ 65,115,000	\$ 7,215,000
Total Direct Borrowings and Direct Placements					
Principal Outstanding	72,095,000	-	(6,980,000)	65,115,000	7,215,000
BDL - Other Revenue Bonds Payable:					
CFC Series 2019A	35,410,000	-	-	35,410,000	-
CFC Series 2019B	115,690,000	-	(1,840,000)	113,850,000	3,495,000
Total Other Debt					
Principal Outstanding	151,100,000	-	(1,840,000)	149,260,000	3,495,000
Unamortized Bond Premiums on Series 2019 bonds	2,862,266	-	(110,088)	2,752,178	-
Total BDL Activities Long-Term Debt	<u>\$ 226,057,266</u>	<u>\$ -</u>	<u>\$ (8,930,088)</u>	<u>\$ 217,127,178</u>	<u>\$ 10,710,000</u>

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, 2024, the outstanding principal balances on the Series 2019A and 2019B bonds were \$35,410,000 and \$113,850,000, respectively. On the Series 2019A and 2019B bonds, interest is charged at a graduating rate from 2.8% to 5.0%.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 6 LONG-TERM DEBT (CONTINUED)

CFC Series 2019A and 2019B (Continued)

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 \$18,959,107, compared to the annual debt requirement of \$10,009,170.

Series 2023

On March 31, 2023, the Authority issued Connecticut Airport Authority Airport Revenue Bonds, Series 2023 (AMT) in the original principal amount of \$72,095,000. The proceeds of the Series 2023 bond issuance were utilized to fund the full redemption of the 2011A and 2011B bonds. The Series 2023 bonds are fixed-rate bonds with a rate per annum of 3.41%. The Series 2023 bonds will fully mature on October 1, 2031 and are subject to mandatory sinking fund redemption prior to maturity on October 1 each year.

The 2023 bonds are secured by and payable solely from the net revenue and PFC revenue generated by the operation of Bradley International Airport. During the year, net revenue of BDL was \$60,383,931 compared to annual debt requirement of \$9,439,590. As of June 30, 2023, the Authority has also made all required principal and interest payments under the Series 2023 bonds.

Debt Service Requirements to Maturity

For the Series 2023 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 fixed-rate Series 2023 bonds are disclosed in the below table.

<u>Year Ending June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 7,215,000	\$ 2,097,406	\$ 9,312,406
2026	7,465,000	1,847,112	9,312,112
2027	7,715,000	1,588,293	9,303,293
2028	7,980,000	1,320,693	9,300,693
2029	8,255,000	1,043,886	9,298,886
Thereafter	26,485,000	1,374,826	27,859,826
Total	<u>\$ 65,115,000</u>	<u>\$ 9,272,216</u>	<u>\$ 74,387,216</u>

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, 2024, 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:

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 6 LONG-TERM DEBT (CONTINUED)

Debt Service Requirements to Maturity (Continued)

<u>Year Ending June 30.</u>	CFC Series 2019 Bonds		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	3,820,000	5,723,710	9,543,710
2029	3,945,000	5,593,367	9,538,367
2030-2034	21,945,000	25,685,653	47,630,653
2035-2039	26,610,000	20,879,572	47,489,572
2040-2044	32,640,000	14,705,822	47,345,822
2045-2049	40,320,000	6,820,557	47,140,557
2050-2054	9,185,000	209,875	9,394,875
Total	<u>\$ 149,260,000</u>	<u>\$ 97,485,707</u>	<u>\$ 246,745,707</u>

NOTE 7 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund	Total Connecticut Airport Authority
Accrued Operating Expenses	\$ 18,796,253	\$ 185,091	\$ 18,981,344
Accounts Payable - Projects	37,016,090	739,520	37,755,610
Accrued Payroll and Compensated Absences	5,206,430	975,888	6,182,318
Total	<u>\$ 61,018,773</u>	<u>\$ 1,900,499</u>	<u>\$ 62,919,272</u>

NOTE 8 LEASE ACCOUNTING (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 reported by the Authority.

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.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 LEASE ACCOUNTING (GASB 87) (CONTINUED)

During the year ended June 30, 2024, the Authority recognized the following inflows related to its lessor agreements:

	Bradley International Airport <u>Enterprise Fund</u>	General Aviation Airports <u>Enterprise Fund</u>
Lease Revenue	\$ 8,020,878	\$ 153,735
Interest Revenue	6,032,896	32,360
Revenue from Variable Payments not Previously Included in Measurement of Lease Receivable	5,885,756	-

Summary of GASB 87 Lessor Lease Activities as of June 30, 2024

	Bradley International Airport <u>Enterprise Fund</u>	General Aviation Airports <u>Enterprise Fund</u>
Number of Leases	19 Leases	4 Leases
Remaining Term	1 to 390 Months	28 to 162 Months
Lease Receivable	\$ 119,806,287	\$ 891,803

The Authority has bond repayment obligations related to its outstanding Connecticut Airport Authority Airport Revenue Bonds, Series 2023 (AMT). Included in Bradley International Airport Enterprise Fund lease receivables at June 30, 2024 are \$119,806,287 related to leases whose revenue is pledged to secure the outstanding Series 2023 bond obligations. See Note 6 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's 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 the underlying asset's being taken by way of eminent domain or condemnation.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 LEASE ACCOUNTING (GASB 87) (CONTINUED)

