Indianapolis Airport Authority

2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2022
INDIANAPOLIS, INDIANA

A DECADE OF EXCELLENCE

INDIANAPOLIS INTERNATIONAL AIRPORT

*Photo: @lindseyschubert_*
Cover photo: @shile317

Photo: @andreas_maher66

2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED DECEMBER 31, 2022
INDIANAPOLIS AIRPORT AUTHORITY, INDIANAPOLIS, INDIANA

Prepared by the Indianapolis Airport Authority

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FOSTERING
WORLD-CLASS SERVICE
TO ENHANCE
OUR COMMUNITY

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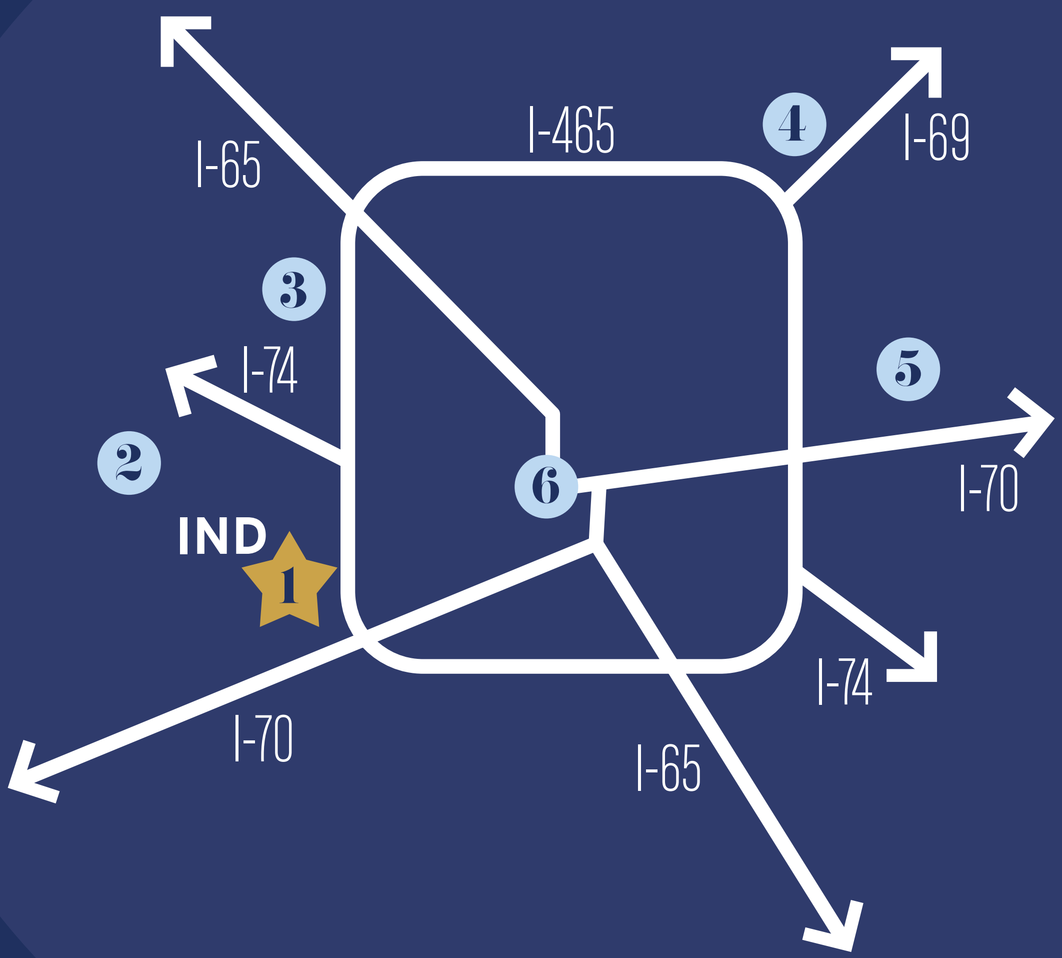

INDIANAPOLIS AIRPORT AUTHORITY BOARD

BARBARA GLASS,
PRESIDENT

Consultant,
Lilly Foundation
Years of service: 7

STEVEN DILLINGER,
VICE PRESIDENT

Owner, S.C. Dillinger &
Associates Insurance Agency
Years of service: 27
Hamilton County

MAMON POWERS III,
SECRETARY

Executive Vice President,
President - Indianapolis office,
Powers & Sons Construction Co.
Years of service: 6

BRETT VOORHIES,
MEMBER

President, Indiana AFL-CIO
Years of service: 9

TOBY MCCLAMROCH,
MEMBER

Managing Partner,
Dentons Bingham Greenebaum LLP
Years of service: 6

JEFF GAITHER,
MEMBER

Managing Partner,
Bose McKinney & Evans
Years of service: 5

KURT SCHLETER,
MEMBER

Owner,
GridLock Traffic Systems
Years of service: 5

TAMIKA CATCHINGS,
MEMBER

Owner,
Tea's Me Cafe
Years of service: 5

KATHY DAVIS,
MEMBER

Owner,
Davis Design Group LLC
Years of service: 4

MATTHEW WHETSTONE,
MEMBER

Founding Member
1816, Inc.
Years of service: 4

RYAN GOODWIN,
MEMBER

Former Commissioner,
Morgan County
Years of service: 4

BRIAN TUOHY,
BOARD COUNSEL

Tuohy Bailey & Moore LLP
Years of service: 6

A DECADE OF EXCELLENCE

INDIANAPOLIS INTL. AIRPORT

AIRPORTS COUNCIL INTERNATIONAL

IND

BEST AIRPORT IN NORTH AMERICA

11

YEARS IN A ROW

12 OUT OF 13 YEARS

2022, 2021, 2020, 2019, 2018, 2017,
2016, 2015, 2014, 2013, 2012, 2010

#1 IN CUSTOMER SATISFACTION FOR MEDIUM AIRPORTS

3 OF THE LAST 4 YEARS

J.D. Power North America Airport Satisfaction Study

TOP 10 BEST DOMESTIC AIRPORTS

7 YEARS IN A ROW

TRAVEL+LEISURE WORLD'S BEST AWARDS

Travel + Leisure

BEST AIRPORTS IN AMERICA

9 YEARS IN A ROW

CONDÉ NAST Traveler Readers' Choice Awards

Condé Nast Traveler Readers' Choice Awards

11,264

WORKERS AT IND ON AN AVERAGE DAY*

$2.4

BILLION IN PAYROLL*

52%

OF IAA EMPLOYEES ARE WOMEN OR MINORITIES

53,974

AREA JOBS*

**Economic Impact Study completed prior to the COVID-19 pandemic*

ORGANIZATIONAL STRUCTURE

EXECUTIVE MANAGEMENT TEAM

MARIO RODRIGUEZ
Executive Director
35 years of experience

MARIA WILEY
Sr. Director of Audit,
Risk Management & Procurement
30 years of experience

KEITH BERLEN
Sr. Director of Operations
& Public Safety
33 years of experience

MARSHA WURSTER
Sr. Director of Commercial Enterprise
29 years of experience

ROBERT THOMSON
Sr. Director of Finance & Treasurer
34 years of experience

REID GOLDSMITH
Sr. Director of Information
Technology
17 years of experience

BILL STINSON
Sr. Director of Public Affairs
30 years of experience

RACHEL STEVENS
Sr. Director of Human Resources
26 years of experience

JAROD KLAAS
Sr. Director of Planning
& Development
28 years of experience

HOLLI HARRINGTON
Sr. Director, Supplier Diversity
& Diversity Officer
32 years of experience

JONATHAN WEINZAPFEL
General Counsel
22 years of experience

LETTER OF TRANSMITTAL

Indianapolis Airport Authority

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office 317.487.9594 • fax 317.487.5034

June 30, 2023

To the Members of the Board:

The Annual Report of the Indianapolis Airport Authority (Authority or IAA), for the fiscal year ended December 31, 2022 is submitted herewith. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the Authority and its management. To the best of our knowledge and belief, this report, in all material aspects, fairly presents and discloses the Authority's financial position, results of operations, and cash flows as of and for the year ended December 31, 2022 in accordance with the requirements of the generally accepted accounting principles in the United States of America (GAAP).

GAAP requires that management provide a narrative overview and analysis to accompany the financial statements in the form of a Management Discussion and Analysis (MD&A). This introductory letter should be read in conjunction with the MD&A, which can be found immediately following the Independent Auditor's Report on Financial Statements and Supplementary Information in the financial section of the Annual Report.

This Annual Report has been prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). All financial and non-financial information included in this Annual Report relates solely to the Authority unless specifically stated otherwise. It is our belief that the accompanying 2022 Annual Comprehensive Financial Report meets program standards and will be submitted to the Government Finance Officers Association for review.

INDEPENDENT AUDIT

At the close of each calendar year, an independent firm of certified public accountants audits the Authority's financial statements. In addition, the Indiana State Board of Accounts retains the right to audit the Authority. In connection with the Authority's federal financial assistance, a Single Audit (conducted in accordance with Uniform Guidance) is performed and reports are issued to the Indiana State Board of Accounts, and filed with the Federal Audit Clearinghouse.

INTERNAL CONTROLS

The Authority's management is responsible for establishing and maintaining internal accounting controls that ensure assets are safeguarded and financial transactions are properly recorded and adequately documented. To ensure that the costs of controls do not exceed the benefits obtained, management is required to use cost estimates and judgments to attain reasonable assurance as to the adequacy of such controls. The Authority has established internal controls to fulfill these requirements, and these controls are reviewed annually by an external audit firm for applicability, relevance, and effectiveness.

PROFILE OF THE AUTHORITY

ORGANIZATIONAL STRUCTURE AND GOVERNANCE

The Authority is a municipal corporation that was established on January 1, 1962, to own and operate airports in and around Indianapolis, Indiana. More information is included in the Management's Discussion and Analysis – Authority Powers and Purposes. The Authority administers an airport system comprised of the Indianapolis International Airport (IND), three general aviation reliever airports, one general aviation airport, and one general aviation reliever heliport located in downtown Indianapolis. The Authority is a separate reporting entity and is not a component of the consolidated City of Indianapolis-Marion County (Unigov) or any other government. You may also refer to Note 1 of the financial statements for more information regarding the financial reporting entity determination under the Government Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 61.

The Authority's Board consists of eleven voting members. Each member is appointed to a four-year term.

ACCOUNTING / BUDGETARY CONTROL

The Authority consists of a single enterprise fund, and its financial statements are presented on the accrual basis of accounting using the economic resources measurement focus. This Annual Report, and each of the Authority's monthly financial statements, use the accrual method preferred for enterprise funds. Annual budgets and monthly budget reports are also prepared using the accrual basis of accounting. The Authority's annual operating budget is prepared by the IAA Finance Department in concert with management and is ultimately adopted by ordinance upon approval of the Authority Board. It is submitted to the Indianapolis/Marion County City-County Council as part of the review process. The State of Indiana Department of Local Government Finance reviews the budget in the same manner. Public hearings are held at each step of the review process, and a notice of said hearings is published in accordance with Indiana law. In addition, a long-term Capital Improvement Plan is prepared annually utilizing estimates of future capital improvements and their financial impact. Budgetary control is maintained at the fund, function, and department levels.

ECONOMIC CONDITIONS AND OUTLOOK

ECONOMIC EVENTS

The COVID-19 pandemic's dynamic nature leads to uncertainties, including the ultimate geographic spread of the virus; the severity of the disease; the duration of the pandemic; and actions that may be taken by governmental authorities to contain the outbreak or treat its impact. There is uncertainty related to the pandemic's local and global economic impact on the demand for air travel and on the airlines and concessionaires serving airports.

STATE OF THE AIRLINE INDUSTRY

The U.S. airline industry saw a historic drop in travel demand caused by the global coronavirus pandemic. As a result of most COVID-19 restrictions ending in early 2022, combined with pent up leisure demand, many of the months in 2022 came close to reaching 2019 levels of passenger traffic.

STATE OF INDIANAPOLIS AIRPORT AUTHORITY

Passenger and Cargo Volume

Total passenger volume at IND increased 21.1%, and passenger airlines landed weight increased 12.1% from 2021 to 8.7 million passengers. IND averaged 104 daily departures in 2022, a 19.5% increase from the previous year. This activity increase is primarily attributed to an increase in passenger airline activity due to the economic recovery from the COVID-19 disruption.

Overall cargo volume at IND showed a decrease in 2022 at 1.3 million tons, decreasing 6.2% compared to the previous year. IND domestic cargo fell 8.3%, and international cargo increased by 7.2% from 2021 levels. These changes occurred as a result of supply chain constraints faced as the economy continues to recover from COVID-19. FedEx remained the most significant contributor to cargo volume at 97.7%. Cargo airline landed weights increased by 1% compared to 2021 and was primarily driven by FedEx. The increase in FedEx cargo landed weights was driven by planned capacity growth and operational changes to meet an increase in demand.

MAJOR INITIATIVES & DEVELOPMENT

Airline Use Agreement

The currently effective Airline Use Agreement (AUA) was completed in 2019 between IAA and air/cargo carriers effective through December 31, 2023. Airlines that sign the Airline Agreement are subject to favorable signatory rates, as opposed to the Authority's non-signatory rates.

The rate-making methodology of the AUA allows IAA to fund IAA's five-year Capital Improvement Plan. The Capital Improvement Plan is focused on asset preservation by maintaining airfield infrastructure, the modern terminal, and its related facilities, as well as investments in customer experience and increased environmental sustainability.

Economic Impact

The IAA continued to honor its promise to enhance surrounding IND and reliever-airport communities in 2022 by putting land not needed for aviation purposes back into productive use, returning the property to private ownership, and ultimately on those communities' property tax rolls. The result was a significant impact for each respective community.

In March 2022, the Authority closed four transactions totaling approximately 91 acres for various properties of permanent and non-permanent habitat areas and former residential sites. In September, the Authority closed the sale of a 24-acre parcel in Fishers along 96th Street to be developed in alignment with Fishers' Life Sciences Initiative. In December, the Authority sold an 8.71-acre parcel along the West Washington Street corridor for the development and construction of a multi-tenant industrial flex building, bringing this parcel back to the tax roll for Marion County and adding to the revitalization efforts of the City of Indianapolis for that stretch of the West Washington Street corridor. In addition, the IAA entered into a sale agreement for nearly 100 acres at Metro Indy for the development of a new Andretti Motorsports Headquarters and an Option to Purchase the remaining non-aeronautical land at this Fishers reliever airport.

In September, the Authority purchased approximately 57 acres of ground abutting Indy Regional Airport. As part of the IAA's master-planning efforts and strategy, it has continued to monitor Hancock County's exponential growth and opportunities, and in particular, the need to support cargo-related logistics. As a part of those planning efforts, the Authority obtained an FAA determination in August 2022 to allow for the divestiture of a 78-acre parcel of non-aeronautical land near Indy Regional.

Lastly, the IAA continued its support of the City of Indianapolis on its focus on the revitalization of the West Washington Street Corridor, from the Hendricks County line to Interstate 1-465.

Awards and Acknowledgements

In pursuit of the IAA's mission to enhance the community through engagement and service and continually drive a world-class experience to create public value, IND was recognized by the local community and industry organizations as the top in its class; 2022 continued to be yet another award-winning year for IND.

Continued Excellence in the Industry

IND has been named the best airport in North America eleven years in a row (2012-2022) in the Airport Service Quality (ASQ) awards given by Airports Council International (ACI). IND is the first airport to receive this recognition for over a straight decade. The ASQ program has become the world's leading airport passenger satisfaction benchmark, with over 300 airports participating. The ASQ Awards recognize and reward airports based on ACI's ASQ passenger satisfaction surveys and their commitment to continuous improvement of the passenger experience.

Passengers continue to choose IND as a top airport with high marks for fast check-in time, ease of finding their way through the terminal, and the courtesy and efficiency of airport staff.

IND has been recognized by FAA for safety excellence due to no discrepancies and 100% compliance with part 139 inspection 22 out of the last 23 years.

Best Airport in America, Again

Readers of the popular luxury travel magazine, Condé Nast Traveler, named IND in their top ten list of best airports in America for the nineth year in a row (2022, 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014). More than 300,000 people took part in the Condé Nast Readers' Choice survey. IND's efficient terminal design allows passengers to breeze through TSA screening and enjoy their time experiencing the airport's local favorites and offerings.

For seven years in a row (2022, 2021, 2020, 2019, 2018, 2017, 2016), Travel + Leisure named IND in their top ten list of best domestic airports in their World's Best Awards category. Indy was described as an airport that ticked all the boxes with art and culture, cleanliness, safety, and accessibility.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Indianapolis Airport Authority for its Annual Report for the fiscal year ended December 31, 2021. This was the 40th consecutive year that the IAA has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Management believes this Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program requirements, and it will be submitted to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The timely completion of this report could not be accomplished without the assistance and dedication of many individuals. The IAA acknowledges the assistance of Forvis, LLP, Certified Public Accountants (formerly BKD, LLP), and the IAA staff for their assistance in making this financial presentation possible.

Appreciation is also expressed to the Authority Board members for their continued support of accounting and reporting in accordance with accounting principles generally accepted in the United States of America.