Future principal and interest payment requirements related to the Authority's lease receivable as of June 30, 2024 are as follows:

Bradley International Airport Enterprise Fund

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 5,239,703	\$ 5,783,243	\$ 11,022,946
2026	4,428,825	5,564,121	9,992,946
2027	4,587,116	5,347,872	9,934,988
2028	4,792,191	5,122,756	9,914,947
2029	5,016,280	5,886,911	10,903,191
2030-2034	27,355,088	20,516,956	47,872,044
2035-2039	30,925,202	13,477,107	44,402,309
2040-2044	31,583,633	4,813,214	36,396,847
2045-2049	1,816,704	1,245,796	3,062,500
2050-2054	2,546,613	703,387	3,250,000
2055-2058	1,514,932	97,567	1,612,499
Total	<u>\$ 119,806,287</u>	<u>\$ 68,558,930</u>	<u>\$ 188,365,217</u>

General Aviation Airports Enterprise Fund

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 120,181	\$ 33,678	\$ 153,859
2026	124,671	29,188	153,859
2027	88,029	24,919	112,948
2028	64,762	22,127	86,889
2029	67,428	19,461	86,889
2030-2034	332,727	53,946	386,673
2035-2038	94,005	7,947	101,952
Total	<u>\$ 891,803</u>	<u>\$ 191,266</u>	<u>\$ 1,083,069</u>

The Authority recently completed construction of a ground transportation center (GTC), which primarily consists of a consolidated rental car center (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.

Payments related to the new CONRAC facility will consist of concession fees with a minimum annual guaranteed 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.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 LEASE ACCOUNTING (GASB 87) (CONTINUED)

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 – 86% of available space is preferential use.
- Operations space – 87% of available space is exclusive use.
- Bag make-up area – 81% of available space is preferential use.
- Bag service office – 90% of available space is exclusive use.
- Gates/Apron space – Of 22 gates, 20 are considered preferential, which includes the 2,715 linear feet of related apron area out of the total 3,041 linear feet, with the remaining 2 gates being common-use gates controlled by CAA.
- Jet bridges – Of the 22 jet bridges associated with the gates, 7 are owned by carriers, while 13 are considered preferential use, with the remaining 2 jet bridges being common use.
- Ticket counter/ATO – 81% of available ATO space is exclusive use, while 77% of available ticket counter space is exclusive space.

The Authority has executed new regulated leases for several signatory airlines for a five-year term beginning on July 1, 2022 and expiring on June 30, 2027. Revenue related to these leases is reflected as part of the figures compiled for both the period being reported and the future periods.

During the year ended June 30, 2024, the Authority recognized the following from regulated leases:

	Bradley International Airport Enterprise Fund	General Aviation Airports Enterprise Fund
Regulated Lease Revenue	\$ 18,538,704	\$ 2,499,109
Revenue from Variable Payments not Included in Schedule of Future Minimum Payments	30,176,346	1,389,929

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 LEASE ACCOUNTING (GASB 87) (CONTINUED)

Regulated Leases (Continued)

Future expected minimum payments related to the Authority's regulated leases as of June 30, 2024 are as follows:

<u>Year Ending June 30,</u>	Bradley International Airport <u>Enterprise Fund</u>	General Aviation Airports <u>Enterprise Fund</u>
2025	\$ 20,084,021	\$ 2,569,495
2026	19,972,519	2,393,207
2027	19,858,543	2,362,528
2028	5,308,602	2,362,626
2029	3,765,133	2,362,723
2030-2034	14,301,028	11,231,747
2035-2039	7,026,319	10,299,902
2040-2044	6,551,992	9,777,858
2045-2049	6,006,860	8,629,238
2050-2054	2,463,504	7,429,833
2055-2059	2,463,504	597,784
2060-2061	739,051	-
Total	<u>\$ 108,541,076</u>	<u>\$ 60,016,941</u>

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 Series 2023 bond obligations, along with PFC revenue and other net revenue of the Authority. These leases contain lessee options to terminate the lease or abate payments under certain circumstances. These include Bradley International Airport's 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 the underlying asset's being taken by way of eminent domain or condemnation.

NOTE 9 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.

CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLAN (CONTINUED)

Plan Description (Continued)

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.

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% 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% of the average annual earnings plus 0.5% 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%.

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% of the average annual earnings plus 0.5% 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%.

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% 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% into the DC plan, and the State contributes 1% to the account. Employee contributions are vested immediately; employer contributions are 100% vested after completing three years of service.

Contributions

Tier I requires an employee contribution of either 3.5% or 6.5% of salary, depending on the plan. Tier II requires an employee contribution of 1.5% of salary. Tier IIA, Tier III, and Tier IV require an employee contribution of 3.5% 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, 2024.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 PENSION PLAN (CONTINUED)

Net Pension Liability

At June 30, 2024, the Authority reported a liability of \$43,538,819 (\$37,248,068 and \$6,290,751 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, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023, 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, 2023 relative to all other contributing employers. At June 30, 2023, the Authority's proportion was 0.20988 percent, which was a decrease of 0.03930 percent from its proportion measured as of June 30, 2022. 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, 2024, the Authority recognized pension expense of \$576,158.

At June 30, 2024, 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	\$ 3,894,104	\$ -
Changes in Assumptions	-	37,865
Net Difference Between Projected and Actual Investment		
Earnings on Pension Plan Investments	708,412	-
Changes in Proportionate Share or Difference Between Amount Contributed and Proportionate Share of Contributions	589,088	16,905,428
Employer Contributions to the Plan Subsequent to the Measurement Date	5,766,112	-
Total	\$ 10,957,716	\$ 16,943,293
	General Aviation Airports Enterprise Fund	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 657,667	\$ -
Changes in Assumptions	-	6,395
Net Difference Between Projected and Actual Investment		
Earnings on Pension Plan Investments	119,642	-
Changes in Proportionate Share or Difference Between Amount Contributed and Proportionate Share of Contributions	99,490	2,855,123
Employer Contributions to the Plan Subsequent to the Measurement Date	973,827	-
Total	\$ 1,850,626	\$ 2,861,518

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 PENSION PLAN (CONTINUED)

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):

<u>Fiscal Year Ending June 30,</u>	Bradley International Airport <u>Enterprise Fund</u>	General Aviation <u>Enterprise Fund</u>
2025	\$ (3,445,751)	\$ (581,946)
2026	(3,992,632)	(674,308)
2027	(2,616,648)	(441,920)
2028	(1,487,795)	(251,271)
2029	(208,863)	(35,274)
Total	<u>\$ (11,751,689)</u>	<u>\$ (1,984,719)</u>

Actuarial Assumptions

The total pension liability in the June 30, 2023 actuarial valuation was determined using an inflation assumption of 2.50%, assumed salary increases (including inflation) of 3.00 through 11.50%, an investment rate of return (net of investment expenses, including inflation) of 6.90%, 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%. 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.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 PENSION PLAN (CONTINUED)

Investment Rate of Return

Best estimates of arithmetic real rates of return as of the June 30, 2024 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
Global Equity	37.0 %	6.8 %
Public Credit	2.0	2.9
Core Fixed Income	13.0	0.4
Liquidity Fund	1.0	(0.4)
Risk Mitigation	5.0	0.1
Private Equity	15.0	11.2
Private Credit	10.0	6.1
Real Estate	10.0	6.2
Infrastructure and Natural Resources	7.0	7.7

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, 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 (5.90%)	Current Discount Rate (6.90%)	1 Percentage Point Increase (7.90%)
Net Pension Liability of the State Employees Retirement System - BDL	\$ 46,232,207	\$ 37,248,068	\$ 29,758,793
Net Pension Liability of the State Employees Retirement System - GA	7,808,064	6,290,751	5,025,902

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 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. Neither GA or BDL had amounts due to the State at June 30, 2024.

Amounts due from the State presented in the statement of net position totaled \$5,844,415 and \$1,036,472 at June 30, 2024 for BDL and GA, respectively.

NOTE 11 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 multiemployer 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% of their health care insurance premium cost (including dependents' coverage) depending upon the Plan. The State currently pays up to 20% of the cost for retiree dental insurance (including dependents' coverage) depending upon the Plan. In addition, the State pays 100% 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.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 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% 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, 2024, the Authority reported a liability of \$59,283,714 (\$50,718,046 and \$8,565,668 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, 2023 and was determined by an actuarial valuation as of June 30, 2023. The Authority's proportion of the net OPEB liability was based on the Authority's actuarially required contribution for the year ended June 30, 2023 relative to all other contributing employers. At June 30, 2023, the Authority's proportion was 0.380057%, which was an increase of 0.01726 from its proportion measured as of June 30, 2022. BDL and GA allocate their proportionate share based on the ratio of employee wages between the funds.

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

For the year ended June 30, 2024, the Authority recognized OPEB benefit of \$(246,272).

At June 30, 2024, 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	\$ 529,825	\$ 3,466,206
Changes in Assumptions	4,336,527	15,604,442
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	318,073	-
Changes in Proportionate Share or Difference Between Amount Contributed and Proportionate Share of Contributions	4,137,822	6,416,814
Employer Contributions to the Plan Subsequent to the Measurement Date	2,724,148	-
Total	\$ 12,046,395	\$ 25,487,462

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

	General Aviation Airports Enterprise Fund	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 89,481	\$ 585,401
Changes in Assumptions	732,387	2,635,403
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	53,719	-
Changes in Proportionate Share or Difference Between Amount Contributed and Proportionate Share of Contributions	698,828	1,083,722
Employer Contributions to the Plan Subsequent to the Measurement Date	460,076	-
Total	\$ 2,034,491	\$ 4,304,526

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):

<u>Fiscal Year Ending June 30.</u>	Bradley International Airport Enterprise Fund	General Aviation Enterprise Fund
	2025	\$ (6,681,972)
2026	(6,937,530)	(1,171,665)
2027	(2,668,197)	(450,626)
2028	45,723	7,722
2029	76,761	12,963
Total	\$ (16,165,215)	\$ (2,730,111)

Actuarial Assumptions

The total OPEB liability in the June 30, 2023 actuarial valuation was determined using an inflation assumption of 2.50%; assumed salary increases (including inflation) of 3.00%; an investment rate of return (net of investment expenses) of 6.90%; a health care cost trend rate of 6.00%, graded to 4.50% 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.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 OTHER POSTEMPLOYMENT BENEFIT PLAN (CONTINUED)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that Authority contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate.