Respectfully submitted,

Robert B. Thomson
Senior Director of Finance & Treasurer

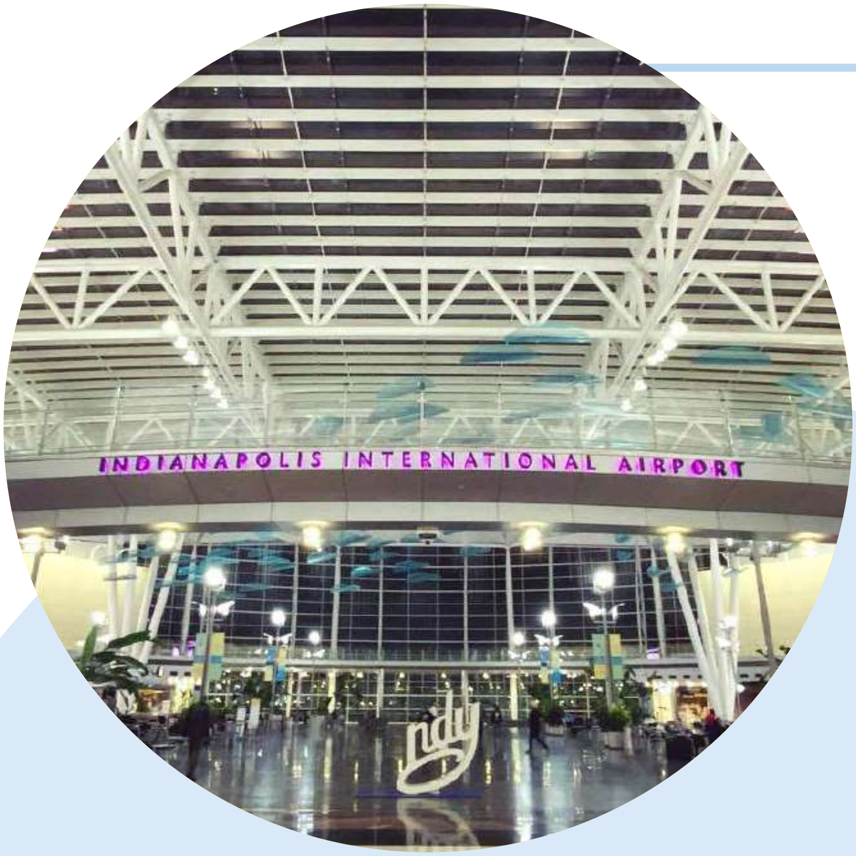
IN 2022:

8.7
MILLION PASSENGERS

Photo: @modelaviation12

AVERAGED
130
DAILY DEPARTURES

MOVED MORE THAN
1.2 MILLION TONS OF CARGO



IND SUPPORTS

$7.5 BILLION

IN TOTAL ECONOMIC OUTPUT


Photo: @leslie_hill_w

AND CONTRIBUTES

$4.1 BILLION

TO STATE GDP

FOCUS ON LONG-TERM SUSTAINABILITY

IND HAS ONE OF THE
LARGEST SOLAR FARMS
ON AIRPORT PROPERTY
IN THE WORLD

AND ONE OF THE
LARGEST ELECTRIC SHUTTLE BUS FLEETS
AT A MIDWEST U.S. AIRPORT

2nd LARGEST
FEDEX HUB IN THE WORLD
CELEBRATING
30+ YEARS AT IND

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Indianapolis Airport Authority
Indiana

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO

2.0 FINANCIAL SECTION

Photo: @spatt.jpg

FORV/S

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P 317.383.4000 / F 317.383.4200
forvis.com

Independent Auditor's Report

To the Members of the Board
Indianapolis Airport Authority
Indianapolis, Indiana

Opinion

We have audited the financial statements of the Indianapolis Airport Authority (Authority) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2022, and the changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 2 to the financial statements, in 2022, the Authority adopted new accounting guidance for accounting for leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 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, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

FORVIS, LLP

Indianapolis, Indiana
April 11, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2022 and 2021
(Unaudited)

The following discussion and analysis of the financial performance and activity of the Indianapolis Airport Authority (Authority) is to provide an introduction and overview that users need to interpret the financial statement of the Authority as of and for the year ended December 31, 2022. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

Authority Powers and Purposes

In 1962, the City Council of the City of Indianapolis (City), the Mayor of the City and the County Council of Marion County (County) created the Authority pursuant to the Authority Act as a municipal corporation, separate from the City and the County. The Authority Act authorizes the Authority to own and operate public airports. The Authority is empowered to do all things necessary or reasonably incident to carrying out the purposes of the Authority Act, including the power to: (i) acquire, establish, construct, improve, equip, maintain, control, lease and regulate municipal airports, landing fields and other air navigation facilities, either inside or outside the County; (ii) manage and operate airports, landing fields and other air navigation facilities acquired or maintained by the Authority; (iii) adopt a schedule of reasonable charges and collect them from all users of facilities and services within the County; (iv) lease all or any part of an airport, landing field or any buildings or other structures, and fix, charge and collect rentals, tolls, fees and charges to be paid for the use of the whole or a part of the airports, landing fields or other air navigation facilities by aircraft landing there and for the servicing of the aircraft; (v) make rules and regulations, consistent with laws regarding air commerce, for management and control of its airports, landing fields, air navigation facilities and other property under its control; and (vi) incur indebtedness in accordance with the Authority Act.

The operations of the Authority depend heavily on revenues received from airlines serving Indianapolis International Airport. Airlines are given the option to sign an Agreement and Lease of Premises (Airline Agreement), which sets forth rates and charges for use of Authority assets and which utilizes a hybrid residual rate-making methodology. The hybrid residual nature of the Airline Agreement essentially requires the airlines to assume certain financial risks to guarantee the Airport has sufficient revenue to cover all operating and capital borrowing costs. In return, the Authority has less autonomy over capital asset development decisions in that the airlines must approve certain proposed capital improvement projects at the Airport. As of December 31, 2022, eight passenger carriers and two cargo carriers represent the Signatory Airlines.

The term of the current signatory airline agreement is January 1, 2019 through December 31, 2023. The agreement does not contain extension provisions but does have holdover provisions. Airlines that sign the Airline Agreement are subject to favorable Signatory rates, as opposed to the Authority's Non-Signatory rates.

Airport Operations Activity and Financial Highlights

	2022	2021	Variance
Enplaned passengers [(1)]	4,345,413	3,582,020	21.3%
Landed weight (1,000 lb. units)			
Passenger airlines	4,788,844	4,271,668	12.1%
Cargo airlines	7,240,681	7,169,790	1.0%
Total landed weights	12,029,525	11,441,458	5.1%
Aircraft operations	193,634	185,970	4.1%

(1) Includes domestic air carriers, international air carriers and air taxi/commuter flights

Airport Operations Activity

In 2022, the number of enplaned passengers was 21.3% higher than in 2021. The increase from 2021 is primarily driven by the return of business travel. Just as the COVID-19 pandemic affected health and safety guidelines, it also changed IND's mix of leisure and business travelers. The mix of travel in 2022 was 70% leisure/30% business according to Airport Service Quality (ASQ) data. In 2021, travel skewed towards leisure with a mix of 82% leisure/18% business. The mix pre-pandemic was a more even split at 55% leisure/45% business.

Non-stop destinations recovered to 47 non-stop destinations in 2022 vs. pre-pandemic activity of 50 non-stop destinations. In 2022, the Airport launched or announced 7 flights including the resumption of Air Canada service to Toronto. Additional capacity to existing markets came from Spirit, Alaska, and Frontier. Frontier launched Raleigh Durham (RDU); a market not served since the pandemic. In addition, Indianapolis hosted the College Football Championship in January 2022 which prompted one-time flights by Delta Air Lines to Savannah (SAV), Birmingham (BGM) and Huntsville (HSV). Southwest also announced in 2022 that they would resume Kansas City (MCI) and San Diego (SAN) in 2023.

Passenger airlines accounted for approximately 40% of total landed weight at IND in 2022 and 37% in 2021; cargo airlines accounted for the other 60% during 2022 and 63% in 2021. Passenger airline landed weights increased by 12.1% in 2022 from the prior year; cargo airline landed weight increased 1.0% from the prior year. The increase in passenger landed weights is mainly attributed to the increase in business and leisure travel and is explained further in the Economic Factors section. FedEx continued to represent most of the cargo landed weights in 2022. The increase in FedEx cargo landed weights was driven by planned capacity growth and operational changes to meet an increase in demand. Aircraft operations represent landings and takeoffs for air carrier (passenger and cargo), air taxi and commuter, general aviation and military operations. This activity increased 4.1% over the prior year primarily attributable to an increase in passenger airline activity due to the economic recovery from the COVID-19 disruption.

Financial Highlights

- The Authority experienced an increase in total assets and deferred outflows of resources of $556.6 million during 2022. This increase is primarily attributable to the $299.3 million increase in assets due to the implementation of GASB Statement No. 87, *Leases*. The new accounting standard is represented in three lease receivable captions including a current lease receivable of $26.0 million, a current interest receivable of $0.6 million, and a noncurrent lease receivable of $272.7 million. The increase is also attributable to the change in restricted cash and cash equivalents of $183.3 million as a result of the unspent proceeds from a near year end $174.6 million par value bond issue. The remaining variance is primarily attributable to capital asset additions.
- Total liabilities increased $135.0 million in 2022. This change is primarily attributable to the $174.6 million par value bond issue at the end of 2022 offset by the $33.7 million reduction in derivative instruments value caused by both the termination of the two swaps associated with the refunded portion of the 2010C Bonds, and the effect of increased market interest rates on the value of the two remaining swaps.
- Total deferred inflows of resources increased $282.4 million driven by a $296.5 million increase due to the implementation of GASB Statement No. 87, *Leases*, partly offset by a $14.1 million reduction in deferred inflows caused by the increase in market interest rates that lowered the value of the forward delivery agreements.
- The 2022 increase in net position was $139.1 million compared to an increase of $288.0 million for 2021. The $139.1 million increase is a result of the loss from operations of $38.9 million, net nonoperating revenues of $28.5 million and capital contributions and grants of $149.5 million.

Overview of Financial Statements

The Authority only engages in business-type activities. These are activities that are intended to recover all or a significant portion of their costs through user fee charges to external parties for goods or services. The Authority reports its business-type activities in a single enterprise fund, meaning that its activities are operated and reported like a private-sector business.

The Authority's financial report includes comparative Statements of Net Position, Statements of Revenues, Expenses and Changes in Net Position and Statements of Cash Flows. Also included are notes to the financial statements that provide more detailed data. These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB).

The net position of the Authority is comprised of these categories:

- *Net investment in capital assets* - reflects the Authority's investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The Authority uses these capital assets to provide services to the public; consequently, these assets are not available for future spending.
- *Restricted* - represent resources that are subject to external restrictions on how they may be used.
- *Unrestricted* - represent resources that may be used to meet the Authority's ongoing obligations to the public and creditors.

Statements of Net Position

The Statements of Net Position present the financial position of the Authority at the end of the fiscal year and include all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the Authority. The net position of the Authority represents the difference between total assets plus deferred outflows of resources, and total liabilities plus deferred inflows of resources and is an indicator of the current net value of the Authority.

A summarized comparison of the Authority's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at December 31, 2022 and 2021 follows:

	2022	2021 [1]
	(Table Amounts in Thousands)	
Current assets - unrestricted	$ 140,570	$ 108,270
Current assets - restricted	250,653	66,623
Noncurrent assets		
Capital assets, net	2,044,405	1,980,863
Other noncurrent assets	494,265	214,968
Total assets	2,929,893	2,370,724
Deferred outflows of resources	14,626	17,214
Total assets and deferred outflows of resources	$ 2,944,519	$ 2,387,938
Current liabilities - payable from unrestricted	$ 19,766	$ 12,605
Current liabilities - payable from restricted	85,705	61,974
Noncurrent liabilities - payable from restricted	1,016,181	912,066
Total liabilities	1,121,652	986,645
Deferred inflows of resources	300,409	17,979
Net position		
Net investment in capital assets	1,213,447	1,099,360
Restricted	184,192	185,180
Unrestricted	124,819	98,774
Total net position	1,522,458	1,383,314
Total liabilities, deferred inflows of resources and net position	$ 2,944,519	$ 2,387,938

[1] The balances for the year ended December 31, 2021 have not been restated to reflect the adoption of GASB Statement No. 87, *Leases*. See Note 2 for additional information regarding adoption of this standard.

<u>2022 to 2021 Comparative Statements of Net Position</u>

Unrestricted current assets increased $32.3 million, which is attributable to a $20.3 million decrease in cash and cash equivalents, offset by a $22.9 million increase in grants receivable, a current interest receivable of $0.6 million and a $26.0 million GASB Statement No. 87, *Leases* related lease receivable.

Restricted current assets increased $184.0 million primarily relating to an increase in cash and cash equivalents as a result of the unspent proceeds from the 2022 near year end $174.6 million par value bond issue.

Total noncurrent assets increased by $342.8 million. This change reflects a $279.3 million increase in other noncurrent assets primarily attributable to the $272.7 million lease receivable due to the implementation of GASB Statement No. 87, *Leases*. This change also includes an increase in nondepreciable and depreciable capital assets of $63.5 million attributable to the addition of $45.6 million in lessee financed improvements for FedEx's sort facility and capacity expansion of its Indianapolis hub, and the increase in depreciable capital assets of $78.6 million from fixed asset additions for the runway 5R-23L reconstruction project offset by the normal decrease in capital assets due to depreciation.

Total deferred outflows of resources decreased by $2.6 million, the result of the normal amortization of deferred losses on the refunding of debt.

Total current liabilities increased by $30.9 million primarily driven by an increase of $21.0 million in accounts payable, $6.1 million increase in accrued and withheld items and an increase of $3.6 million in the current portion of debt.

Total noncurrent liabilities increased $104.1 million. This change is primarily attributable to the $174.6 million bond issue at the end of 2022 offset by a $33.7 million reduction of derivative instruments caused by the termination of swaps associated with the refunded portion of the 2010C Bonds and the valuation effect of increased market interest rates on the remaining swaps, and normal amortization of bonds payable and other debt.

Total deferred inflows of resources increased $282.4 million as the result of the recording of $296.5 million due to the implementation of GASB Statement No. 87, *Leases*, partly offset by a $14.1 million reduction in deferred inflows caused by the increase in market interest rates that lowered the value of the forward delivery agreements.

2022 to 2021 Comparative Statements of Revenues, Expenses and Changes in Net Position

The Statements of Revenues, Expenses and Changes in Net Position reflect the operating activity of the Authority for the year using the accrual basis of accounting, similar to private sector companies. The change in net position for the years ended December 31, 2022 and 2021 was an increase of $139.1 million and an increase of $288.0 million, respectively. The comparative analysis below is a summary of the Statements of Revenues, Expenses and Changes in Net Position for 2022 and 2021.

	2022	2021 [1]	$ Variance	% Variance
		(Table Amounts in Thousands)		
Total operating revenues	$ 171,334	$ 156,672	$ 14,662	9.4%
Total nonoperating revenues	68,534	38,919	29,615	76.1%
Total revenues	239,868	195,591	44,277	22.6%
Total operating expenses	210,204	180,632	29,572	16.4%
Net nonoperating expenses	39,996	30,434	9,562	31.4%
Total expenses	250,200	211,066	39,134	18.5%
Loss Before Capital Contributions and Grants	(10,332)	(15,475)	5,143	-33.2%
Capital Contributions and Grants	149,476	303,454	(153,978)	-50.7%
Increase in Net Position	139,144	287,979	(148,835)	-51.7%
Net Position, Beginning of Year	1,383,314	1,095,335	287,979	26.3%
Net Position, End of Year	$ 1,522,458	$ 1,383,314	$ 139,144	10.1%

[1] The balances for the year ended December 31, 2021 have not been restated to reflect the adoption of GASB Statement No. 87, *Leases*. See Note 2 for additional information regarding adoption of this standard.

Operating revenue in 2022 increased $14.7 million, or 9.4% from prior year attributable to the following components:

- *Airfield revenue* in 2022 of $31.5 million increased from prior year by $0.5 million, or 1.6%. Total landed weights increased by 5.1% from prior year as passenger carriers increased 12.1% and cargo carriers increased 1.0%. The Signatory landing fee rate decreased to $2.23 in 2022 from $2.30 in 2021. The Non-Signatory landing fee rate decreased to $3.35 in 2022, as compared to the 2021 rate of $3.45.

- *Terminal complex revenues* of $56.9 million decreased $0.6 million, or 1.0% from prior year. Budgeted airline terminal rental rates decreased in 2022 to $105.50 per square foot compared to the prior year rate of $112.57 per square foot. Concession revenues exceeded prior year by $2.7 million (44.5%) and automobile rental commissions exceeded prior year by $2.0 million (21.4%); both attributable to the significant increase in passengers of 21.3%. The favorable variances are offset by $4.0 million of payments received for concessionaire relief from the American Rescue Plan Act (ARPA) which is recorded as nonoperating federal operating grant revenue. Implementation of GASB Statement No. 87, *Leases* resulted in $1.2 million of lease payments being recognized as nonoperating interest revenue – leases, further reducing Terminal complex revenues.
- *Parking revenues* increased from prior year by $16.8 million, or 39.3%, resulting in $59.6 million in 2022 parking revenue; an increase directly related to the 21.3% increase in passengers and a change in the product mix due to longer stays in the garage versus the lower rate parking lot products.
- *Rented buildings and other* of $14.3 million decreased $2.2 million from prior year or 13.6%. This is primarily attributable to implementation of GASB Statement No. 87, *Leases* and $2.9 million of lease payment being recognized as nonoperating interest revenue – leases.
- *Revenues from Indianapolis Maintenance Center (IMC)* of $5.6 million was flat with prior year. This represents revenues due the Authority for reimbursement of eligible expenditures under the terms of the Settlement Agreement reached between the Authority and the trustee for the special facility revenue bonds the Authority had previously issued on behalf of United Airlines.
- *Reliever airports revenue* of $3.4 million increased $0.2 million or 6.4%. Increase attributable to higher fuel flowage fees offset by the implementation of GASB Statement No. 87, *Leases* and $0.3 million lease payment being recognized as nonoperating interest revenue – leases.

Nonoperating revenues in 2022 of $68.5 million increased from prior year by $29.6 million, or 76.1% attributable to the following components:

- *Federal operating grants* of $4.9 million increased $3.1 million primarily attributable to $4.2 million operating portion drawn on IND's ARPA funded recovery grant in 2022, offset by a reduction from prior year of $1.2 million for IND's concessionaire relief funded by the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA).
- *Passenger facility charges (PFC) income* of $17.7 million increased $2.7 million, or 18.2%. This increase is due to the increase in passenger numbers and ticket sales as PFC revenues are earned when tickets are sold.
- *Customer facility charges (rental cars) income* of $8.1 million increased $1.6 million, or 24.2% due to the increase in passenger numbers and rental transactions.
- *Investment income (loss)* of $30.6 million increased $15.0 million primarily attributable to the $12.0 million year-over-year increase in the fair value change of hedging derivatives and $3.0 million higher earnings on securities in the Authority's investment portfolio.
- *Interest revenue* – leases of $7.2 million in the current year attributable to the implementation of GASB Statement No. 87, *Leases.*

Operating expenses (before depreciation) for the years ended December 31, 2022 and 2021 totaled $99.2 million and $79.7 million, respectively, an increase of $19.5 million, or 24.5%. The following analysis provides material operating expense changes by both operating expense class and operating expense business area.