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, 2023 expected arithmetic returns over the long-term (20 years) by asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	37.0 %	6.8 %
Public Credit	2.0	2.9
Core Fixed Income	13.0	0.4
Liquidity Fund	1.0	(0.4)
Risk Mitigation	5.0	0.1
Private Equity	15.0	11.2
Private Credit	10.0	6.1
Real Estate	10.0	6.2
Infrastructure and Natural Resources	7.0	7.7

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 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 6.90%, 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 (5.90%)	Current Discount Rate (6.90%)	1 Percentage Point Increase (7.90%)
Net OPEB Liability of the State of Connecticut State Employee OPEB Plan - BDL	\$ 58,967,329	\$ 50,718,046	\$ 43,963,477
Net OPEB Liability of the State of Connecticut State Employee OPEB Plan - GA	9,958,873	8,565,668	7,424,902

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%, 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 Discount Rate (4.50%)	1 Percentage Point Increase (5.50%)
Net OPEB Liability of the State of Connecticut State Employee OPEB Plan - BDL	\$ 43,901,506	\$ 50,718,046	\$ 59,084,384
Net OPEB Liability of the State of Connecticut State Employee OPEB Plan - GA	7,414,436	8,565,668	9,978,642

Assumption Changes

In the 2023 valuation, assumptions changed related to the discount rate increasing from 3.90% to 6.90%.

NOTE 12 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.

**CONNECTICUT AIRPORT AUTHORITY
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 13 COMMITMENTS

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

<u>Project Name</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>	<u>Airport</u>
CONRAC Facility	\$ 210,722,762	\$ 1,049,417	Bradley
HVAC Equip Replacement Phase I	6,540,691	5,275,368	Bradley
Terminal Enhancement and Refurbish Project	24,348,588	39,029,998	Bradley
Inline Baggage Screen Bldg	68,086,998	118,973,697	Bradley
Stormwater Drainage Pipe Repairs	3,681,711	5,052,430	Bradley
Purchase (3) ARFF Vehicles	-	4,598,342	Bradley
TW C South Repairs	881,726	2,799,694	Groton
Total	<u>\$ 314,262,476</u>	<u>\$ 176,778,946</u>	

REQUIRED SUPPLEMENTARY INFORMATION

**CONNECTICUT AIRPORT AUTHORITY
BRADLEY INTERNATIONAL AIRPORT ENTERPRISE FUND
SCHEDULE OF THE FUND'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
CONNECTICUT STATE EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL PLAN YEARS**

	2023	2022	2021	2020	2019	2018	2018	2016	2015	2014
Fund's Proportion of the Net Pension Liability	0.17956%	0.21316%	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	\$ 37,248,068	\$ 47,009,053	\$ 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	\$ 13,100,000	\$ 12,742,000	\$ 11,720,000	\$ 12,036,000	\$ 11,122,000	\$ 10,673,000	\$ 10,107,000	\$ 10,514,000	\$ 10,055,000	\$ 10,055,000
Fund's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	284.34%	368.93%	514.84%	574.22%	657.17%	577.12%	573.77%	589.27%	473.38%	473.15%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	50.59 %	45.76 %	44.55 %	35.84 %	36.79 %	36.62 %	36.25 %	31.69 %	39.23 %	39.54 %

**CONNECTICUT AIRPORT AUTHORITY
BRADLEY INTERNATIONAL AIRPORT ENTERPRISE FUND
SCHEDULE OF PENSION CONTRIBUTIONS
CONNECTICUT STATE EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL PLAN YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily Required Contribution	\$ 5,766,112	\$ 6,373,962	\$ 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	\$ 5,766,112	\$ 6,373,962	\$ 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	\$ 14,514,000	\$ 13,100,000	\$ 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	39.73%	48.66%	44.83%	43.26%	39.13%	45.47%	38.70%	42.29%	38.80%	39.64%

**CONNECTICUT AIRPORT AUTHORITY
BRADLEY INTERNATIONAL AIRPORT ENTERPRISE FUND
SCHEDULE OF THE FUND'S PROPORTIONATE SHARE OF THE
NET OPEB LIABILITY
CONNECTICUT STATE EMPLOYEES RETIREMENT SYSTEM
LAST EIGHT FISCAL PLAN YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016
Fund's Proportion of the Net OPEB Liability	0.32514%	0.42410%	0.41519%	0.34312%	0.39987%	0.33442%	0.33889%	0.34034%
Fund's Proportionate Share of the Net OPEB Liability	\$ 50,718,046	\$ 48,099,093	\$ 58,192,866	\$ 80,774,097	\$ 82,702,357	\$ 57,534,119	\$ 58,839,962	\$ 58,682,410
Fund's Covered Payroll	\$ 13,100,000	\$ 12,742,000	\$ 11,720,000	\$ 12,036,000	\$ 11,122,000	\$ 10,673,000	\$ 10,107,000	\$ 10,514,000
Fund's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	387.16%	377.48%	496.53%	671.10%	743.59%	539.06%	582.17%	558.14%
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	14.60 %	12.63 %	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.