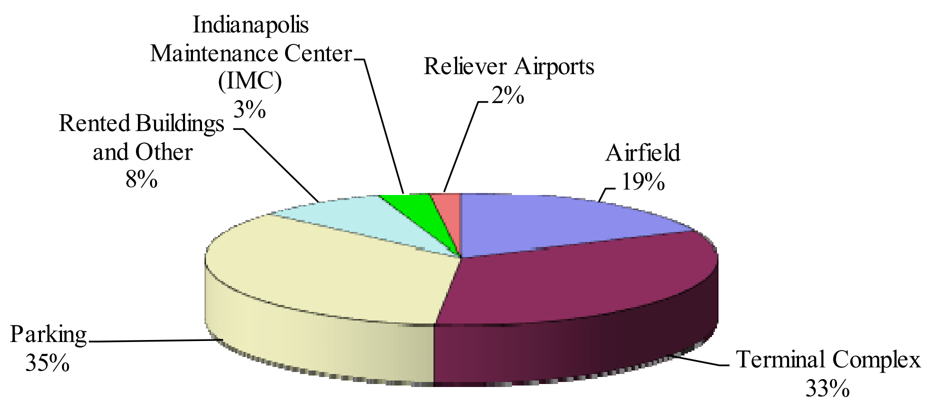
- *Operating expenses by natural classification (before depreciation):*
    - Total *personal services expense* increased 19.8% or $6.9 million to $41.7 million attributable to market rate adjustments and annual merit increases and an increase in health insurance expense claims. Additionally, full-time and part-time staffing increased to an average of 446 full time equivalents (FTEs) vs. 401 FTEs in the prior year; 7.4% vacancy vs. 12.0% vacancy in prior year. This included the addition of Public Safety Officers that were previously contracted services.
    - Total *contractual services expense* increased 38.7% or $9.5 million to $34.2 million attributable to increased professional fees for environmental services and an environmental remediation accrual adjustment to include polyfluoroalkyl substance mitigation costs; Planning and Development staff augmentation due to staffing vacancies; equity and development of DBE goals and methodology; recruitment fees; public affairs/social media services; increased contracted cleaning services due to staffing vacancies and increases for cleaning of terminal carpet and special cleaning projects; greater elevator/escalator costs due to new contract with enhanced coverage, and onetime investments to maintain and preserve the Authority's assets including pavement repairs, grounds maintenance and other building repairs. Costs that vary in proportion to passenger volumes such as parking related credit card processing fees, valet operating costs, and dockmaster fees also increased.
    - Total *utilities expense* of $11.3 million increased by $0.7 million, or 7.0% reflective of an increase in electricity costs offset by a decrease in sewer charges relating to glycol processing and stormwater processing user fees.
    - Total *supplies expense* of $6.0 million increased by $1.3 million, or 27.8% primarily in higher fuel costs, increased paper & cleaning supplies, investments in uniforms and equipment for Fire and expenses for snow & ice chemical.
    - Total *materials expense* increased by $0.7 million, or 23.0% to $3.9 million primarily due to greater motorized equipment repair parts for buses and airfield equipment and jet bridge repair parts than in prior year.
    - Total *general expense* of $2.1 million increased $0.3 million or 17.7% from prior year which relates to an increase in property insurance premiums.
- *Operating expenses by functional category (before depreciation):*
    - *Airfield expenses* of $12.8 million increased by $0.9 million, or 7.7% from the prior year. The increase is attributable to market rate payroll adjustments, annual merit increases and an increase in health insurance expense claims. Additionally, higher snow and ice chemical; environmental professional fees; grounds maintenance and vehicle fuel and repair costs, offset by lower sewer charges relating to glycol processing fees.

- *Terminal complex expenses* of \$24.2 million increased \$5.7 million, or 30.7% from the prior year. The increase includes market rate payroll adjustments, annual merit increases and an increase in health insurance expense claims. The increase also relates to greater elevator/escalator costs due to new contract with enhanced coverage; increased contracted cleaning services due to staffing vacancies and increases for cleaning of terminal carpet and special cleaning projects; higher dockmaster fees due to increased 2022 activity; greater baggage system repair parts; increased utility costs; increased paper supply usage; increase in property insurance premium and various onetime investments to maintain and preserve the Authority's assets including departure area canopy repairs, emergency restroom partition repairs, stainless steel restoration/power washing and various other building repairs.
- *Parking expenses* of \$11.8 million increased \$3.9 million, or 49.5% from the prior year. The increase includes market rate payroll adjustments, annual merit increases and an increase in health insurance expense claims. The increase also relates to greater elevator/escalator costs due to new contract with enhanced coverage; increased contracted services relating to power washing in the garage, exterior painting of garage entrance and exit areas and replacement of Ground Transportation Center air curtains; increased electricity and fuel costs as well as greater vehicle and bus repair costs. Additionally, costs that vary in proportion to passenger volumes such as parking related credit card processing fees and valet operating costs increased.
- *Rented buildings and other expenses* of \$3.6 million increased \$1.5 million, or 71.3% from prior year. Current year reflects a \$1.0 million increase in environmental remediation related to polyfluoroalkyl substance mitigation costs. Contractual services also increased related to various onetime investments to maintain and preserve the Authority's assets including pavement repairs, business art and design refurbishment, International Arrivals Building remodel and building demolition costs.
- *Indianapolis Maintenance Center (IMC) expenses* of \$7.5 million increased \$1.5 million, or 25.1%. The increase includes market rate payroll adjustments, annual merit increases and an increase in health insurance expense claims. Additionally, increased electricity costs and onetime investments to maintain and preserve the Authority's assets including pavement repairs, pipe repairs, hot water system pump and motor replacements and the repair and upgrade of condensate returns.
- *Reliever airports expenses* of \$3.2 million increased \$0.7 million, or 28.0% from prior year. Increase primarily attributable to higher fuel costs and grounds maintenance related to obstruction removal for runway 15 at the Metropolitan Reliever.
- *Public safety expenses* of \$14.1 million increased \$0.8 million, or 6.2% from prior year. The increase includes annual merit payroll increases and an increase in health insurance expense claims as well as the insourcing of non-sworn public safety officers from an outsourced contractual structure.
- *Administration costs* of \$21.9 million increased by \$4.5 million, or 25.6% from prior year. Increase attributable to market rate payroll adjustments, annual merit increases and an increase in health insurance expense claims as well as new dependent care coverage offered in 2022. The increase also includes professional fees relating to Planning and Development for staff augmentation, equity and development of DBE goals and methodology; recruitment and public affairs/social media services; investments in training and employee development, retirement planning, software as a service, and software maintenance fees.

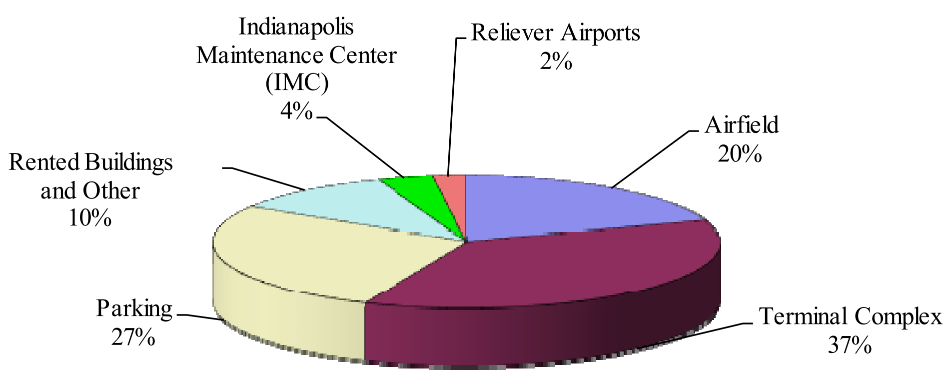
- *Net Nonoperating expenses* for the years ended December 31, 2022 and 2021 totaled $40.0 million and $30.4 million, respectively, an increase of $9.6 million, or 31.4% attributable to the following components:
    - *Interest expense* of $32.7 million decreased $0.1 million over the prior year due primarily to lower costs associated with IAA's variable rate bond portfolio.
    - *Gain (loss) on disposals of capital assets and other* of $(7.3) million decreased by $9.7 million over the prior year. The current year loss is primarily attributable to the retirement of assets related to the reconstruction of runway 5R-23L, the demolition of the Lexington Hotel, offset by various land sales throughout 2022.
- *Capital contributions and grants* of $149.5 million decreased $154.0 million compared to prior year. Current year includes $62.7 million drawn on the Reconstruct Runway 5R-23L and Taxiway D grants, $20.6 million drawn on IND's CRRSA Act and ARPA funded recovery grants and $45.6 million of Lessee Financed Improvements for the FedEx's facilities, with the remainder relating to grant receipts primarily for federally funded capital projects. The prior year amounts included $23.7 million drawn on IND's Coronavirus Aid, Relief, and Economic Security Act (CARES) and CRRSA Act funded recovery grants and $252.0 million of Lessee Financed Improvements for FedEx's sort facility and capacity expansion of its Indianapolis hub.

The following is a graphic illustration of operating revenues by source for the years ended December 31, 2022 and 2021:

Operating Revenues - 2022



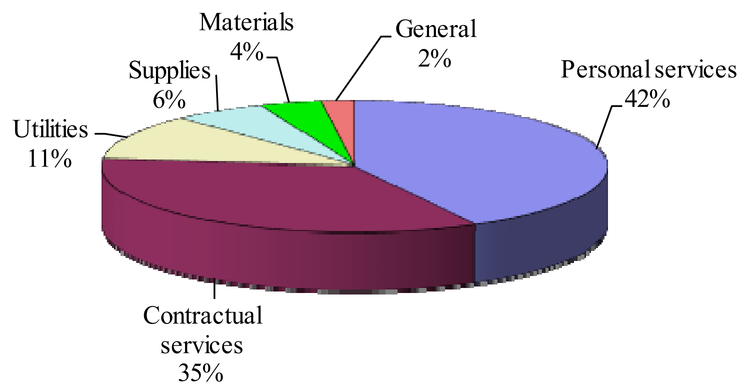
Operating Revenues - 2021 (1)



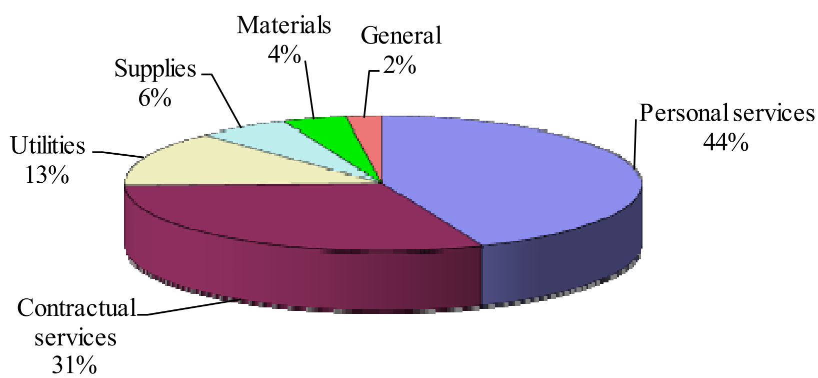
(1) The balances for the year ended December 31, 2021 have not been restated to reflect the adoption of GASB Statement No. 87, *Leases*. See Note 2 for additional information regarding adoption of this standard.

The following is a graphic illustration of the total operating expenses by source for the years ended December 31, 2022 and 2021 (excluding depreciation):

Operating Expenses (Excluding Depreciation) - 2022



Operating Expenses (Excluding Depreciation) - 2021



Capital Asset and Debt Administration

Capital Assets

During 2022, the Authority expended approximately $108.8 million on capital assets. The capital expenditures related to multiple construction and equipment acquisition projects related to: Reconstruction of runway 5R-23L and taxiway D, Rehabilitation of Economy Parking Lot, CBP Building Refurbishment, Demolition of Lexington Hotel, Purchase of Electric Busses, and two 3000 Gallon ARFF Firefighting Vehicles.

During 2022, completed projects totaling $99.6 million were closed from construction-in-progress to their respective capital asset accounts. The more significant of these completed projects are as follows:

Reconstruct Runway 5R-23L and Taxiway D with LEDs	$78.6 million
Rehabilitation of Economy Parking Lot Pavement	$4.8 million
CBP Building Occupancy Refurbishment	$3.5 million
Demolition of Lexington Hotel	$1.6 million
VW Mitigation Trust Program - Electric Buses	$1.0 million
3000 Gallon ARFF Firefighting Vehicle	$1.0 million
3000 Gallon ARFF Firefighting Vehicle	$1.0 million

Note 5 to the financial statements provides additional information on the Authority's capital asset activity.

Long-Term Debt

Capital acquisitions can be funded using a variety of financing mechanisms, including federal and state grants, passenger facility charges, customer facility charges, public debt issues and airport operating revenues.

The Authority's Master Bond Ordinance enables it to adopt an ordinance or resolution irrevocably designating certain revenues as Dedicated Revenues (which may include, without limitation, PFC & CFC revenues, state and/or federal grants, or other identified revenues) to be used to pay debt service on Authority revenue bonds. Note 8 of the financial statements explains the details of ordinances adopted in 2021 and 2022.

As of December 31, 2022, the Authority had $1.0 billion in outstanding senior lien bonds. The Authority, through its Master Bond Ordinance, has a covenant to maintain a debt service coverage ratio of not less than 1.25 for senior lien debt. Debt service coverage is calculated based on a formula included in the Master Ordinance and the Airline Agreements. Historically, the Authority has maintained a coverage ratio higher than its requirement. During 2022 and 2021, respectively, the Authority's debt service coverage was 1.94 and 1.96 for senior lien debt. The 2022 senior lien debt service coverage was calculated using $25.0 million of grant revenue funded by CRRSA and ARPA, pledged by the Authority's Board of Directors as Gross Revenues, that was drawn and received to pay operating expenses and debt service during 2022.

Notes 8, 9 and 10 to the financial statements provide additional information regarding the Authority's debt activities.

Economic Factors

As noted earlier, IND experienced a 21.3% increase in the number of passenger enplanements over last year, resulting in total 2022 enplanements of 4,345,413. This level of enplanements represents a recovery to 91% of 2019 enplanement level.

Seat capacity in 2022 was up 15% over 2021 and only 10% down compared to 2019. Flights in 2022 were more than 13% higher compared to flights offered in 2021 and down almost 20% compared to 2019. Airline Seat Miles were approximately 17% more in 2022 compared to 2021 and 20% lower compared to 2019.

The industry is experiencing a shortage of regional pilots which has forced airlines to decrease the number of flights they offer. Although flights are down, the Airport continues to experience a stronger seat recovery than flight recovery as airlines elect to operate the routes on bigger aircraft.

The Airport was served by 11 airlines in 2022. The Airport maintained year-round service from all U.S. airlines hubs in 2022 providing nonstop or 1 stop connectivity across the U.S., Canada, and the world. In addition, point-to-point service is provided to major business and leisure destinations, mainly in the Eastern and Central U.S., and improved coverage on the West Coast.

In addition to increased passenger activity, the IAA continues to benefit from sustained cargo operations, anchored by FedEx. IND's position as FedEx's second largest hub worldwide allows the airport to maintain high cargo landed weight levels. In 2022, IND airlines carried 1.25 million tons of cargo, down 6% from 2021. IND domestic cargo was down 8.3% from 2021 while international cargo increased 7.2% in 2022 from 2021 levels. This change is likely due to the changing demand for goods across the globe.

Looking Forward

The Authority's Air Service Task Force Executive Committee continues to review changes to the ten-year Air Service Strategy. The Committee includes representatives from the Indiana Economic Development Corporation ("IEDC"), Visit Indy and the Indy Chamber, amongst other tourism and business groups. The strategy considers a myriad of factors including passenger demand, costs, airline strategy, industry trends, local and global economies amongst others.

The strategy identifies targets including both domestic and international markets as well as prospective domestic and international airlines. This strategy is adjusted as needed in response to the return of business post COVID-19. The strategy also outlines implementation strategies with emphasis on data collection and airline engagement.

Despite planning efforts, future increases in passenger and cargo traffic at the Authority will be influenced by several key economic factors, which include, but are not limited to, the following:

- Economic and political conditions
- Aviation security concerns
- Financial health of the airline industry
- Capacity of national air traffic control and airport systems
- Global health conditions
- Airline consolidation and alliances
- Availability and price of aviation fuel
- Capacity of the airport
- Airline competition and airfares
- Airline service and routes

As mentioned above, economic conditions have a significant effect on air travel and the transportation industry. The Authority cannot predict how future air travel, enplanements, or other variables relating to airport revenues may be impacted by various market factors.

Future passenger traffic may be impacted by the following:

- Pilot availability
- Average daily departures
- Scheduled seat capacity
- Average nonstop fares
- Travel preferences
- Average fares by market
- Airline communication
- Aircraft orders/retirements
- Return to business travel policies

Although it is not anticipated, the merger, restructuring or liquidation of one or more of the large network airlines could also affect airline service at many connecting hub airports. Additionally, present business opportunities for the remaining airlines, and evolving travel patterns throughout the U.S. aviation system will continue to play a role in how the industry performs.

Request for Information: This financial report is designed to provide a general overview of the Authority's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed in writing to Investor Relations, 7800 Col. H. Weir Cook Memorial Drive, Suite 100, Indianapolis, IN 46241-4941 or via email to INDir@indianapolisairport.com.

Indianapolis Airport Authority

Statement of Net Position
December 31, 2022

	2022
Assets and Deferred Outflows of Resources	
Current Assets	
Unrestricted Assets	
Cash and cash equivalents	$ 69,270,196
Accounts receivable, net of allowance of $111,000	4,707,957
Unbilled revenues	6,895,926
Grants receivable	26,814,282
Supplies and materials inventories	3,298,341
Interest receivable	614,284
Lease receivable	26,003,275
Other	2,965,800
Total unrestricted current assets	140,570,061
Restricted Assets	
Cash and cash equivalents	245,356,436
Cash and cash equivalents - customer deposits	716,181
Receivable - passenger facility charges	2,625,344
Receivable - governments and other	589,896
Receivable - reimbursable IMC expenses	1,365,301
Total restricted current assets	250,653,158
Total current assets	391,223,219
Noncurrent Assets	
Cash and cash equivalents, restricted	119,099,200
Investment securities, unrestricted	27,745,397
Investment securities, restricted	70,742,172
Rent receivable	92,355
Derivative instruments - forward delivery purchase agreements	3,904,073
Lease receivable	272,681,800
Nondepreciable capital assets	281,903,530
Depreciable capital assets, net	1,762,501,772
Total noncurrent assets	2,538,670,299
Total assets	2,929,893,518
Deferred Outflows of Resources	
Deferred loss on refunding of debt	14,625,930
Total deferred outflows of resources	14,625,930
Total assets and deferred outflows of resources	$ 2,944,519,448

See Notes to Financial Statements

Indianapolis Airport Authority

Statement of Net Position (Continued)
December 31, 2022

	2022
Liabilities, Deferred Inflows of Resources and Net Position	
Current Liabilities	
Payable From Unrestricted Assets	
Accounts payable	$ 6,472,297
Accrued and withheld items (including compensated absences)	13,293,911
Total current liabilities payable from unrestricted assets	19,766,208
Payable From Restricted Assets	
Accounts payable	28,440,991
Customer deposits payable	716,181
Current portion of debt	39,876,015
Accrued interest on debt	16,671,316
Total current liabilities payable from restricted assets	85,704,503
Total current liabilities	105,470,711
Noncurrent Liabilities	
Derivative instruments - interest rate swap agreements	9,920,625
Arbitrage rebate liability	299,969
Bonds payable and other debt, payable from restricted assets	1,005,961,041
Total noncurrent liabilities	1,016,181,635
Total liabilities	1,121,652,346
Deferred Inflows of Resources	
Accumulated increase in fair value of hedging derivatives	3,904,073
Deferred inflow on leases	296,504,629
	300,408,702
Net Position	
Net investment in capital assets	1,213,447,242
Restricted for	
Capital projects	93,920,495
Debt service	89,156,379
Other	1,115,508
Total restricted net position	184,192,382
Unrestricted	124,818,776
Total net position	1,522,458,400
Total liabilities, deferred inflows of resources and net position	$ 2,944,519,448