**CONNECTICUT AIRPORT AUTHORITY
BRADLEY INTERNATIONAL AIRPORT ENTERPRISE FUND
SCHEDULE OF OPEB CONTRIBUTIONS
CONNECTICUT STATE EMPLOYEES RETIREMENT SYSTEM
LAST EIGHT FISCAL PLAN YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017
Statutorily Required Contribution	\$ 2,724,148	\$ 2,758,053	\$ 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	<u>\$ 2,724,148</u>	<u>\$ 2,758,053</u>	<u>\$ 2,917,199</u>	<u>\$ 2,586,896</u>	<u>\$ 3,008,652</u>	<u>\$ 3,010,775</u>	<u>\$ 2,681,661</u>	<u>\$ 2,261,751</u>
Contribution Deficiency	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund's Covered Payroll	\$ 14,514,000	\$ 13,100,000	\$ 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	18.77%	21.05%	22.89%	22.07%	25.00%	27.07%	25.13%	22.38%

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

**CONNECTICUT AIRPORT AUTHORITY
GENERAL AVIATION AIRPORTS ENTERPRISE FUND
SCHEDULE OF THE FUND'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
CONNECTICUT STATE EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL PLAN YEARS**

	2023	2022	2021	2022	2021	2020	2019	2018	2017	2016
Fund's Proportion of the Net Pension Liability	0.03032%	0.03602%	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	\$ 6,290,751	\$ 7,943,649	\$ 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	\$ 2,213,000	\$ 2,213,000	\$ 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	284.26%	358.95%	473.55%	589.58%	607.23%	580.59%	566.86%	638.23%	477.09%	498.62%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	50.59 %	45.76 %	44.55 %	35.84 %	36.79 %	36.62 %	36.25 %	31.69 %	39.23 %	39.54 %

**CONNECTICUT AIRPORT AUTHORITY
GENERAL AVIATION AIRPORTS ENTERPRISE FUND
SCHEDULE OF PENSION CONTRIBUTIONS
CONNECTICUT STATE EMPLOYEES RETIREMENT SYSTEM
LAST TEN FISCAL PLAN YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily Required Contribution	\$ 973,827	\$ 1,077,080	\$ 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	\$ 973,827	\$ 1,077,080	\$ 1,030,234	\$ 914,476	\$ 839,191	\$ 896,974	\$ 799,752	\$ 833,861	\$ 795,781	\$ 777,511
Contribution Deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund's Covered Payroll	\$ 2,451,000	\$ 2,213,000	\$ 2,213,000	\$ 2,298,000	\$ 2,089,000	\$ 2,135,000	\$ 2,153,000	\$ 2,082,000	\$ 1,972,000	\$ 2,051,000
Contributions as a Percentage of Covered Payroll	39.73%	48.67%	46.55%	39.79%	40.17%	42.01%	37.15%	40.05%	40.35%	37.91%

**CONNECTICUT AIRPORT AUTHORITY
GENERAL AVIATION AIRPORTS ENTERPRISE FUND
SCHEDULE OF THE FUND'S PROPORTIONATE SHARE OF THE
NET OPEB LIABILITY
CONNECTICUT STATE EMPLOYEES RETIREMENT SYSTEM
LAST EIGHT FISCAL PLAN YEARS**

	2023	2022	2021	2020	2019	2018	2017	2016
Fund's Proportion of the Net OPEB Liability	0.05491%	0.06130%	0.06344%	0.06115%	0.07092%	0.06475%	0.06699%	0.06728%
Fund's Proportionate Share of the Net OPEB Liability	\$ 8,565,668	\$ 8,127,846	\$ 10,494,951	\$ 14,394,295	\$ 14,669,205	\$ 11,379,143	\$ 11,631,972	\$ 11,600,826
Fund's Covered Payroll	\$ 2,213,000	\$ 2,213,000	\$ 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	387.06%	367.28%	456.70%	689.05%	687.08%	528.52%	558.69%	588.28%
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	14.60 %	12.63 %	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.

**CONNECTICUT AIRPORT AUTHORITY
GENERAL AVIATION AIRPORTS ENTERPRISE FUND
SCHEDULE OF OPEB CONTRIBUTIONS
CONNECTICUT STATE EMPLOYEES RETIREMENT SYSTEM
LAST EIGHT FISCAL PLAN YEARS**

	2024	2023	2022	2021	2020	2019	2018	2017
Statutorily Required Contribution	\$ 460,076	\$ 466,059	\$ 523,110	\$ 466,541	\$ 536,155	\$ 534,032	\$ 519,206	\$ 447,122
Contributions in Relation to the Statutorily Required Contribution	\$ 460,076	\$ 466,059	\$ 523,110	\$ 466,541	\$ 536,155	\$ 534,032	\$ 519,206	\$ 447,122
Contribution Deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund's Covered Payroll	\$ 2,451,000	\$ 2,213,000	\$ 2,213,000	\$ 2,298,000	\$ 2,089,000	\$ 2,135,000	\$ 2,153,000	\$ 2,082,000
Contributions as a Percentage of Covered Payroll	18.77%	21.06%	23.64%	20.30%	25.67%	25.01%	24.12%	21.48%

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

CONNECTICUT AIRPORT AUTHORITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 1 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 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.