See Notes to Financial Statements

Indianapolis Airport Authority

Statement of Revenues, Expenses and Changes in Net Position
Year Ended December 31, 2022

	2022
Operating Revenues	
Airfield	$ 31,543,345
Terminal complex	56,941,119
Parking	59,561,731
Rented buildings and other	14,300,614
Indianapolis Maintenance Center (IMC)	5,565,399
Reliever airports	3,423,212
Total operating revenues	171,335,420
Operating Expenses	
Personal services	41,734,637
Contractual services	34,150,320
Utilities	11,295,891
Supplies	6,009,411
Materials	3,905,858
General	2,119,761
Total operating expenses	99,215,878
Income From Operations Before Depreciation	72,119,542
Depreciation expense	110,987,711
Loss From Operations	(38,868,169)
Nonoperating Revenues (Expenses)	
Federal operating grants	4,916,618
Passenger facility charges	17,740,130
Customer facility charges (rental cars)	8,107,965
Investment income, net of investment derivative fair value adjustments of $24,305,243	30,585,590
Interest revenue - leases	7,183,488
Interest expense	(32,656,433)
Gain (loss) on disposals of capital assets and other	(7,339,732)
	28,537,626
Decrease in Net Position Before Capital Contributions and Grants	(10,330,543)
Capital Contributions and Grants	
Federal, state and local grants	96,868,545
Contributions from lessees and other	52,607,081
	149,475,626
Increase in Net Position	139,145,083
Net Position, Beginning of Year	1,383,313,317
Net Position, End of Year	$ 1,522,458,400

See Notes to Financial Statements

Indianapolis Airport Authority

Statement of Cash Flows
Year Ended December 31, 2022

	2022
Cash Flows From Operating Activities	
Cash receipts from customers and users	$ 172,686,035
Cash payments to vendors for goods and services	(57,824,917)
Cash payments for employees services	(40,249,852)
Net cash provided by operating activities	74,611,266
Cash Flows From Noncapital Financing Activities	
Operating grants received	4,916,618
Customer facility charges received	8,107,965
Interest from lease transactions	6,569,204
Insurance recoveries	2,893
Net cash provided by noncapital financing activities	19,596,680
Cash Flows From Capital and Related Financing Activities	
Proceeds from issuance of revenue bonds	256,172,313
Principal paid on bonds	(106,015,000)
Termination payment on interest rate swap	(9,372,000)
Bond issuance and remarketing costs paid	(1,359,204)
Interest paid	(37,297,441)
Acquisition and construction of capital assets	(113,584,545)
Proceeds from sale of capital assets	4,453,665
Passenger facility charges received	17,303,546
Capital grants received	74,006,524
Net cash provided by capital and related financing activities	84,307,858
Cash Flows From Investing Activities	
Purchase of investment securities	(289,921,705)
Proceeds from sales and maturities of investment securities	253,452,625
Interest received on investments and cash equivalents	2,816,209
Net cash used in investing activities	(33,652,871)
Net Increase in Cash and Cash Equivalents	144,862,933
Cash and Cash Equivalents, Beginning of Year	289,579,080
Cash and Cash Equivalents, End of Year	$ 434,442,013

See Notes to Financial Statements

Indianapolis Airport Authority

Statement of Cash Flows (Continued)
Year Ended December 31, 2022

		2022
Reconciliation of Loss From Operations to Net Cash Provided by Operating Activities		
Loss from operations	$	(38,868,169)
Item not requiring cash		
Depreciation of capital assets		110,987,711
Change in assets and liabilities		
Accounts receivable and unbilled revenues		3,531,061
Lease receivable		950,673
Supplies and materials inventories		(310,026)
Other assets		(862,513)
Accounts payable		828,863
Accrued and withheld items		1,484,785
Leases		(3,131,119)
Net cash provided by operating activities	$	74,611,266
Noncash Capital and Related Financing Activities		
Capital assets included in accounts payable at end of year	$	24,828,583
Capital assets contributed by lessees and other governments		52,607,081

See Notes to Financial Statements

Indianapolis Airport Authority

Notes to Financial Statements
December 31, 2022

Note 1: Nature of Organization and Summary of Significant Accounting Policies

The Indianapolis Airport Authority (Authority) is a municipal corporation established January 1, 1962, under authority granted by Indiana statute (1961 Acts, Chapter 283, I.C. 1979 19-6-2, superseded by I.C. 8-22-3). The Authority was established for the general purpose of acquiring, maintaining, operating and financing airports and landing fields in and bordering on Marion County, Indiana. In connection therewith, the Authority is authorized, among other things, to issue general obligation and revenue bonds and to levy taxes in accordance with the provisions of the statute. The Authority administers an airport system comprised of the Indianapolis International Airport, three general aviation reliever airports, one general aviation airport and one general aviation reliever heliport. The Authority has no stockholders or equity holders and all revenue and other receipts must be disbursed in accordance with such statute.

The Authority's Board consists of eleven members, six of which are appointed by the Mayor of the Consolidated City of Indianapolis-Marion County (a unified form of government commonly referred to as Unigov), one by the majority leader of the City-Council, and one each by the Hendricks, Hamilton, Hancock and Morgan County Boards of Commissioners. Each member is appointed a four-year term.

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 deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial Reporting Entity

The definition of the reporting entity under Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended, is based primarily on the concept of financial accountability. Although the Mayor appoints a voting majority of the Authority's governing body, neither of the other two tests of financial accountability are met. Unigov is unable to impose its will on the Authority. Also, the Authority does not impose a financial burden or provide a financial benefit to Unigov. Careful review of these criteria, therefore, has resulted in the conclusion that the Authority is a separate reporting entity and is not a component unit of Unigov or any other government.

Basis of Accounting and Financial Reporting

The financial statements consist of a single-purpose business-type activity, which is reported on the accrual basis of accounting using the economic resources measurement focus.

The Authority prepares its financial statements in conformity with accounting principles generally accepted in the United States of America as applied to governmental units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Indianapolis Airport Authority

Notes to Financial Statements
December 31, 2022

Cash Equivalents

The Authority considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. At December 31, 2022, cash equivalents consisted primarily of money market mutual funds.

Investment Securities

Investment securities are stated at fair value. Fair value is determined using quoted market prices. Investments in nonnegotiable certificates of deposit and repurchase agreements are carried at cost.

Investment income consists of interest and dividend income.

Unbilled Revenues

The Authority accrues revenue for rentals earned but not yet billed as of year-end.

Inventories

Inventories consist of parts, supplies and materials. Inventories are stated at cost, which is determined using the first-in, first-out (FIFO) method.

Lessee-Financed Improvements

Certain leases include provisions whereby lessee-financed improvements become the property of the Authority. Prior to the adoption of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, the Authority recorded lessee-financed improvements only upon leasehold reversion or lease termination, at which time the improvements were capitalized at fair value and recorded as a capital contribution. Upon implementation of GASB Statement No. 33, the Authority began recognizing lessee-financed improvements at cost or estimated cost upon completion of construction, or upon the asset being placed in service, whichever occurs first. However, lessee-financed improvements placed in service prior to the adoption of GASB Statement No. 33 continue to be recognized only upon leasehold reversion or lease termination.

Indianapolis Airport Authority
Notes to Financial Statements
December 31, 2022

Capital Assets

Capital assets are defined by the Authority as assets with an initial, individual cost of more than $2,500. Capital assets purchased by the Authority are stated at historical cost. Depreciation is computed using the straight-line method over the estimated useful lives of such assets. The estimated lives by general classification are as follows:

	Years
Buildings, including parking garage	20 to 50
Sewers	25 to 50
Runways, taxiways and aprons	15 to 25
Roads, ramps, parking areas, runway and apron lighting, etc.	15 to 20
Heavy equipment, furniture and fixtures and fencing	5 to 20
Vehicles, office equipment and other	3 to 10

Maintenance and repairs are expensed as incurred. Environmental mitigation costs incurred to establish wetlands and habitats are capitalized, while costs related to maintaining wetlands and habitats are generally charged to expense as incurred. Gains and losses on disposition of capital assets are included in nonoperating revenues and expenses.

Donated capital assets are measured at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date or the amount at which a liability could be liquidated with the counterparty at the acquisition date.

Original Issue Premiums and Discount

Original issue premiums and discounts on bonds are amortized using the interest method over the lives of the bonds to which they relate.

Employee Health Benefits

The Authority offers health benefit plans which provide employees with a choice of coverage under a Health Savings Account plan or a plan provided by a Preferred Provider Organization.

Deferred Outflows and Inflows of Resources

The Authority reports the consumption of net position that is applicable to a future reporting period as deferred outflows of resources in a separate section of its statement of net position.

The Authority reports the acquisition of net position that is applicable to a future reporting period as deferred inflows of resources in a separate section of its statement of net position.

Indianapolis Airport Authority
Notes to Financial Statements
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Compensated Absences

In accordance with the vesting method provided under GASB Statement No. 16, *Accounting for Compensated Absences*, accumulated vacation and personal time is accrued when earned by the employee and the accrual is based on assumptions concerning the probability that certain employees will become eligible to receive these benefits in the future.

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 reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted expendable net position is made up of noncapital assets that must be used for a particular purpose as specified by creditors, grantors or donors external to the Authority, including amounts deposited with trustees as required by bond indentures, reduced by the outstanding balances of any related borrowings. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted.

Classification of Revenues

The Authority has classified its revenues as either operating or nonoperating revenues according to the following criteria:

Operating revenues - Operating revenues include activities that have the characteristics of exchange transactions.

Nonoperating revenues - Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as grants, and other revenue sources that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, such as facility charges and investment income.

Federal and State Grants

Outlays for airport capital improvements and certain airport operating expenses, primarily those relating to airport security, are subject to reimbursement from federal grant programs. Funds are also received for airport development from the State of Indiana. Funding provided from government grants is considered earned as the related approved capital outlays or expenses are incurred. Costs claimed for reimbursement are subject to audit and acceptance by the granting agency.

From time to time, the Authority disposes of land or other assets which were originally purchased with federal assistance. In accordance with the Airport Improvement Program (AIP), the Authority must reinvest the federal government's proportionate share of the proceeds realized from the sale or exchange of such assets in approved AIP projects or return such amounts to the federal government.

Indianapolis Airport Authority

Notes to Financial Statements
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Revenue and Expense and Net Position Recognition

Revenues from airlines, concessionaires, lessees, and parking are reported as operating revenues. Operating expenses include the cost of administering the airport system, including depreciation and amortization of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions, grants and charges.

When both restricted and unrestricted net position are available for use, it is the Authority's policy to use restricted net position first, and then unrestricted net position as they are needed.

Airline Agreement

The Authority has entered into an Agreement and Lease of Premises (Airline Agreement) with certain passenger, charter and cargo airlines serving the airport (collectively, the Signatory Airlines). Other airlines operate under an airport use permit that generally has a term of no more than two years. The Airline Agreement's hybrid residual rate-making features are designed to ensure that the Authority's debt service and related coverage obligations, including the Rate Covenant, will be met. The Airline Agreement authorizes the Authority to implement new fees and charges as necessary. In the event of an airline bankruptcy, the Authority may adjust the rates and charges for all Signatory Airlines in the current rate period to recover the rates and charges due from the bankrupt carrier. However, there can be no assurance that such other airlines will be financially able to absorb the additional costs. Rental rates under these agreements are determined annually.

Passenger Facility Charges

The Authority received approval from the Federal Aviation Administration (FAA) to impose and use a passenger facility charge (PFC) of $3.00 per eligible enplaned passenger and has imposed the PFC since September 1993. PFC's are restricted for use in the acquisition of real estate and the construction of certain airport improvements and other costs, as approved by the FAA.

During 2001, the Authority received approval from the FAA to increase the collection level from $3.00 to $4.50 per enplaned passenger beginning April 2002. In addition, approvals received in March 2001, August 2003, and February 2022 allow the Authority to impose and use $635,875,106 in PFC's for various capital and debt-related purposes. Included in the use approval is $275,172,500 for principal payments on debt, $223,335,000 for interest payments on debt and $56,330,000 for the construction of the terminal and associated program construction.

PFC's, which are recognized as earned, are included in nonoperating revenues and amounted to $17,740,130 for 2022.

Indianapolis Airport Authority
Notes to Financial Statements
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Customer Facility Charges (Rental Cars)

The Authority collects a customer facility charge (CFC) from all rental car concessionaires that operate facilities on the airport. The CFC, which started in 2006, was $3.00 per rental car transaction per day, up to 14 days. The Authority increased this charge to $4.00 per transaction in February 2010 and subsequently increased this charge to $5.00 per transaction in March 2019. Under the adopting ordinance, CFC's may be pledged or dedicated for the payment of airport bonds or other obligations, as defined by applicable bond documents, or other costs as agreed to by the Authority. CFC revenue totaled $8,107,965 for 2022.

Income Taxes

As an instrumentality of the state, the income of the Authority is exempt from federal and state income taxes under Section 115(a) of the Internal Revenue Code and a similar provision of state law.

Note 2: Adoption of GASB Statement No. 87, *Leases*

During 2022, the Authority implemented GASB Statement No. 87, *Leases* (GASB Statement No. 87). This statement requires governments to recognize certain lease assets and liabilities for leases that previously were classified as operating leases and recognize as inflows of resources or outflows of resources based on the payment provisions of the contract. The adoption of GASB Statement No. 87 did not result in any change to the Authority's beginning net position. As of January 1, 2022, the implementation of GASB Statement No. 87 did result in the increase of lease receivable and deferred inflows for leases of approximately $298.7 million. Leases have been recognized and measured using the facts and circumstances that existed at the beginning of the year. Refer to Note 6 for the additional disclosures on these balances. In addition, disclosures were added relating to regulated leases that are exempt from being included in the measurement of the above balances. Refer to Note 7 for the additional disclosures related to regulated lease activity.

Note 3: Cash, Cash Equivalents and Investment Securities

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's deposit policy for custodial credit risk requires compliance with the provisions of Indiana statutes. At December 31, 2022, the carrying value of deposits was $126,399,871.

Indianapolis Airport Authority
Notes to Financial Statements
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The Authority's cash deposits are insured up to $250,000 at financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). Any cash deposits in excess of the $250,000 FDIC limits are partially or fully collateralized by the depository institution and insured by the Indiana Public Deposits Insurance Fund (Fund) via the pledged collateral from the institutions securing deposits of public funds. The Fund is a multiple financial institution collateral pool as provided under Indiana Code, Section 5-13-12-1.

Investments

Indiana statutes generally authorize the Authority to invest in United States obligations and issues of federal agencies, Indiana municipal securities, secured repurchase agreements fully collateralized by U.S. Government or U.S. Government agency securities, certificates of deposit, and open-end money market mutual funds.

At December 31, 2022, the Authority had the following investment securities and maturities:

	Rating	Total	Less Than 1 Year	1 - 5 Years
U.S. Treasury Security Bills	AA+/Aa1	$ 88,353,706	$ 26,501,957	$ 61,851,749
U.S. Government-sponsored enterprise securities				
Federal Home Loan Mortgage Corporation	P-1	19,521,000	19,521,000	-
Indiana municipal securities	AA+/Aa1	358,108	358,108	-
	AAA/Aaa	40,337	40,337	-
	AA/Aa2	9,173,965	448,542	8,725,423
Total Indiana municipal securities		9,572,410	846,987	8,725,423
Money market mutual funds	AAAm/Aaa-mf	250,544,602	250,544,602	-
External investment pools	Not Rated	38,537,993	38,537,993	-
		$ 406,529,711	$ 335,952,539	$ 70,577,172

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority is limited to investing in municipal securities of Indiana issuers that have not defaulted within the previous 20 years and other securities with a stated maturity of not more than five years after the date of purchase or entry into a repurchase agreement, as defined by Indiana Code, Section 5-13-9-5.6. The Authority's investment policy for interest rate risk requires compliance with the provisions of Indiana statutes. The money market mutual funds and external investment pools are presented as an investment with a maturity of less than one year because they are redeemable in full immediately.

Indianapolis Airport Authority

Notes to Financial Statements
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Credit Risk **-** Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Authority's investment policy for credit risk requires compliance with the provisions of Indiana statutes, and Indiana Code Section 5-13-9-2.5 requires that the Authority only invest in money market mutual funds that are rated AAAm by Standard and Poor's or Aaa by Moody's Investors Service. Other securities, including municipal securities, may be rated lower than AAAm/Aaa or may be unrated. The Authority's investment policy restricts investments in unrated or below investment grade Indiana municipal securities to five percent of its total investment portfolio.

Custodial Credit Risk **-** For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. At December 31, 2022, the Authority's investments were not exposed to custodial credit risk. The Authority's investments in Indiana municipal securities and U.S. agency obligations are held by the pledging financial institution's trust department or agent in the Authority's name. Likewise, investments in repurchase agreements (which are secured by U.S. Government and U.S. Government agency obligations) are not subject to custodial credit risk as the underlying collateral was held in the Authority's name. The existence of the Authority's investment in money market mutual funds and external investment pools is not evidenced by securities that exist in physical or book entry form. The Authority's investment policy does not address how investment securities and securities underlying repurchase agreements are to be held.

Concentration of Credit Risk **-** The Authority places the following limits on the amount that may be invested in any one issuer: (1) no more than 50% of total investments with any one governmental agency; and (2) no more than 15% with any one Indiana municipal issuer. Additionally, the Authority places the following limits on concentration of investments: (1) no more than 50% of total investments in money market mutual funds or forward purchase agreements; (2) no more than 25% of Authority funds in certificates of deposit or investment pools; and (3) no more than 5% of total investments with municipal securities that are unrated or that are rated below investment grade.

Foreign Currency Risk **-** This risk relates to adverse effects on the fair value of an investment from changes in exchange rates. The Authority's investment policy prohibits investments in foreign investments.

Indianapolis Airport Authority

Notes to Financial Statements
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Summary of Carrying Values

Cash, cash equivalents and investment securities included in the statement of net position are classified as follows:

	2022
Cash and cash equivalents	
Current - unrestricted	$ 69,270,196
Current - restricted	246,072,617
Noncurrent - restricted	119,099,200
Total cash and cash equivalents	434,442,013
Investment securities	
Noncurrent - unrestricted	27,745,397
Noncurrent - restricted	70,742,172
Total investment securities	98,487,569
	$ 532,929,582

The carrying value of deposits and investments are as follows:

	2022
Carrying value	
Deposits	$ 126,399,871
Investments	406,529,711
	$ 532,929,582

Indianapolis Airport Authority

Notes to Financial Statements
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Cash, cash equivalents and investment securities are as follows:

	2022
Unrestricted	
Airport System Fund	$ 88,540,743
Customer Facility Charge Fund	8,464,198
Other unrestricted funds	10,652
Total unrestricted cash, cash equivalents and investments	97,015,593
Restricted	
Revenue Bond Interest and Principal Fund	58,435,317
Revenue Bond Reserve Fund	56,988,224
Operation and Maintenance Reserve Fund	16,893,304
Renewal and Replacement Fund	3,338,840
Capital Improvement Fund	71,581,381
Passenger Facility Charge Fund	19,713,770
Debt Service Coverage Fund	21,325,853
Construction Fund - 2022B Revenue Bonds	181,666,684
Construction Fund - 2019C Revenue Bonds	901,082
Construction Fund - 2019D Revenue Bonds - State Revolving Fund	9,950
Capitalized Interest Fund	4,343,403
Customer deposits	716,181
Total restricted cash, cash equivalents and investments	435,913,989
Total cash, cash equivalents and investments	$ 532,929,582

The above funds and accounts have been established in accordance with the Authority's General Ordinance No. 5-2014, the Consolidated and Restated Master Bond Ordinance (consolidating and restating all previously adopted Bond Ordinances, as amended), and further amended by various supplemental ordinances (collectively, the Ordinance). The Ordinance provides, among other things, that certain accounting procedures be followed, and certain funds be established to provide bond holders a degree of security against certain contingencies. Brief descriptions of these funds follow.

Deposits into the Airport System Fund are disbursed in accordance with the Authority's annual budget to provide for current operations and maintenance expenses. Such deposits are also used to replenish balances in other funds to their required levels under the Ordinance. Amounts in the Airport System Fund are pledged to secure the Authority Revenue Bonds, but all current operations and maintenance expenses of the Airport System are paid prior to debt service on the Authority Revenue Bonds.

Indianapolis Airport Authority

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Assets included in the Revenue Bond Interest and Principal Funds and Revenue Bond Reserve Funds are used for the payment of bond principal, interest and redemption premiums, as well as any amounts due under Qualified Derivative Agreements (as defined under the Ordinance) entered into with regard to any of the Authority's Revenue Bonds. The Operation and Maintenance Reserve Fund must be maintained at a balance at least equal to one-sixth of the Authority's current operating budget as a reserve for payment of operation and maintenance expenses. Assets of the Renewal and Replacement Fund are used to pay extraordinary costs of replacing depreciable property and equipment and/or making extraordinary repairs, replacements, or renovations to the airport system. The Capital Improvement Fund can be used for any lawful airport system purpose, including payment for capital improvements and land acquisition. The revenue bond construction funds are designated for and can be drawn upon as eligible costs for specific projects are incurred.. Finally, amounts in the Debt Service Coverage Fund are used for the purposes of establishing future coverage on outstanding Revenue Bonds.

Funds not used for these purposes are transferred into a Prepaid Airline Revenue Fund. Balances included in the Airport System Fund and Prepaid Airline Revenue Fund are classified in current unrestricted assets in the accompanying statement of net position.

The Authority has established a Customer Facility Charge Fund, which provides for a segregated account for receipt of CFC revenue. Such revenue is expended for reimbursement of capital and operating expenditures related to rental car operations on airport property, as well as to service debt associated with the financing of such capital projects. Balances in the CFC Fund are classified in current unrestricted assets in the accompanying statement of net position.

The Authority's Passenger Facility Charge Fund provides for the segregation of PFC receipts, as required by the FAA. Such revenues are to be expended only for allowable capital projects, or to repay debt (principal and interest) issued for allowable capital projects, under a Record of Decision granted by the FAA.

Investment Income

Investment income for the year ended December 31, 2022 consisted of:

	2022
Interest and dividends	$ 6,280,347
Changes in valuation of investment derivatives	24,305,243
Investment income	$ 30,585,590

Indianapolis Airport Authority

Notes to Financial Statements
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Note 4: Grants Receivable (Payable)

Grants receivable (payable) from government agencies represent reimbursements due from/to the federal government and/or the State of Indiana for allowable costs incurred on federal and state award programs. Grants receivable (payable) at December 31, 2022 consist of:

	2022
State of Indiana	$ 29,242
Federal Aviation Administration	25,785,585
U.S. Department of Commerce	31,923
U.S. Department of Homeland Security	273,000
Other	694,532
	$ 26,814,282

The maximum amount of federal and state participation available for 2022 totaled $189,448,304. At December 31, 2022, a cumulative total of $105,051,167 has been received on these grant commitments.

Indianapolis Airport Authority

Notes to Financial Statements
December 31, 2022

Note 5: Capital Assets

A summary of changes in capital assets for the year ended December 31, 2022 is as follows:

	2022			
	Beginning Balance	Transfers and Additions	Transfers and Disposals	Ending Balance
Capital assets, not being depreciated:				
Land	$ 224,988,174	$ 3,097,106	$ (2,919,844)	$ 225,165,436
Construction in progress	31,029,312	133,015,124	(107,306,342)	56,738,094
Total capital assets, not being depreciated	256,017,486	136,112,230	(110,226,186)	281,903,530
Capital assets, being depreciated:				
Buildings	1,883,162,631	38,975,222	(4,038,105)	1,918,099,748
Runways and other airport infrastructure	1,323,841,908	106,646,354	(41,158,159)	1,389,330,103
Equipment, furniture and fixtures and other	268,463,151	7,908,363	(548,933)	275,822,581
Total capital assets, being depreciated	3,475,467,690	153,529,939	(45,745,197)	3,583,252,432
Less accumulated depreciation for:				
Buildings	(826,359,092)	(56,036,694)	958,729	(881,437,057)
Runways and other airport infrastructure	(715,167,322)	(44,594,161)	39,351,360	(720,410,123)
Equipment, furniture and fixtures and other	(209,095,557)	(10,356,856)	548,933	(218,903,480)
Total accumulated depreciation	(1,750,621,971)	(110,987,711)	40,859,022	(1,820,750,660)
Total capital assets, being depreciated, net	1,724,845,719	42,542,228	(4,886,175)	1,762,501,772
Capital assets, net	$ 1,980,863,205	$ 178,654,458	$ (115,112,361)	$ 2,044,405,302

Note 6: Leases Receivable

The Authority leases a portion of its property to various third parties who use the space to conduct their operations on the Authority grounds, the terms of which expire 2023 through 2082. Payments for most of the leases increase at period intervals by the Consumer Price Index (Index), with is based upon the Index at lease commencement. In addition, the Authority has some leases with rental car companies and concessionaires that have a portion of their rent based on the higher of a percentage of receipts for the year or a minimum annual guarantee. The Authority bases the payments for these leases on the required minimum annual guarantee. The Authority leases certain equipment and property to third parties that conduct operations at airport owned facilities where lease payments are based on usage. The usage-based payments are not included in the measurement of the lease receivable because they are not fixed in substance.

Indianapolis Airport Authority

Notes to Financial Statements
December 31, 2022

Revenue recognized under lease contracts during the year ended December 31, 2022, was $31.6 million, which includes both lease revenue and interest. The Authority recognized lease revenue of $7.0 million, for the year ended December 31, 2022, for variable payments not previously included in the measurement of the lease receivable.

The following is a schedule by year of minimum payments to be received under the Authority leases that are included in the measurement of the lease receivable as of December 31, 2022:

	2022		
	Principal	Interest	Total
2023	$ 26,003,276	$ 7,134,997	$ 33,138,273
2024	25,412,824	6,743,302	32,156,126
2025	25,516,631	6,256,775	31,773,406
2026	25,137,564	5,767,985	30,905,549
2027	23,423,302	5,282,722	28,706,024
2028 - 2032	62,077,620	21,037,341	83,114,961
2033 - 2037	17,458,606	17,325,031	34,783,637
2038 - 2042	12,568,972	15,171,075	27,740,047
2043 - 2047	9,903,785	13,356,922	23,260,707
2048 - 2052	11,142,843	11,561,507	22,704,350
2053 - 2057	11,923,821	9,543,194	21,467,015
2058 - 2062	12,996,284	7,359,916	20,356,200
2063 - 2067	13,968,208	5,023,413	18,991,621
2068 - 2072	16,616,996	2,338,657	18,955,653
2073 - 2077	3,758,704	226,496	3,985,200
2078 - 2082	775,639	108,177	883,816
	$ 298,685,075	$ 134,237,510	$ 432,922,585

Note 7: Regulated Leases

The Authority leases a portion of its property to air carriers and other aeronautical users, whose leases meet the definition of a regulated lease as defined in GASB Statement No.87, and therefore, are only subject to the disclosure requirements. The terms of the regulated leases expire in 2023. The Authority leases certain equipment and property to air carriers and other aeronautical users where lease payments are based on usage. The usage-based payments are not included in the future minimum payments below because they are not fixed in substance. Most of these leases allow the lessee the preferential use of the premises, however, aircraft and vehicles may traverse the space and the Authority has the right to grant third party privileges at their discretion. The portion of total rentable space that is preferential as of December 31, 2022 for the terminal is 20.5% and 56.9% for the apron and remote overnight parking areas.

Indianapolis Airport Authority
Notes to Financial Statements
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The Authority recognized lease revenue of $26.4 million, for the year ended December 31, 2022, for variable payments relating to signatory landing fees not previously included in the future minimum payments.

The following is a schedule by year of expected future minimum payments to be received under the Authority's regulated leases as of December 31, 2022:

	Total Future Payments
2023	$ 33,563,909

Note 8: Bonds Payable and Other Debt

Bonds and other debt outstanding at December 31, 2022 consist of:

	2022
Revenue Bonds, Series 2022A	
Serial bonds, maturing January 1, 2024 to January 1, 2033, in payments from $550,000 to $17,475,000. Interest at 2.79%, due semiannually on January 1 and July 1.	$ 69,755,000
Revenue Bonds, Series 2022B-1 (Non-AMT)	
Serial bonds, maturing January 1, 2028 to January 1, 2043, payments from $1,375,000 to $4,290,000. Interest at 5.00% and 5.25%, due semiannually on January and July 1.	43,460,000
Term bonds, maturing January 1, 2048 and January 1, 2053, in payments of $16,850,000 and $21,640,000, respectively. Interest at 5.25% and 5.00%, respectively, due semiannually on January 1 and July 1.	38,490,000
Unamortized premium	7,090,101
	89,040,101
Revenue Bonds, Series 2022B-2 (AMT)	
Serial bonds, maturing January 1, 2025 to January 1, 2043, payments from $85,000 to $7,030,000. Interest at 5.00% and 5.25%, due semiannually on January and July 1.	64,495,000
Term bonds, maturing January 1, 2048 and January 1, 2053, in payments of $1,210,000 and $1,540,000, respectively. Interest at 5.00%, due semiannually on January 1 and July 1.	2,750,000
Unamortized premium	4,642,936
	71,887,936
Revenue Bonds, Series 2022B-3 (Taxable)	
Serial bonds, maturing January 1, 2025 to January 1, 2032, payments from $2,710,000 to $3,745,000. Interest from, 4.90% to 5.18%, due semiannually on January and July 1.	25,445,000
Revenue Bonds, Series 2019A	
Serial bonds, maturing January 1, 2023 to January 1, 2054, in payments from $570,000 to $1,340,000. Interest at 2.8%, due semiannually on January 1 and July 1.	28,900,000

Indianapolis Airport Authority

Notes to Financial Statements
December 31, 2022

(Continued)	2022
Revenue Bonds, Series 2019B	
Serial bonds, maturing January 1, 2023 to January 1, 2035, payments from $320,000 to $24,450,000. Interest at 5.0%, due semiannually on January and July 1.	$ 134,790,000
Unamortized premium	15,666,889
	150,456,889
Revenue Bonds, Series 2019C-1	
Term bonds, maturing January 1, 2044 to January 1, 2050. Interest at 4.00% and 5.00%, due semiannually on January 1 and July 1.	51,595,000
Unamortized premium	6,642,888
	58,237,888
Revenue Bonds, Series 2019C-2	
Serial bonds, maturing January 1, 2023 to January 1, 2037, in payments from $685,000 to $1,355,000. Interest at 5.00%, due semiannually on January 1 and July 1.	14,785,000
Unamortized premium	2,532,121
	17,317,121
Revenue Bonds, Series 2019D	
Serial bonds, maturing January 1, 2023 to January 1, 2040, in payments from $1,000 to $3,411,300. Interest at 2.62%, due semiannually on January 1 and July 1.	38,155,000
Revenue Bonds, Series 2016A-1	
Serial bonds, maturing January 1, 2023 to January 1, 2035, in payments from $2,145,000 to $18,645,000. Interest at 4.00% to 5.00%, due semiannually on January 1 and July 1.	61,310,000
Unamortized premium	6,673,960
	67,983,960
Revenue Bonds, Series 2016A-2	
Serial bonds, maturing January 1, 2023, in payments from $2,260,000. Interest at 2.561%, due semiannually on January 1 and July 1.	2,260,000
Term bonds, maturing January 1, 2024 to January 1, 2027, in payments from $85,000 to $95,000. Interest is fixed at 3.195%, due semiannually on January 1 and July 1.	365,000
Term bonds, maturing January 1, 2035 and January 1, 2036, in payments of $1,520,000 and $1,615,000, respectively. Interest is fixed at 3.894%, due semiannually on January 1 and July 1.	3,135,000
	5,760,000
Revenue Bonds, Series 2015A	
Serial bonds, maturing January 1, 2023 to January 1, 2033, in payments from $6,770,000 to $19,875,000. Interest at 4.00% to 5.00%, due semiannually on January 1 and July 1.	178,690,000
Unamortized premium	8,904,807
	187,594,807
Revenue Bonds, Series 2014A	
Serial bonds, maturing January 1, 2023 to January 1, 2034, in payments from $7,185,000 to $17,075,000. Interest at 4.00% to 5.00%, due semiannually on January 1 and July 1.	144,290,000
Unamortized premium	7,928,354
	152,218,354
Revenue Bonds, Series 2010C	
Term bonds, maturing January 1, 2036 and 2037. Interest is variable (75% of the one-month LIBOR plus 0.330% (3.624%) at December 31, 2022), due monthly on the first business day.	83,085,000
Total revenue bonds	1,045,837,056
Current portion	(39,876,015)
Long-term portion	$ 1,005,961,041

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Revenue Bonds

Portions of the Authority's Series 2014A, 2015A, 2016A-1, 2016A-2, 2019B, 2019C-1, 2019C-2, 2022B-1, 2022B-2, and 2022B-3 Revenue Bonds are subject to optional redemption by the Authority at various dates in the future. Portions of the Authority's Series 2019A and 2019D Revenue Bonds, with consent from the Indiana Finance Authority, are subject to optional redemption by the Authority at various dates in the future. The 2010C and 2022A Revenue Bonds are subject to optional redemption by the Authority upon notification to the bondholders. The Series 2010C Revenue Bonds (as discussed more fully below), maturing January 1, 2036 and 2037, are subject to redemption from mandatory sinking fund payments during 2030 to 2037.

The Series 2010C Revenue Bonds (as discussed more fully below), maturing January 1, 2036 and 2037, are subject to redemption from mandatory sinking fund payments during 2030 to 2037.

The Series 2016A-2 Refunding Revenue Bonds, maturing January 1, 2027 (the 2027 Term Bonds), and January 1, 2036 (the 2036 Term Bonds), are subject to redemption from mandatory sinking fund payments during 2024 to 2027 and 2035 to 2036, respectively.

The Authority's 2019C-1 Revenue Bonds, maturing January 1, 2044 (the 2044 Term Bonds), and January 1, 2050 (the 2050 Term Bonds), are subject to redemption from mandatory sinking fund payments during 2040 to 2044 and 2045 to 2050, respectively.

The Authority's 2022A Revenue Bonds maturing January 1, 2033 (the 2033 Term Bonds), are subject to redemption from mandatory sinking fund payments during 2024 to 2033.

The Authority's 2022B-1 Revenue Bonds, maturing January 1, 2048 (the 2048 Term Bonds), and January 1, 2053 (the 2053 Term Bonds), are subject to redemption from mandatory sinking fund payments during 2044 to 2048 and 2049 to 2053, respectively.

The Authority's 2022B-2 Revenue Bonds, maturing January 1, 2048 (the 2048 Term Bonds), and January 1, 2053 (the 2053 Term Bonds), are subject to redemption from mandatory sinking fund payments during 2044 to 2048 and 2049 to 2053, respectively.

2022A Revenue Bonds

In August 2022, the Authority issued the 2022A Refunding Revenue Bonds in the amount of $69,755,000. The proceeds from the 2022A Revenue Bonds, in conjunction with transfers from the principal and interest fund, were used to refund the Series 2010C-1 and 2010C-2 Revenue Bonds, terminate the associated interest rate swaps, and pay for costs of issuance. The net present value loss resulting from this refunding was $1,342,910, and the aggregate reduction in the required debt service between the portion of the refunded 2010C Bonds and the 2022A Bonds was $9,747,851. There are certain events which could result in a higher interest rate and/or an acceleration of amounts due on the 2022B Revenue Bonds. These events are described in the Continuing Covenant Agreement filed on the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access ("EMMA") site at the ILPIBB's issuer homepage or using the following links: https://emma.msrb.org/P21611524-P21241965-P21666010.pdf

Indianapolis Airport Authority

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2022B Revenue Bonds

In December 2022, the Authority issued the 2022B-1 ($81,950,000; tax-exempt, Non-AMT), 2022B-2 ($67,245,000; tax-exempt, AMT), and 2022B-3 ($25,445,000, taxable) in an original amount totaling $174,640,000 with an original issue premium of $11,777,311. The 2022B Revenue Bonds were issued for the principal purpose of providing funds, together with other funds of the Authority, to finance a portion of certain capital projects at the Authority. The projects include, but are not limited to the expansion of the parking garage, expansion of the terminal aircraft remain-over-night (RON) parking, completion of the airfield maintenance and snow removal equipment facility, improvement of the 5R-23L south runway, and rehabilitation of the public parking lots. Proceeds from the 2022B Revenue Bonds were also used to fund one or more reserve accounts for the 2022B Revenue Bonds, fund all or a portion of interest on the 2022B Revenue Bonds through the in-service date on each particular portion of the 2022B project and pay costs of issuance related to the 2022B Revenue Bonds. The proceeds were deposited in project funds and capitalized interest funds to be drawn upon as eligible costs were incurred. As of December 31, 2022, $85,300,462, $70,972,246, and $25,393,976 remained in the 2022B-1, 2022B-2, and 2022B-3 project funds, respectively; and $3,561,715 and $781,688 remained in the 2022B-1 and 2022B-2 capitalized interest funds, respectively.

2010C Revenue Bonds

In December 2010, the Authority issued the Indianapolis Airport Authority Airport Revenue Bonds, Series 2010C (2010C Revenue Bonds) in an original amount totaling $350,000,000. The 2010C Revenue Bonds were issued in five subseries (2010C-1 through 2010C-5) with final maturities ranging from January 1, 2033 through January 1, 2037. The Series 2010C Revenue Bonds were sold to the Indianapolis Local Public Improvement Bond Bank (the "ILPIBB") and directly purchased by banks (by subseries), subject to Continuing Covenant Agreements, as the ILPIBB Revenue Bonds, Series 2010L, and are secured by a Trust Indenture and Ordinances establishing a security interest in net revenues of the airport system. In August 2022, the proceeds from the 2022A Revenue Bonds were used to refund the 2010C-1 and 2010C-2 Revenue Bonds and the associated swaps were terminated.