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

NOTE 2 OPEB INFORMATION

Benefit Changes

No changes in 2024.

Changes in Assumptions

In 2024, the discount rate was updated to 6.90%.

In 2023, the discount rate was updated to 3.90%.

In 2022, the discount rate was updated to 2.31%; 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%, 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 SUPPLEMENTARY INFORMATION

CONNECTICUT AIRPORT AUTHORITY
BRADLEY INTERNATIONAL AIRPORT ENTERPRISE FUND
STATEMENT OF NET POSITION
YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

ASSETS	2024	2023
CURRENT ASSETS		
Cash	\$ 8,735,978	\$ 10,836,589
Short-Term Investments	116,739,796	121,005,623
Current Portion of Restricted Investments	14,930,588	11,601,517
Accounts Receivable	6,543,814	5,844,438
Lease Receivable	5,239,703	5,664,234
Prepaid Expenses and Other Assets	1,986,100	888,550
Grants Receivable	40,896,243	6,838,140
Due from the State	5,844,415	5,045,357
Total Current Assets	200,916,637	167,724,448
NONCURRENT ASSETS		
Restricted Assets:		
Investments	117,023,700	144,106,179
Accounts Receivable	3,349,437	2,338,349
Interest Receivable	186,713	153,097
Capital Assets:		
Assets not Subject to Depreciation	110,178,241	21,920,379
Assets Subject to Depreciation - Net	428,596,333	447,887,255
Lease Receivable - Net of Current Portion	114,566,584	119,472,128
Total Noncurrent Assets	773,901,008	735,877,387
Total Assets	974,817,645	903,601,835
DEFERRED OUTFLOWS OF RESOURCES		
Other Deferred Costs, Net	28,881	32,492
Deferred Amounts Related to Pensions	10,957,716	15,268,660
Deferred Amounts Related to OPEB	12,046,395	13,579,187
Total Deferred Outflows of Resources	23,032,992	28,880,339

**CONNECTICUT AIRPORT AUTHORITY
BRADLEY INTERNATIONAL AIRPORT ENTERPRISE FUND
STATEMENT OF NET POSITION (CONTINUED)
YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)**

LIABILITIES	<u>2024</u>	<u>2023</u>
CURRENT LIABILITIES		
Accounts Payable	\$ 61,018,773	\$ 32,036,007
Unearned Revenue and Other	3,458,462	4,848,384
Payables from Restricted Assets:		
Current portion of Revenue Bonds Payable	10,710,000	8,820,000
Revenue Bond Interest Payable	<u>3,612,405</u>	<u>3,701,692</u>
Total Current Liabilities	78,799,640	49,406,083
NONCURRENT LIABILITIES		
Net Pension Liability	37,248,068	47,009,053
Net OPEB Liability	50,718,046	48,099,093
Revenue Bonds Payable and Premium - Net of Current Portion	<u>206,417,178</u>	<u>217,237,266</u>
Total Noncurrent Liabilities	<u>294,383,292</u>	<u>312,345,412</u>
 Total Liabilities	 373,182,932	 361,751,495
DEFERRED INFLOWS OF RESOURCES		
Deferred Amounts Related to Pensions	16,943,293	16,245,047
Deferred Amounts Related to OPEB	25,487,462	32,575,812
Deferred Amounts Related to Leases	<u>113,417,295</u>	<u>121,068,335</u>
Total Deferred Inflows of Resources	<u>155,848,050</u>	<u>169,889,194</u>
NET POSITION		
Net Investment in Capital Assets	298,609,274	260,605,572
Restricted:		
Bond Indenture Requirement	11,484,779	159,768
Debt Service	14,930,588	11,601,517
Capital Projects	95,036,230	129,605,005
Unrestricted	<u>48,758,784</u>	<u>(1,130,377)</u>
 Total Net Position	 <u>\$ 468,819,655</u>	 <u>\$ 400,841,485</u>

CONNECTICUT AIRPORT AUTHORITY
BRADLEY INTERNATIONAL AIRPORT ENTERPRISE FUND
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	2024	2023
OPERATING REVENUE		
Airline Revenue:		
Landing Fees	\$ 24,258,671	\$ 21,726,465
Airline Terminal Rent	12,185,504	10,062,975
Apron and Remote Aircraft Parking	5,607,366	3,787,193
Total Airline Revenue	42,051,541	35,576,633
Nonairline Revenue:		
Rental Cars	10,183,079	9,810,662
Terminal Concessions	6,318,516	2,330,061
Land Rent	7,330,395	7,250,986
Other Concessions	5,868,852	5,453,909
Other Operating Revenue	4,099,216	3,394,644
Auto Parking	38,288,125	35,765,246
Lease Revenue Adjustment	(3,711,931)	(2,404,887)
Interest Revenue	6,032,896	6,087,559
Total Nonairline Revenue	74,409,148	67,688,180
Total Operating Revenue	116,460,689	103,264,813
OPERATING EXPENSES		
Salaries and Related Expenses	28,650,580	26,863,900
Administrative and General	34,705,532	32,120,935
Repairs and Maintenance	10,574,874	9,131,046
Energy and Utilities	8,274,530	6,455,473
Depreciation and Amortization	26,928,292	27,604,298
Total Operating Expenses	109,133,808	102,175,652
OPERATING INCOME (LOSS)	7,326,881	1,089,161
NONOPERATING REVENUE (EXPENSE)		
Passenger Facility Charge Revenue	16,302,750	14,996,492
Car Rental Facility Charge Revenue	13,915,633	12,216,120
Investment Income	9,633,562	6,971,195
Federal Grant Revenue	192,447	3,013,559
Other Nonoperating Expenses	(6,752,362)	(3,543,961)
Bond Interest Expense	(8,397,941)	(11,370,108)
Airline Revenue Share Expense	(11,522,071)	(8,995,321)
Pension and OPEB Actuarial Assumption	7,688,400	11,218,192
Total Nonoperating Revenue	21,060,418	24,506,168
INCOME BEFORE CAPITAL CONTRIBUTIONS	28,387,299	25,595,329
CAPITAL CONTRIBUTIONS	39,590,871	11,017,428
CHANGE IN NET POSITION	67,978,170	36,612,757
Net Position - Beginning of Year	400,841,485	364,228,728
NET POSITION - END OF YEAR	\$ 468,819,655	\$ 400,841,485

**CONNECTICUT AIRPORT AUTHORITY
GENERAL AVIATION AIRPORTS ENTERPRISE FUND
COMBINING STATEMENT OF NET POSITION
YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)**

	Oxford Airport	Brainard Airport	Groton New London Airport	Danielson Airport	Windham Airport	GA Airport Administration	2024	2023
ASSETS								
CURRENT ASSETS								
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 143,364	\$ 143,364	\$ 591,524
Short-Term Investments	-	-	-	-	-	25,333,607	25,333,607	24,647,314
Accounts Receivable	256,516	95,655	41,744	937	21,424	-	416,276	3,674,576
Lease Receivable	-	78,944	41,237	-	-	-	120,181	23,232
Prepaid Expenses and Other Assets	297	379	1,074	31	78	-	1,859	989
Grants Receivable	653	1,929,348	800,411	3,643	-	-	2,734,055	210,793
Due from the State	-	-	-	-	-	1,036,472	1,036,472	917,468
Total Current Assets	<u>257,466</u>	<u>2,104,326</u>	<u>884,466</u>	<u>4,611</u>	<u>21,502</u>	<u>26,513,443</u>	<u>29,785,814</u>	<u>30,065,896</u>
NONCURRENT ASSETS-CAPITAL ASSETS								
Capital assets:								
Assets not Subject to Depreciation	28,789,777	774,368	2,005,559	369,119	365,140	14,817	32,318,780	31,160,510
Assets Subject to Depreciation, Net	25,650,115	4,848,609	11,224,737	2,552,027	1,498,057	70,670	45,844,215	49,610,357
Lease Receivable, Net of Current Portion	-	369,503	402,119	-	-	-	771,622	294,897
Total Noncurrent Assets	<u>54,439,892</u>	<u>5,992,480</u>	<u>13,632,415</u>	<u>2,921,146</u>	<u>1,863,197</u>	<u>85,487</u>	<u>78,934,617</u>	<u>81,065,764</u>
Total Assets	54,697,358	8,096,806	14,516,881	2,925,757	1,884,699	26,598,930	108,720,431	111,131,660
DEFERRED OUTFLOWS OF RESOURCES								
Deferred Amounts Related to Pensions	-	-	-	-	-	1,850,626	1,850,626	2,580,117
Deferred Amounts Related to OPEB	-	-	-	-	-	2,034,491	2,034,491	2,294,628
Total Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,885,117</u>	<u>3,885,117</u>	<u>4,874,745</u>
LIABILITIES								
CURRENT LIABILITIES								
Accounts Payable	225,383	234,519	726,809	25,435	25,172	663,181	1,900,499	1,951,797
Unearned Revenue and Other	49,056	17,214	28,440	21,456	6,070	8,890	131,126	127,674
Due to Interfunds	3,663	3,684	2,918	657	-	(10,922)	-	106,381
Due to the State	-	-	-	-	-	-	-	171,928
Total Current Liabilities	<u>278,102</u>	<u>255,417</u>	<u>758,167</u>	<u>47,548</u>	<u>31,242</u>	<u>661,149</u>	<u>2,031,625</u>	<u>2,357,780</u>
NONCURRENT LIABILITIES								
Net Pension Liability	-	-	-	-	-	6,290,751	6,290,751	7,943,649
Net OPEB Liability	-	-	-	-	-	8,565,668	8,565,668	8,127,846
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,856,419</u>	<u>14,856,419</u>	<u>16,071,495</u>
Total Liabilities	278,102	255,417	758,167	47,548	31,242	15,517,568	16,888,044	18,429,275
DEFERRED INFLOWS OF RESOURCES								
Deferred Amounts Related to Pensions	-	-	-	-	-	2,861,518	2,861,518	2,745,109
Deferred Amounts Related to OPEB	-	-	-	-	-	4,304,526	4,304,526	5,504,702
Deferred Amounts Related to Leases	-	403,745	415,404	-	-	-	819,149	305,420
Total Deferred Inflows of Resources	<u>-</u>	<u>403,745</u>	<u>415,404</u>	<u>-</u>	<u>-</u>	<u>7,166,044</u>	<u>7,985,193</u>	<u>8,555,231</u>
NET POSITION								
Net Investment in Capital Assets	54,439,892	5,622,977	13,230,296	2,921,146	1,863,197	(654,033)	77,423,475	80,770,867
Unrestricted	(20,636)	1,814,667	113,014	(42,937)	(9,740)	8,454,468	10,308,836	8,251,032
Total Net Position	<u>\$ 54,419,256</u>	<u>\$ 7,437,644</u>	<u>\$ 13,343,310</u>	<u>\$ 2,878,209</u>	<u>\$ 1,853,457</u>	<u>\$ 7,800,435</u>	<u>\$ 87,732,311</u>	<u>\$ 89,021,899</u>