The 2010C Revenue Bonds are currently subject to acceleration at the end of the bank term beginning on the dates outlined in the table below:

Authority Series	ILPIBB Series	Maturity Date	End of Bank Term
2010C-3	2010L-3	1/1/2036	6/30/2023
2010C-4	2010L-4	1/1/2036	6/30/2023
2010C-5	2010L-5	1/1/2037	6/30/2023

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The Authority has paid or refunded a portion of the 2010C Revenue Bonds since they were issued. As of December 31, 2022, there were $83,085,000 of 2010C Revenue Bonds outstanding and no additional amounts may be issued under the 2010C Revenue Bond facilities. The 2010C Revenue Bonds are periodically remarketed to banks and the bank owners have changed since the bonds were issued and are likely to change again before they reach maturity or are otherwise paid. The last remarketings occurred in July 2021. The bonds will be remarketed again, prior to the bank term of the existing facilities. There are certain events which could result in a higher interest rate and/or an acceleration of amounts due on the 2010C Revenue Bonds. These events are described in the Continuing Covenant Agreement filed on the Municipal Securities Rulemaking Board's ("MSRB") Electronic Municipal Market Access ("EMMA") site at the ILPIBB's issuer homepage or using the following links:

- https://emma.msrb.org/P11522531-P11177734-P11594052.pdf
- https://emma.msrb.org/P11522534-P11177735-P11594053.pdf

Directly Placed Debt

As of December 31, 2022, the Authority held directly placed debt as detailed below:

	2010C-3	2010C-4	2010C-5	2022A
Par Outstanding at 12/31/22	$ 20,660,000	$ 30,985,000	$ 31,440,000	$ 69,755,000
Credit Available For Draw as of 12/31/22	-	-	-	-
Lien	Senior	Senior	Senior	Senior
Final Maturity	1/1/2036	1/1/2036	1/1/2037	1/1/2033
End of Bank Term	6/30/2023	6/30/2023	6/30/2023	n/a
Bank	Banc of America Preferred Funding Corporation	PNC Bank, National Association	Banc of America Preferred Funding Corporation	Bank of America, N.A.
Index / Interest Rate	1M USD LIBOR	1M USD LIBOR	1M USD LIBOR	2.79%
Applicable Factor	75%	75%	75%	n/a
Applicable Spread as of 12/31/2022	0.33%	0.33%	0.33%	n/a
Increase in Applicable Spread Due To Credit Rating Downgrade	Yes (1)	Yes (1)	Yes (1)	n/a
Margin Rate Factor	No	No	No	n/a
Rate Formula	Index Rate x Applicable Factor + Applicable Spread	Index Rate x Applicable Factor + Applicable Spread	Index Rate x Applicable Factor + Applicable Spread	n/a
Events of Default	CCA Article 8	CCA Article 8	CCA Article 8	n/a

(1) The proceeds from the 2022A Revenue Bonds were used to refund the 2010C-1 and 2010C-2 Revenue Bonds in August 2022, and the associated swaps were terminated.

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Applicable Spread upon Credit Ratings Downgrade

In the event of a change in the long-term unenhanced rating assigned by Moody's, S&P or Fitch to such bonds, the Applicable Spread shall be the Applicable Spread associated with such new long-term unenhanced rating as set forth in the following schedules:

Table 1 –2010C-3, 2010C-4 and 2010C-5

Moody's	S&P	Fitch	Applicable Spread
A2 or Higher	A or higher	A or higher	0.33%
A3	A-	A-	0.43%
Baa1	BBB+	BBB+	0.68%
Baa2	BBB	BBB	1.18%
Baa3	BBB-	BBB-	1.68%

The Master Bond Ordinance

The Authority's Revenue Bonds are secured under the Master Bond Ordinance by a pledge of net revenues of the Airport System and on parity with each other, except with respect to their Revenue Bond Reserve Funds.

Pursuant to its Master Bond Ordinance, the Authority has adopted resolutions beginning in 2003 and 2006 irrevocably dedicating revenues from passenger facility charges and customer facility charges (the Dedicated Revenues), respectively, to be used exclusively to pay debt service on the Authority's Revenue Bonds. The irrevocable designation of passenger facility charges revenue in 2022, was $11.4 million. The customer facility charge revenue designation was $0 for 2022.

In accordance with the Rate Covenant contained in the Master Bond Ordinance, rates and fees charged by the Authority for the use of its facilities must be sufficient to provide annual net revenues when combined with moneys in the coverage fund to equal the larger of: (a) all amounts required to be deposited to the credit of the Revenue Bond Interest and Principal Fund and the Revenue Bond Reserve Fund; or (b) an amount not less than 125% of the Debt Service Requirement for all Revenue Bonds. For the purpose of complying with the Rate Covenant, the Authority includes within net revenues in any fiscal year amounts transferred from the Prepaid Airline Fund and amounts on deposit in the Debt Service Coverage Fund pursuant to the Master Bond Ordinance and excludes from interest due on Authority Revenue Bonds any interest paid from bond proceeds. The Authority can also exclude debt service to be paid from dedicated revenues from its Rate Covenant calculation.

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Debt Service Requirements

Debt service requirements to maturity for all debt of the Authority, excluding any unamortized discount or premium and its capital lease agreements, are as follows at December 31, 2022:

Years Ending December 31	Revenue Bonds Principal	Revenue Bonds Interest	Total
2023	$ 39,876,015	$ 39,045,767	$ 78,921,782
2024	48,921,542	41,247,215	90,168,757
2025	54,313,785	38,905,600	93,219,385
2026	57,297,790	36,291,742	93,589,532
2027	60,958,604	33,432,226	94,390,830
2028 - 2032	339,010,272	120,848,749	459,859,021
2033 - 2037	213,207,151	54,500,679	267,707,830
2038 - 2042	69,264,841	30,900,182	100,165,023
2043 - 2047	36,365,000	17,014,407	53,379,407
2048 - 2052	41,915,000	6,020,586	47,935,586
2053 - 2057	24,625,000	202,050	24,827,050
	$ 985,755,000	$ 418,409,203	$ 1,404,164,203

The following is a summary of long-term obligation transactions for the Authority for the year ended December 31, 2022:

	2022 Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Long-term obligations					
Revenue bonds payable	$ 847,375,000	$ 244,395,000	$ (106,015,000)	$ 985,755,000	$ 39,876,015
Bond premium	57,353,333	11,777,313	(9,048,590)	60,082,056	-
Total revenue bonds payable	904,728,333	256,172,313	(115,063,590)	1,045,837,056	39,876,015
Total long-term obligations	$ 904,728,333	$ 256,172,313	$ (115,063,590)	$ 1,045,837,056	$ 39,876,015

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Interest Expense

Interest expense is comprised of the following components at December 31, 2022:

		2022
Interest expense on long-term debt	$	37,457,446
Amortization of bond premiums/discounts		(9,048,590)
Amortization of deferred losses on refundings		2,588,404
Bond issuance costs		1,359,204
Changes in bond arbitrage rebates		299,969
Total interest expense	$	32,656,433

Note 9: Special Facility Revenue Bonds

To provide for the construction of the Indianapolis Maintenance Center (IMC) (formerly leased to United Air Lines, Inc.), the Authority issued special facility revenue bonds (conduit debt obligations). These bonds are special limited obligations of the Authority, payable solely from and secured by a pledge of lease rentals to be received by the Authority. The bonds do not constitute a debt or pledge of the faith and credit of the Authority, the County, the City or the State and are, therefore, not reported in the accompanying financial statements. At December 31, 2022, the Special Facility Revenue Bonds, Series 1995 (Indianapolis Maintenance Center), outstanding were $165,988,327.

Note 10: Derivative Financial Instruments

Forward Delivery Purchase Agreements - Hedging Derivative Instruments

The Authority has entered into three forward delivery purchase agreements (the Forward Delivery Agreements). The Forward Delivery Agreements require the counterparties to deposit securities in the Authority's debt service reserve trust accounts and provides the Authority a guaranteed rate of return. The securities that are deposited into the debt service reserve trust accounts are required to mature prior to scheduled debt service payment dates on the bonds that are secured by the respective debt service reserve funds.

Eligible securities include (a) discount notes issued by a federal agency; and (b) securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States of America, and issued by any of the following:

- the United States Treasury
- a federal agency
- a federal instrumentality
- a federal government-sponsored enterprise

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***Objective of the Forward Delivery Agreements* -** The Forward Delivery Agreements allow the Authority to earn a guaranteed fixed rate of return over the life of the agreement. These Agreements are utilized by the Authority to earn a rate of return in excess of a rate that would otherwise be feasible by investing in securities with a shorter term.

***Terms* -** The general terms of each agreement are set forth in the table below:

Debt Service Fund	Date of Agreement	Termination Date	Scheduled Reserve Amount	Guaranteed Rate	Fair Value at December 31, 2022
Series 2014A	December 1, 2004	December 30, 2033	$ 16,534,000	4.962%	$ 1,145,738
Series 2015A	December 28, 2005	December 31, 2032	15,000,000	4.820%	774,892
Series 2016A	August 1, 2006	January 1, 2036	17,321,400	5.311%	1,983,443
					$ 3,904,073

Fair Value - The fair values of the Forward Delivery Agreements are based on the value of the future discounted cash flows expected to be received over the life of the agreement relative to an estimate of discounted cash flows that could be received over the same term based on current market conditions. The fair values of the Forward Delivery Agreements are classified as a noncurrent asset on the statement of net position as of December 31, 2022. As the Forward Delivery Agreements are effective hedging instruments, the changes in fair value of the Forward Delivery Agreements of ($14,047,995) and for the year ended December 31, 2022, are shown as an adjustment to the carrying amount of the related deferred inflows of resources on the statement of net position.

Credit Risk - Credit risk is the risk that a counterparty will not fulfill its obligations. Under the terms of the Forward Delivery Agreements, the Authority is either holding cash or an approved security within the debt service reserve funds. None of the principal amount of an investment under the Forward Delivery Agreements is at risk to the credit of the counterparty. Should the counterparty default, the Authority's maximum exposure is the positive termination value, if any, related to these agreements.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair values of the Authority's financial instruments or cash flows. The fair value of the Forward Delivery Agreements is expected to fluctuate over the life of the agreements in response to changes in interest rates. The Authority does not have a formally adopted policy related to interest rate risk on the Forward Delivery Agreements.

***Termination Risk* -** The Authority or the counterparties may terminate the Forward Delivery Agreements if the other party fails to perform under the terms of the contract. In addition, the Authority has an unrestricted option to terminate the Forward Delivery Agreements. If the Forward Delivery Agreements have a negative fair value at the time of termination, the Authority would be liable to the counterparty for a payment equivalent to the fair value of the instrument at the time of termination.

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Interest Rate Swap Agreements – Investment Derivative Instruments

The Authority is a party to two interest rate swap agreements (the Swap Agreements) that became effective on July 1, 2008, concurrent with the issuance of the 2008 Revenue Bonds. The Swap Agreements continued to hedge the 2008 Revenue Bonds until December 21, 2010, at which time the 2008 Revenue Bonds were refunded by the issuance of the 2010C Revenue Bonds. This refunding resulted in a terminating event and accordingly, the Authority included the balance of the deferred outflows associated with this hedge in its calculation of the deferred loss on refunding, which was $47,643,748. At that same time, the Swap Agreements became a hedge of the 2010C Revenue Bonds with terms and conditions that are identical to the previous hedge of the refunded 2008 Revenue Bonds. Upon this terminating event, it was determined the interest rate swaps were no longer effective hedges and all subsequent changes in the fair value are recorded as a component of investment income.

Objective of the Interest Rate Swaps - The Swap Agreements are used as a strategy to maintain acceptable levels of exposure to the risk of future changes in interest rates related to the Authority's existing variable rate debt. The primary intention of the Swap Agreements is to effectively convert the Authority's variable interest rates on its long-term debt to synthetic fixed rates.

Terms - The general terms of each agreement are set forth in the table below:

Notional Amount	Trade Date	Effective Date of Swap Agreement	Termination Date	Rate Authority Pays	Variable Rate Authority Receives	Fair Value at December 31, 2022
$ 51,645,000	October 14, 2004	July 1, 2008	January 1, 2036	4.0325%	75% One Month LIBOR	$ (5,911,191)
31,440,000	October 14, 2004	July 1, 2008	January 1, 2037	4.1500%	75% One Month LIBOR	(4,009,434)
$ 83,085,000						$ (9,920,625)

Payments due under the Swap Agreements (excluding any termination payments) and payments on any repayment obligation will be payable from net revenues of the airport system on a parity with the Revenue Bonds. Under the Swap Agreements, the Authority pays or receives the net interest amount monthly, with the monthly settlements included in interest expense. The Swap Agreements resulted in no initial cash receipts or payments to be made by the Authority.

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Fair Value - The fair values of the Swap Agreements are based on estimated discounted future cash flows determined using the counterparties' proprietary models based upon financial principles and estimates about relevant future market conditions. The fair values of the Swap Agreements are classified as a noncurrent liability on the statement of net position as of December 31, 2022. As the Swap Agreements are ineffective hedging instruments, the changes in fair value of the Swap Agreements of $24,305,243 for the year ended December 31, 2022, are shown as investment income.

Credit Risk - The fair value of each of the Swap Agreements represents the Authority's credit exposure to the counterparties as of December 31, 2022. Should the counterparties to these transactions fail to perform according to the terms of the Swap Agreements, the Authority has a maximum possible loss equivalent to the fair value at that date. As of December 31, 2022, the Authority was not exposed to credit risk because each of the swaps had a negative fair value. In order to mitigate the potential for credit risk, if any of the counterparties' credit quality rating falls below a rating threshold of Aa2 by Moody's Investors Service or A+ by Standard & Poor's, the fair value of that counterparty's swap or swaps is to be fully collateralized by the counterparty with eligible securities (as defined in the Schedule to the Master Agreement) to be held by a third-party custodian on behalf of the Authority.

The ratings of the counterparty at December 31, 2022 is as follows:

	Ratings of the Counterparty	
	Moody's Investors Service	Standard & Poor's
JPMorgan Chase Bank, N.A., counterparty of the interest rate swaps with notional amounts of $51,645,000 and $31,440,000	Aa2	A+

Basis Risk - The Authority is not exposed to basis risk because the variable-rate payments received by the Authority under the Swap Agreements are based on an index that coincides with the interest rates the Authority pays on its 2010C Revenue Bonds. As of December 31, 2022, the interest rate on the Authority's 2010C Revenue Bonds is 3.624%, (calculated at 75% of the one-month LIBOR plus 0.330%), while the Authority receives payments under the Swap Agreements equal to 75% of the one-month LIBOR, or 3.294%.

Termination Risk - The Authority or the counterparties may terminate the Swap Agreements if the other party fails to perform under the terms of the contract. In addition, the Authority has the unilateral option to terminate the Swap Agreements. If the Swap Agreements have a negative fair value at the time of termination, the Authority would be liable to the counterparty for a payment equal to the fair value of the respective swap.

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Swap Payments and Associated Debt **-** The variable rate bond interest payments and net swap payments will vary with changes in interest rates. Using rates as of December 31, 2022, debt service requirements of the variable rate debt and net swap payments, assuming current interest rates remain the same, for their term are set forth in the table below.

	Variable Rate Bonds		Interest Rate	Total
	Principal	Interest	Swaps, Net	Interest
2023	$ -	$ 3,075,470	$ 638,126	$ 3,713,596
2024	-	3,146,092	638,126	3,784,218
2025	-	3,151,977	638,126	3,790,103
2026	-	3,151,977	638,126	3,790,103
2027	-	3,151,977	638,126	3,790,103
2028 - 2032	31,125,000	13,535,794	2,739,815	16,275,609
2033 - 2037	51,960,000	3,477,654	701,791	4,179,445
	$ 83,085,000	$ 32,690,941	$ 6,632,236	$ 39,323,177

Note 11: Net Investment in Capital Assets

The Authority's net investment in capital assets is comprised of the following components at December 31, 2022:

	2022
Capital assets, net of accumulated depreciation	$ 2,044,405,302
Long-term debt	(1,045,837,056)
Other reconciling items	
Restricted accounts payable related to capital assets	(28,191,198)
Derivate instruments - interest rate swap agreements	(9,920,625)
Deferred loss on refunding of debt	14,625,930
Arbitrage rebate liability	(299,969)
Unspent bond proceeds - construction and State revolving fund	181,676,634
Revenue bond reserve fund financed by bond proceeds	56,988,224
Net investment in capital assets	$ 1,213,447,242

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Note 12: Disclosures About Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities

Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2022:

		Fair Value Measurements Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2022				
Investments				
U.S. Treasury Security Bills	$ 88,353,706	$ 88,353,706	$ -	$ -
U.S. Government-sponsored enterprise securities				
Federal Home Loan Mortgage Corporation	19,521,000	-	19,521,000	-
Indiana municipal securities	9,572,410	-	9,572,410	-
External investment pools	38,537,993	-	38,537,993	-
Derivative Financial Instruments				
Forward delivery purchase agreements	3,904,073	-	-	3,904,073
Interest rate swap agreements	(9,920,625)	-	(9,920,625)	-

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Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying statement of net position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2022.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Derivative Financial Instruments

Interest rate swaps classified in Level 2 of the fair value hierarchy are valued using a market approach that considers benchmark interest rates. The fair value of the forward delivery agreements are derived from proprietary models and are calculated on a mid-market basis, but do not include bid/offer spread and are therefore classified in Level 3.

Note 13: Indianapolis Maintenance Center

As discussed previously in these footnotes, the Authority, the State of Indiana, the City of Indianapolis and United Air Lines, Inc. (United) financed the construction and equipping of the IMC. As a part of the financing of these facilities, the Authority issued $220,705,000 in special facility revenue bonds of which $165,988,327 remains outstanding at December 31, 2022. The Authority had, and continues to have, no obligation to make interest and principal payments on these special facility bonds. Revenues from the IMC are reserved for expense reimbursement to the Authority for operational expenses incurred. Once all on-going expenses have been reimbursed to the Authority, revenue in excess of expenses are shared between the bondholders and the Authority on a percentage basis bound by the Settlement Agreement. Previously, the interest and principal payments for the Series 1995 Special Facility Revenue Bonds were funded by rentals paid by United under its lease agreement with the Authority. On December 9, 2002, United filed for bankruptcy under Chapter 11 of the United States Bankruptcy Code. On May 9, 2003, the Bankruptcy Court made effective United's rejection of its lease of the IMC and United abandoned the IMC facilities, whereby all of the IMC assets reverted to the Authority's control.

Indianapolis Airport Authority

Notes to Financial Statements
December 31, 2022

In February 2004, the Authority and the Trustee of the bondholders entered into a Settlement Agreement which, among other things, provides for up to $7.5 million in reimbursements for certain costs incurred after May 2003. The Settlement Agreement also provides for reimbursement for up to $6.5 million of the Tenant Improvement Expenditure Reserve (TIER) fund for use of capital improvements, if certain conditions are met. On the ten-year anniversary of the Settlement Agreement, all the funds accumulated in the TIER Fund were to be disbursed to the bondholders with the exception of $1 million. On February 13, 2014, these funds were disbursed.

Since 2004, the Authority has entered into various leases for certain portions of the IMC. These leases include hangar space, office areas and the backshops (which were being used primarily for the maintenance, repair and overhaul of commercial aircraft) and certain warehouse and office space for non-aviation related use. In December 2020, the Authority entered into a new lease with the IMC's main tenant, AAR Aircraft Services (AAR), with a new lease expiration of February 28, 2025. This new AAR lease provided for AAR to return a total of five of the ten hangars previously leased back to the Authority (Hangars 1A through 3A). As well, a lease extension was granted to Express Scripts with a new lease expiration of December 31, 2023. AAR and Shuttle America make up the leasing of seven of the twelve hangar spaces. As a part of the Settlement Agreement, rentals collected for the IMC are not considered revenue to the Authority, but instead are required to be deposited into a trust held on behalf of the United bondholders. The monies held in trust are to be used to pay ongoing operating and maintenance costs of the IMC and must be applied in a manner prescribed by the terms of the Settlement Agreement.

For the year ended December 31, 2022, the Authority incurred approximately $7.5 million of costs for the IMC. The Authority has received reimbursements for these costs under the Settlement Agreement aggregating approximately $5.4 million for 2022. In addition, as of December 31, 2022, the Authority has accrued approximately $1.4 million in reimbursements from the Trustee for allowable costs incurred.

Note 14: Risk Management

Risk management is the responsibility of the Authority. Operationally, the Authority is exposed to various risks of loss related to the theft of, damage to and destruction of assets, natural disasters as well as certain tort liabilities for which commercial insurance is carried. The commercial insurance policies carry deductibles ranging from $0 to $100,000. Insurance policies procured, including commercial general liability and commercial property damage, are inclusive of coverage for certain war casualty and acts of terrorism. Coverage terms, limits, and deductibles have each been benchmarked in comparison with those maintained at other mid-size airports and found to be within the range of our peers. Although coverage limits are significant, no assurance can be given that such coverage will continue to be available at such amounts and/or at a reasonable cost.

There are no material claim settlements to exceed insurance coverage that exists presently, to the best of the Authority's knowledge, which has the potential of doing so for the 2022 calendar year.

Indianapolis Airport Authority

Notes to Financial Statements
December 31, 2022

The Authority has a self-insured arrangement for health care benefits provided to Authority employees and has established a self-insured liability for employee medical claims. The Authority utilizes a third-party company to provide individual stop loss coverage of $100,000 on each covered individual's health claims and $5,266,840 on overall health care program aggregate claims. The estimated self-insurance liability is based on claim trend. There is no significant incremental claim adjustment expense, salvage or subrogation attributable to this liability.

Note 15: Benefit Plan

The Authority provides a 401(a) defined-contribution employee retirement plan for employer contributions and a 457(b) deferred compensation plan for employee contributions. The Authority is the administrator of these plans, which are available to substantially all of its employees. Employer contributions to the 401(a) plan can range from zero up to nine percent of eligible compensation. Contributions to the plan were $1,186,246 for 2022.

Note 16: Commitments and Contingencies

Land Acquisition and Disposal

In 1991, the Authority updated its FAA Part 150 Noise and Land Use Compatibility Study and final recommendations were adopted by the Authority Board in April 1992. The recommendations included expanding the existing Guaranteed Purchase Program (Phase I), which is now an inactive program, to add approximately 750 additional homes. As of December 31, 2022, the Authority has spent approximately $102.6 million (including relocation costs) under this inactive program (Phase II), substantially all of which was eligible for 80% reimbursement from the FAA. The owners of an estimated 30 homes did not participate in Phase II when it was an active program.

A five-year review and update of the Authority's noise compatibility program (Phase III) began in 1996. Final recommendations were adopted by the Authority Board in February 1998, followed by FAA approval in October 1998. The recommendations included continuation of the Guaranteed Purchase Program with respect to approximately 132 additional homes, of which 127 were acquired by the Authority when the program was active.

The Sound Insulation Program, which is now an inactive program, paid for a home within the impacted noise area to be sound insulated with respect to doors, window treatments, etc., with no further cash outlay required by the Authority. At December 31, 2022, 316 homes were sound insulated under this program. Under the Purchase Assurance Program, which is now an inactive program, the Authority purchased the property, sound insulated the home and then resold the property on the open market. At December 31, 2022, 118 homeowners participated in the Purchase Assurance Program. Participation in either the Sound Insulation or Purchase Assurance programs required the homeowner to grant an aviation easement in favor of the Authority.

Indianapolis Airport Authority
Notes to Financial Statements
December 31, 2022

The Sales Assistance program is the third and only active program at December 31, 2022 and applied to approximately 487 homes, of which 416 requests have been completed. Sales Assistance consists of a benefit payment to homeowners adjacent to the 65DNL noise contour. The benefit payment is equal to 10% of the contract sales price between the homeowner and third-party buyer, in exchange for the inclusion of a Noise Disclosure Statement in the deed of conveyance. The estimated cost of the Phase III programs is approximately $98.5 million. These programs, excluding Sales Assistance, were eligible for reimbursement from passenger facility charges and FAA noise grants (at 80% reimbursement).

The noise mitigation land use programs described above are voluntary on the part of the homeowner as there is no legal requirement that homeowners participate in any of these programs.

The Authority has also acquired land south of Interstate 70 (I-70). With the exception of one small parcel of land, all parcels have been acquired for the future development of a third parallel runway in this area. As of December 31, 2022, the Authority has expended approximately $13.7 million for this project.

In November 2014, the Authority Board approved and adopted Resolution No. 12-2014, establishing certain land use policies and guidelines for the implementation of a new land use initiative. The Authority owns approximately 6,200 acres of land in and around the Indianapolis International Airport, with large holdings not only in Wayne and Decatur Townships of Marion County, but also in neighboring Hendricks County.

As part of the land use initiative, land holding not required for aviation purposes have been marketed and sold. The Authority determines how land sale proceeds must be treated, including what amounts, if any, must be returned to the Federal Aviation Administration directly or reinvested in other AIP eligible projects pursuant to federal grant requirements. Amounts due to the Federal Aviation Administration were $4.7 million as of December 31, 2022.

Environmental Mitigation and Remediation

The Authority is currently involved in three separate pollution remediation obligations that meet the requirements for accounting treatment under GASB Statement 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. These obligations are related primarily to the removal and/or treatment of petroleum impacted soil and polyfluoroalkyl substance mitigation. The pronouncement dictates that for each obligating event, an estimate of the expected pollution remediation outlays is required to be accrued as a liability and expensed in the current period. Re-measurement of the liability is required when new information indicates increases or decreases in estimated outlays.

Indianapolis Airport Authority

Notes to Financial Statements
December 31, 2022

The amount of the estimated liability as of December 31, 2022 was $1,642,000, which represents the approximate present value of the amounts the Authority expects to pay for future remediation activities. This estimate was generated using input and guidance from internal management and professional consultants and represents a wide array of remediation activities ranging from one-time events to longer monitoring activities.

The Authority will continue to closely monitor each of these obligations, working toward the point of ultimate resolution, and will make any necessary adjustments to the potential liability as new information becomes available.

Capital Improvements

As of December 31, 2022, the Authority had outstanding commitments for certain airport improvements aggregating $208,704,145.

Litigation and Claims

The nature of the business of the Authority generates certain litigation against the Authority arising in the ordinary course of business.

As of December 31, 2022, there were three claims in litigation for alleged personal injury and/or other claims pending against the Authority. All of these claims were for personal injury and are fully insured. In addition, there was one worker's compensation claims-pending as of December 31, 2022. The Authority was also aware of several incidents for which legal action against the Authority might be threatened or possible in the future.

Photo: @sechristdesigns

SUPPLEMENTARY INFORMATION

Photo: @hidekikealoha

Indianapolis Airport Authority

Schedule of Net Position Information
December 31, 2022

	2022		
	Authority	IMC	Total
Assets and Deferred Outflows of Resources			
Current Assets			
Unrestricted Assets			
Cash and cash equivalents	$ 69,270,196	$ -	$ 69,270,196
Accounts receivable, net	4,707,957	-	4,707,957
Unbilled revenues	6,895,926	-	6,895,926
Grants receivable	26,814,282	-	26,814,282
Supplies and materials inventories	3,298,341	-	3,298,341
Interest receivable	614,284	-	614,284
Lease receivable	26,003,275	-	26,003,275
Other	2,965,800	-	2,965,800
Total unrestricted current assets	140,570,061	-	140,570,061
Restricted Assets			
Cash and cash equivalents	245,356,436	-	245,356,436
Cash and cash equivalents - customer deposits	716,181	-	716,181
Receivable - passenger facility charges	2,625,344	-	2,625,344
Receivable - governments and other	589,896	-	589,896
Receivable - reimbursable IMC expenses	-	1,365,301	1,365,301
Total restricted current assets	249,287,857	1,365,301	250,653,158
Total current assets	389,857,918	1,365,301	391,223,219
Noncurrent Assets			
Cash and cash equivalents, restricted	119,099,200	-	119,099,200
Investment securities, unrestricted	27,745,397	-	27,745,397
Investment securities, restricted	70,742,172	-	70,742,172
Rent receivable	92,355	-	92,355
Derivative instruments - forward delivery purchase agreements	3,904,073	-	3,904,073
Lease receivable	272,681,800	-	272,681,800
Capital assets, net	1,871,601,425	172,803,877	2,044,405,302
Total noncurrent assets	2,365,866,422	172,803,877	2,538,670,299
Total assets	2,755,724,340	174,169,178	2,929,893,518
Deferred Outflows of Resources			
Deferred loss on refunding of debt	14,625,930	-	14,625,930
Total deferred outflows of resources	14,625,930	-	14,625,930
Total assets and deferred outflows of resources	$ 2,770,350,270	$ 174,169,178	$ 2,944,519,448

	2022		
	Authority	IMC	Total
Liabilities, Deferred Inflows of Resources and Net Position			
Current Liabilities			
Payable From Unrestricted Assets			
Accounts payable	$ 6,472,297	$ -	$ 6,472,297
Accrued and withheld items	13,293,911	-	13,293,911
Total current liabilities payable from unrestricted assets	19,766,208	-	19,766,208
Payable From Restricted Assets			
Accounts payable	28,191,198	249,793	28,440,991
Customer deposits payable	716,181	-	716,181
Current portion of debt	39,876,015	-	39,876,015
Accrued interest on debt	16,671,316	-	16,671,316
Total current liabilities payable from restricted assets	85,454,710	249,793	85,704,503
Total current liabilities	105,220,918	249,793	105,470,711
Noncurrent Liabilities			
Derivative instruments - interest rate swap agreements	9,920,625	-	9,920,625
Arbitrage rebate liability	299,969	-	299,969
Bonds payable and other debt, payable from restricted assets	1,005,961,041	-	1,005,961,041
Total noncurrent liabilities	1,016,181,635	-	1,016,181,635
Total liabilities	1,121,402,553	249,793	1,121,652,346
Deferred Inflows of Resources			
Accumulated increase in fair value of hedging derivatives	3,904,073	-	3,904,073
Deferred inflow on leases	296,504,629	-	296,504,629
Total deferred inflows of resources	300,408,702	-	300,408,702
Net Position			
Net investment in capital assets	1,040,643,365	172,803,877	1,213,447,242
Restricted for			
Capital projects	93,920,495	-	93,920,495
Debt service	89,156,379	-	89,156,379
Other	-	1,115,508	1,115,508
Total restricted net position	183,076,874	1,115,508	184,192,382
Unrestricted	124,818,776	-	124,818,776
Total net position	1,348,539,015	173,919,385	1,522,458,400
Total liabilities, deferred inflows of resources and net position	$ 2,770,350,270	$ 174,169,178	$ 2,944,519,448

Indianapolis Airport Authority
Schedule of Revenues, Expenses and Changes in Net Position Information
Year Ended December 31, 2022

	2022		
	Authority	**IMC**	**Total**
Operating Revenues			
Airfield	$ 31,543,345	$ -	$ 31,543,345
Terminal complex	56,941,119	-	56,941,119
Parking	59,561,731	-	59,561,731
Rented buildings and other	14,300,614	-	14,300,614
Indianapolis Maintenance Center (IMC)	-	5,565,399	5,565,399
Reliever airports	3,423,212	-	3,423,212
Total operating revenues	165,770,021	5,565,399	171,335,420
Operating Expenses			
Personal services	41,063,844	670,793	41,734,637
Contractual services	29,951,879	4,198,441	34,150,320
Utilities	8,882,637	2,413,254	11,295,891
Supplies	5,859,871	149,540	6,009,411
Materials	3,967,516	(61,658)	3,905,858
General	1,988,509	131,252	2,119,761
Total operating expenses before depreciation	91,714,256	7,501,622	99,215,878
Income From Operations Before Depreciation Expense	74,055,765	(1,936,223)	72,119,542
Depreciation expense	97,789,638	13,198,073	110,987,711
Loss From Operations	(23,733,873)	(15,134,296)	(38,868,169)
Nonoperating Revenues (Expenses)			
Federal operating grants	4,916,618	-	4,916,618
Passenger facility charges	17,740,130	-	17,740,130
Customer facility charge (rental cars)	8,107,965	-	8,107,965
Investment loss, net of investment derivative fair value adjustments of $24,305,243	30,585,590	-	30,585,590
Interest revenue	7,183,488	-	7,183,488
Interest expense	(32,656,433)	-	(32,656,433)
Loss on disposals of capital assets and other	(7,339,732)	-	(7,339,732)
	28,537,626	-	28,537,626
Increase (Decrease) in Net Position Before Capital Contributions and Grants	4,803,753	(15,134,296)	(10,330,543)
Capital Contributions and Grants			
Federal, state and local grants	96,868,545	-	96,868,545
Contributions from lessees and other	52,607,081	-	52,607,081
	149,475,626	-	149,475,626
Increase (Decrease) in Net Position	154,279,379	(15,134,296)	139,145,083
Transfers	(5,949,542)	5,949,542	-
Net Position, Beginning of Year	1,200,209,178	183,104,139	1,383,313,317
Net Position, End of Year	$ 1,348,539,015	$ 173,919,385	$ 1,522,458,400

Indianapolis Airport Authority

Schedule of Operating Revenues
Year Ended December 31, 2022

	2022
Airfield	
Landing fees - scheduled airlines	$ 10,503,253
Landing fees - freight and other	16,501,489
Apron fees	1,985,466
Commissions - aviation fuel sales	426,577
Other	2,126,560
	31,543,345
Terminal Complex	
Space rental	
Airlines	35,135,708
Concessionaires	8,745,852
Other space rental	1,742,509
Contra revenue - federal grants	(4,034,337)
Automobile rental commissions	11,525,984
Other commissions, fees, etc.	5,028,025
Financing interest - leases	(1,202,622)
	56,941,119
Parking - parking operations	59,561,731
Rented Buildings and Other	
Space rental - freight buildings	1,379,971
Space rental - hangars	806,396
Space rental - other buildings	7,084,646
Ground leases	7,332,544
Farm income	140,323
Other	467,460
Financing interest - leases	(2,910,726)
	14,300,614
Indianapolis Maintenance Center (IMC)	5,565,399
Reliever Airports	3,698,621
Financing interest - leases	(275,409)
	3,423,212
	$ 171,335,420

Indianapolis Airport Authority

Schedule of Operating Expenses
Year Ended December 31, 2022

	Airfield	Terminal Complex	Parking	Rented Buildings and Other	Indianapolis Maintenance Center (IMC)
Personal Services					
Salaries and wages	$ 2,811,974	$ 5,882,123	$ 3,773,821	$ 266,149	$ 560,864
Employee insurance	670,059	1,582,210	746,418	14,358	66,697
Retirement and social security	294,696	594,060	360,365	24,173	43,232
	3,776,729	8,058,393	4,880,604	304,680	670,793
Contractual Services					
Transportation and communication	169,963	53,758	27,939	6,059	14,954
Professional fees	697,151	169,249	89,719	705,822	82,950
Printing and advertising	(7)	31,392	20,000	12,388	1,409
Repairs and maintenance	526,032	2,930,067	877,466	55,629	774,423
Facilities maintenance and security	47,034	5,459,872	167,085	154,625	2,942,385
Other contractual services	327,215	928,643	2,867,956	2,003,619	382,320
	1,767,388	9,572,981	4,050,165	2,938,142	4,198,441
Utilities	3,782,412	3,701,836	557,039	268,264	2,413,254
Supplies					
Fuel	432,484	-	262,426	-	68,257
Garage and motor	270,529	33,565	267,744	862	436
Institutional and medical	40,276	878,577	253,785	1,040	2,909
Office supplies	27,331	17,347	19,369	(6,675)	2,098
Snow and ice chemicals	806,459	44,365	161,798	1,884	11,862
Other	105,570	261,834	299,413	1,023	63,978
	1,682,649	1,235,688	1,264,535	(1,866)	149,540
Materials					
Building	18,331	161,883	5,401	1,246	(80,114)
Pavement and grounds	292,129	87	662	-	-
Repair parts	1,106,195	668,174	763,834	7,807	783
Small equipment and tools	49,122	59,127	16,653	-	166
Other	52,894	71,588	3,888	100	17,507
	1,518,671	960,859	790,438	9,153	(61,658)
General					
Insurance	299,044	686,760	298,600	49,980	123,765
Equipment rental	10,272	-	425	-	6,937
Other (including bad debts)	2,568	736	844	2,297	550
	311,884	687,496	299,869	52,277	131,252
Subtotal	12,839,733	24,217,253	11,842,650	3,570,650	7,501,622
Depreciation	34,800,899	20,419,239	6,087,339	32,516,672	13,198,073
Total	$ 47,640,632	$ 44,636,492	$ 17,929,989	$ 36,087,322	$ 20,699,695

2022			
Reliever Airports	Public Safety	Administration	Total
$ 343,157	$ 8,480,049	$ 9,389,936	$ 31,508,073
81,325	1,701,015	1,827,682	6,689,764
42,906	1,162,207	1,015,161	3,536,800
467,388	11,343,271	12,232,779	41,734,637
27,420	204,433	1,475,664	1,980,190
438,850	192,897	4,425,562	6,802,200
-	8,201	394,951	468,334
569,378	138,186	2,225,354	8,096,535
9,849	551	-	8,781,401
146,446	679,316	686,145	8,021,660
1,191,943	1,223,584	9,207,676	34,150,320
347,205	225,881	-	11,295,891
805,800	-	-	1,568,967
21,612	30,261	22,075	647,084
28,777	49,345	794	1,255,503
408	103,350	(192)	163,036
133,593	47	-	1,160,008
6,601	408,340	68,054	1,214,813
996,791	591,343	90,731	6,009,411
10,941	7,241	2,284	127,213
30,173	-	-	323,051
59,362	442,107	76,291	3,124,553
3,888	38,832	6,282	174,070
2,456	5,080	3,458	156,971
106,820	493,260	88,315	3,905,858
107,583	191,290	33,762	1,790,784
-	128	43,943	61,705
-	80,316	179,961	267,272
107,583	271,734	257,666	2,119,761
3,217,730	14,149,073	21,877,167	99,215,878
2,821,603	467,894	675,992	110,987,711
$ 6,039,333	$ 14,616,967	$ 22,553,159	$ 210,203,589