CONNECTICUT AIRPORT AUTHORITY
GENERAL AVIATION AIRPORTS ENTERPRISE FUND
COMBINING STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2024
(WITH COMPARATIVE TOTALS FOR 2023)

	Oxford Airport	Brainard Airport	Groton New London Airport	Danielson Airport	Windham Airport	GA Airport Administration	2024	2023
OPERATING REVENUE								
Airline Revenue:								
Landing Fees	\$ 171,548	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 171,548	\$ 177,491
Airline Terminal Rent	-	-	12,740	-	-	-	12,740	11,223
Apron and Remote Aircraft Parking	62,103	46,860	21,240	-	20,175	-	150,378	140,348
Total Airline Revenue	233,651	46,860	33,980	-	20,175	-	334,666	329,062
Nonairline Revenue:								
Rental Cars	4,616	2,794	185,327	-	-	-	192,737	171,797
Land Rent	1,820,093	616,272	426,742	60,013	91,568	5	3,014,693	2,164,202
Other Operating Revenue	858,631	79,012	300,477	4,905	12,688	1,990	1,257,703	1,201,066
Lease Revenue Adjustment	-	14,312	13,271	-	-	-	27,583	(10,434)
Interest Revenue	-	17,767	14,593	-	-	-	32,360	15,710
Total Nonairline Revenue	2,683,340	730,157	940,410	64,918	104,256	1,995	4,525,076	3,542,341
Total Operating Revenue	2,916,991	777,017	974,390	64,918	124,431	1,995	4,859,742	3,871,403
OPERATING EXPENSES								
Salaries and Related Expenses	872,050	886,845	712,266	88,527	94,418	2,060,591	4,714,697	4,447,154
Administrative and General	266,514	183,094	134,032	17,661	37,331	31,253	669,885	570,255
Repairs and Maintenance	275,013	145,613	247,568	135,563	226,106	236,128	1,265,991	957,217
Energy and Utilities	86,264	85,528	193,753	13,221	21,318	932	401,016	372,417
Depreciation and Amortization	1,953,003	326,848	1,301,634	149,798	306,676	29,698	4,067,657	4,222,549
Total Operating Expenses	3,452,844	1,627,928	2,589,253	404,770	685,849	2,358,602	11,119,246	10,569,592
OPERATING INCOME (LOSS)	(535,853)	(850,911)	(1,614,863)	(339,852)	(561,418)	(2,356,607)	(6,259,504)	(6,698,189)
NONOPERATING REVENUE (EXPENSE)								
Investment Income	-	-	-	-	-	1,469,071	1,469,071	894,196
Federal Grant Revenue	-	-	-	-	-	-	-	-
Aviation Fuel Tax Revenue	-	-	-	-	-	-	-	8,564,912
Other Nonoperating Expenses	(77,817)	(176,683)	(96,295)	(11)	(1,207)	(331,950)	(683,963)	(2,413,836)
Noncash Pension and OPEB Actuarial Assumption Adjustments	-	-	-	-	-	1,309,215	1,309,215	3,331,242
Total Nonoperating (Expense) Revenue	(77,817)	(176,683)	(96,295)	(11)	(1,207)	2,446,336	2,094,323	10,376,514
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(613,670)	(1,027,594)	(1,711,158)	(339,863)	(562,625)	89,729	(4,165,181)	3,678,325
CAPITAL CONTRIBUTIONS	-	1,586,338	1,147,491	-	-	141,764	2,875,593	1,870,769
TRANSFER (OUT) IN	(678,614)	1,342,793	967,031	283,900	371,420	(2,286,530)	-	-
CHANGE IN NET POSITION	(1,292,284)	1,901,537	403,364	(55,963)	(191,205)	(2,055,037)	(1,289,588)	5,549,094
Net Position - Beginning of Year	55,711,540	5,536,107	12,939,946	2,934,172	2,044,662	9,855,472	89,021,899	83,472,805
NET POSITION - END OF YEAR	\$ 54,419,256	\$ 7,437,644	\$ 13,343,310	\$ 2,878,209	\$ 1,853,457	\$ 7,800,435	\$ 87,732,311	\$ 89,021,899



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