Indianapolis Airport Authority

Schedule of Bond Debt Service Requirements to Maturity
December 31, 2022

	2022A Revenue Bonds		2022B-1 Revenue Bonds		2022B-2 Revenue Bonds		2022B-3 Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	$ -	$ 1,654,240	$ -	$ 2,356,724	$ -	$ 1,951,373	$ -	$ 721,939
2024	550,000	1,938,492	-	4,179,413	-	3,460,563	-	1,280,286
2025	625,000	1,922,101	-	4,179,413	85,000	3,458,438	2,795,000	1,211,808
2026	645,000	1,904,384	-	4,179,413	405,000	3,446,188	2,935,000	1,071,056
2027	680,000	1,885,901	-	4,179,413	1,070,000	3,409,313	3,075,000	922,368
2028	675,000	1,866,998	1,375,000	4,145,038	1,120,000	3,354,563	3,230,000	765,205
2029	690,000	1,847,957	1,445,000	4,074,538	1,180,000	3,297,063	3,390,000	599,027
2030	15,505,000	1,622,036	1,520,000	4,000,413	1,235,000	3,236,688	3,565,000	423,048
2031	16,125,000	1,180,798	1,595,000	3,922,538	1,295,000	3,173,438	3,745,000	236,437
2032	16,785,000	721,703	1,675,000	3,840,788	2,585,000	3,076,438	2,710,000	70,189
2033	17,475,000	243,776	1,755,000	3,755,038	5,560,000	2,872,813	-	-
2034	-	-	2,235,000	3,655,288	5,450,000	2,597,563	-	-
2035	-	-	2,885,000	3,527,288	5,185,000	2,331,688	-	-
2036	-	-	3,030,000	3,379,413	5,445,000	2,059,131	-	-
2037	-	-	3,185,000	3,224,038	5,730,000	1,765,788	-	-
2038	-	-	3,340,000	3,060,913	6,035,000	1,456,956	-	-
2039	-	-	3,505,000	2,889,788	6,350,000	1,131,850	-	-
2040	-	-	3,680,000	2,705,563	6,680,000	789,813	-	-
2041	-	-	3,870,000	2,507,375	7,030,000	429,925	-	-
2042	-	-	4,075,000	2,298,819	1,120,000	215,988	-	-
2043	-	-	4,290,000	2,079,238	935,000	162,044	-	-
2044	-	-	-	1,887,088	220,000	132,000	-	-
2045	-	-	-	1,723,681	230,000	120,750	-	-
2046	-	-	-	1,551,613	240,000	109,000	-	-
2047	-	-	-	1,370,488	255,000	96,625	-	-
2048	-	-	16,850,000	1,179,781	265,000	83,625	-	-
2049	-	-	-	984,125	280,000	70,000	-	-
2050	-	-	-	783,500	295,000	55,625	-	-
2051	-	-	-	572,750	305,000	40,625	-	-
2052	-	-	-	351,375	320,000	25,000	-	-
2053	-	-	21,640,000	119,000	340,000	8,500	-	-
2054	-	-	-	-	-	-	-	-
	$ 69,755,000	$ 16,788,386	$ 81,950,000	$ 82,663,853	$ 67,245,000	$ 48,419,374	$ 25,445,000	$ 7,301,363

[1] The 2010C Revenue Bonds bear interest at a variable rate. See Note 8 to the financial statements.

Indianapolis Airport Authority

Schedule of Bond Debt Service Requirements to Maturity (Continued)
December 31, 2022

2019A Revenue Bonds		2019B Revenue Bonds		2019C-1 Revenue Bonds		2019C-2 Revenue Bonds	
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
$ 570,000	$ 801,220	$ 6,415,000	$ 6,579,125	$ -	$ 2,247,450	$ 685,000	$ 722,125
585,000	785,050	18,330,000	5,960,500	-	2,247,450	720,000	687,000
605,000	768,390	19,435,000	5,016,375	-	2,247,450	755,000	650,125
620,000	751,240	20,585,000	4,015,875	-	2,247,450	795,000	611,375
635,000	733,670	21,825,000	2,955,625	-	2,247,450	830,000	570,750
655,000	715,610	23,090,000	1,832,750	-	2,247,450	870,000	528,250
675,000	696,990	24,450,000	644,250	-	2,247,450	915,000	483,625
690,000	677,880	-	33,000	-	2,247,450	965,000	436,625
710,000	658,280	-	33,000	-	2,247,450	1,015,000	387,125
730,000	638,120	-	33,000	-	2,247,450	1,065,000	335,125
750,000	617,400	-	33,000	-	2,247,450	1,120,000	280,500
775,000	596,050	320,000	25,000	-	2,247,450	1,170,000	223,250
795,000	574,070	340,000	8,500	-	2,247,450	1,230,000	163,250
815,000	551,530	-	-	-	2,247,450	1,295,000	100,125
840,000	528,360	-	-	-	2,247,450	1,355,000	33,875
865,000	504,490	-	-	-	2,247,450	-	-
885,000	479,990	-	-	-	2,247,450	-	-
910,000	454,860	-	-	590,000	2,232,700	-	-
935,000	429,030	-	-	4,125,000	2,114,825	-	-
965,000	402,430	-	-	4,330,000	1,903,450	-	-
990,000	375,060	-	-	4,545,000	1,681,575	-	-
1,020,000	346,920	-	-	4,775,000	1,448,575	-	-
1,045,000	318,010	-	-	5,010,000	1,229,000	-	-
1,075,000	288,330	-	-	5,210,000	1,024,600	-	-
1,105,000	257,810	-	-	5,420,000	812,000	-	-
1,135,000	226,450	-	-	5,635,000	590,900	-	-
1,170,000	194,180	-	-	5,860,000	361,000	-	-
1,200,000	161,000	-	-	6,095,000	121,900	-	-
1,235,000	126,910	-	-	-	-	-	-
1,270,000	91,840	-	-	-	-	-	-
1,305,000	55,790	-	-	-	-	-	-
1,340,000	18,760	-	-	-	-	-	-
$ 28,900,000	$ 14,825,720	$ 134,790,000	$ 27,170,000	$ 51,595,000	$ 51,727,175	$ 14,785,000	$ 6,213,125

Indianapolis Airport Authority

Schedule of Bond Debt Service Requirements to Maturity (Continued)
December 31, 2022

2019D Revenue Bonds		2016A-1 Revenue Bonds		2016A-2 Revenue Bonds	
Principal	Interest	Principal	Interest	Principal	Interest
$ 2,501,015	$ 966,898	$ 13,490,000	$ 2,462,050	$ 2,260,000	$ 162,678
2,566,542	900,513	2,775,000	2,055,425	85,000	132,381
2,633,785	832,388	2,910,000	1,913,300	90,000	129,585
2,702,790	762,479	3,055,000	1,764,175	95,000	126,630
2,773,604	690,739	3,210,000	1,607,550	95,000	123,595
2,846,272	617,118	2,145,000	1,473,675	-	122,077
1,000	579,819	2,255,000	1,363,675	-	122,077
1,000	579,793	2,365,000	1,248,175	-	122,077
1,000	579,767	2,485,000	1,126,925	-	122,077
1,000	579,740	2,610,000	1,012,600	-	122,077
1,000	579,714	2,715,000	906,100	-	122,077
2,920,975	541,436	2,820,000	795,400	-	122,077
2,997,505	463,904	18,475,000	369,500	1,520,000	92,483
3,076,039	384,341	-	-	1,615,000	31,441
3,156,632	302,693	-	-	-	-
3,239,335	218,906	-	-	-	-
3,324,206	132,923	-	-	-	-
3,411,300	44,688	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
$ 38,155,000	$ 9,757,859	$ 61,310,000	$ 18,098,550	$ 5,760,000	$ 1,653,332

Indianapolis Airport Authority

Schedule of Bond Debt Service Requirements to Maturity (Continued)

December 31, 2022

2015A Revenue Bonds		2014A Revenue Bonds		2010C Revenue Bonds [1]		Total Debt
Principal	Interest	Principal	Interest	Principal	Interest	Service
$ 6,770,000	$ 8,480,350	$ 7,185,000	$ 6,864,125	$ -	$ 3,075,470	$ 78,921,782
12,240,000	8,066,300	11,070,000	6,407,750	-	3,146,092	90,168,757
16,250,000	7,496,500	8,130,000	5,927,750	-	3,151,977	93,219,385
16,925,000	6,748,375	8,535,000	5,511,125	-	3,151,977	93,589,532
17,800,000	5,880,250	8,965,000	5,073,625	-	3,151,977	94,390,830
18,720,000	4,967,250	9,415,000	4,614,125	-	3,151,977	94,543,358
16,215,000	4,093,875	13,375,000	4,044,375	-	3,151,977	91,837,698
17,055,000	3,262,125	14,045,000	3,358,875	9,865,000	2,808,918	90,868,103
17,955,000	2,386,875	14,750,000	2,639,000	10,365,000	2,417,284	91,151,994
18,885,000	1,465,875	15,485,000	1,883,125	10,895,000	2,005,638	91,457,868
19,875,000	496,875	16,260,000	1,089,500	11,450,000	1,573,017	91,778,260
-	-	17,075,000	341,500	12,035,000	1,118,297	57,064,286
-	-	-	-	12,650,000	640,341	56,495,979
-	-	-	-	13,295,000	138,011	37,462,481
-	-	-	-	2,530,000	7,988	24,906,824
-	-	-	-	-	-	20,968,050
-	-	-	-	-	-	20,946,207
-	-	-	-	-	-	21,498,924
-	-	-	-	-	-	21,441,155
-	-	-	-	-	-	15,310,687
-	-	-	-	-	-	15,057,917
-	-	-	-	-	-	9,829,583
-	-	-	-	-	-	9,676,441
-	-	-	-	-	-	9,498,543
-	-	-	-	-	-	9,316,923
-	-	-	-	-	-	25,965,756
-	-	-	-	-	-	8,919,305
-	-	-	-	-	-	8,712,025
-	-	-	-	-	-	2,280,285
-	-	-	-	-	-	2,058,215
-	-	-	-	-	-	23,468,290
-	-	-	-	-	-	1,358,760
$ 178,690,000	$ 53,344,650	$ 144,290,000	$ 47,754,875	$ 83,085,000	$ 32,690,941	$ 1,404,164,203

3.0 STATISTICAL INFORMATION

(UNAUDITED) FISCAL YEAR ENDED DECEMBER 31, 2022

Photo: @kimberly_marieh

THE STATISTICAL SECTION provides information with up to ten years of comparable data, when available, and differs from the audited financial statements as some non-accounting data is presented.

STATEMENTS OF NET POSITION

for the last 10 years ended December 31 (in thousands)

	2022 (1) (2)	2021 (1)	2020 (1)	2019
Assets				
Current Assets - Unrestricted	$ 140,570	$ 108,270	$ 95,514	$ 30,929
Current Assets - Restricted	250,653	66,623	71,699	73,522
Noncurrent Assets:				
Capital Assets, Net	2,044,405	1,980,863	1,783,116	1,754,221
Other Noncurrent Assets	494,265	214,968	198,994	242,162
Total Assets	2,929,893	2,370,724	2,149,323	2,100,834
Deferred Outflows of Resources	14,626	17,214	19,882	22,583
Total Assets and Deferred Outflows of Resources	**$ 2,944,519**	**$ 2,387,938**	**$ 2,169,205**	**$ 2,123,417**
Liabilities				
Current Liabilities - payable from unrestricted assets	$ 19,766	$ 12,605	$ 13,491	$ 13,229
Current Liabilities - payable from restricted assets	85,705	61,974	67,969	72,069
Noncurrent Liabilities - payable from restricted	1,016,181	912,066	970,288	1,004,014
Total Liabilities	1,121,652	986,645	1,051,748	1,089,312
Deferred Inflows of Resources	300,409	17,979	22,122	18,009
Net Position				
Net Investment in Capital Assets	1,213,447	1,099,360	841,311	780,340
Restricted	184,192	185,180	171,161	162,493
Unrestricted	124,819	98,774	82,863	73,263
Total Net Position	1,522,458	1,383,314	1,095,335	1,016,096
Total Liabilities, Deferred Inflows of Resources, and Net Position	**$ 2,944,519**	**$ 2,387,938**	**$ 2,169,205**	**$ 2,123,417**

(1) 2020-22 activity reflects the impact of the COVID-19 Pandemic
(2) Figures reflect the implementation of GASB 87. Amounts prior to 2022 have not been restated.

2018	2017	2016	2015	2014	2013
$ 32,580	$ 27,006	$ 34,760	$ 28,660	$ 34,045	$ 31,260
48,217	50,078	43,001	53,855	55,220	63,511
1,734,709	1,757,719	1,821,200	1,889,782	1,958,582	2,024,932
221,850	242,192	231,965	220,663	192,446	173,187
2,037,356	2,076,995	2,130,926	2,192,960	2,240,293	2,292,890
31,435	46,196	56,270	71,988	76,997	47,476
$ 2,068,791	$ 2,123,191	$ 2,187,196	$ 2,264,948	$ 2,317,290	$ 2,340,366
$ 14,090	$ 12,043	$ 10,028	$ 11,319	$ 8,169	$ 7,956
66,518	91,155	75,384	82,086	80,670	86,434
943,648	946,707	1,027,055	1,105,607	1,164,718	1,196,537
1,024,256	1,049,905	1,112,467	1,199,012	1,253,557	1,290,927
11,163	14,593	15,173	17,071	19,545	-
825,210	835,366	845,490	850,120	868,463	883,951
140,516	160,085	143,563	121,423	113,374	107,822
67,646	63,242	70,503	77,322	62,351	57,666
1,033,372	1,058,693	1,059,556	1,048,865	1,044,188	1,049,439
$ 2,068,791	$ 2,123,191	$ 2,187,196	$ 2,264,948	$ 2,317,290	$ 2,340,366

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

for the last 10 years ended December 31 (in thousands)

	2022 (1) (2)	2021 (1)	2020 (1)	2019
Operating Revenues				
Airfield	$ 31,543	$ 31,031	$ 22,118	$ 23,678
Terminal complex	56,941	57,516	44,176	51,346
Parking	59,562	42,772	25,208	59,370
Rented buildings and other	14,300	16,549	16,218	15,505
Indianapolis Maintenance Center (IMC)	5,565	5,586	6,571	8,567
Reliever airports	3,423	3,217	2,780	2,883
Total operating revenues	171,334	156,671	117,071	161,349
Operating Expenses				
Personal services	41,735	34,839	34,127	35,427
Contractual services	34,150	24,628	20,570	28,496
Utilities	11,296	10,554	9,727	10,864
Supplies	6,009	4,701	3,436	5,192
Materials	3,906	3,175	2,897	3,529
General	2,120	1,801	1,806	1,678
Total operating expenses	99,216	79,698	72,563	85,186
Income From Operations Before Depreciation	72,118	76,973	44,508	76,163
Depreciation expense	110,988	100,933	94,640	89,679
Loss From Operations	(38,870)	(23,960)	(50,132)	(13,516)
Nonoperating Revenues (Expenses)				
State and local appropriations	-	-	-	-
Federal operating grants	4,917	1,817	15,783	589
Passenger facility charges	17,740	15,009	7,918	19,321
Customer facility charges (rental cars)	8,108	6,526	4,347	9,410
Investment income	30,586	15,567	(4,910)	(16,815)
Interest revenue - leases	7,183	-	-	-
Interest expense	(32,656)	(32,770)	(33,787)	(38,006)
Gain (Loss) on disposals of capital assets and other	(7,340)	2,336	11,803	(7,108)
	28,538	8,485	1,154	(32,609)
Decrease in Net Position Before Capital Contributions and Grants	(10,332)	(15,475)	(48,978)	(46,125)
Capital Contributions and Grants				
Federal, state and local grants	96,869	48,797	44,816	21,719
Contributions from lessees and other	52,607	254,657	83,401	7,130
	149,476	303,454	128,217	28,849
Increase (Decrease) in Net Position	139,144	287,979	79,239	(17,276)
Net Position, Beginning of Year	1,383,314	1,095,335	1,016,096	1,033,372
Net Position, End of Year	$ 1,522,458	$ 1,383,314	$ 1,095,335	$ 1,016,096

(1) 2020-22 activity reflects the impact of the COVID-19 Pandemic
(2) Figures reflect the implementation of GASB 87. Amounts prior to 2022 have not been restated.

2018	2017	2016	2015	2014	2013
$ 24,288	$ 21,746	$ 23,749	$ 22,546	$ 21,674	$ 21,468
54,138	53,183	57,451	50,768	49,436	49,458
54,551	50,776	50,562	47,056	43,469	40,718
16,523	16,567	16,382	16,016	15,948	15,659
8,239	8,068	7,206	8,643	9,200	9,395
2,934	2,920	2,897	2,928	3,105	2,961
160,672	153,260	158,247	147,957	142,832	139,659
33,910	31,056	28,244	27,446	26,261	26,533
25,620	25,086	22,018	19,034	18,185	17,228
11,449	8,722	9,243	8,874	9,431	8,480
5,181	4,104	3,343	3,311	3,987	3,904
3,053	3,196	2,792	2,509	2,423	1,932
1,797	1,369	1,579	1,205	2,089	2,125
81,010	73,533	67,219	62,379	62,376	60,202
79,663	79,727	91,028	85,578	80,456	79,457
92,196	94,075	93,818	94,113	94,127	95,821
(12,533)	(14,348)	(2,790)	(8,535)	(13,671)	(16,364)
13,162	16,751	27,376	26,754	26,785	26,818
599	595	675	804	1,036	869
19,014	17,753	17,238	15,916	14,645	14,474
7,422	7,218	7,285	6,702	6,442	6,098
6,115	4,679	4,214	6,663	2,678	5,237
-	-	-	-	-	-
(37,950)	(38,138)	(45,883)	(54,589)	(57,935)	(58,192)
(47,255)	(3,700)	(12,659)	(7,879)	621	(2,447)
(38,893)	5,158	(1,754)	(5,629)	(5,728)	(7,143)
(51,426)	(9,190)	(4,544)	(14,164)	(19,399)	(23,507)
21,752	6,206	11,891	16,441	12,327	10,322
4,355	2,120	3,344	2,400	1,821	11,171
26,107	8,326	15,235	18,841	14,148	21,493
(25,320)	**(864)**	**10,691**	**4,677**	**(5,251)**	**(2,014)**
1,058,692	1,059,556	1,048,865	1,044,188	1,049,439	1,051,453
$ 1,033,372	**$ 1,058,692**	**$ 1,059,556**	**$ 1,048,865**	**$ 1,044,188**	**$ 1,049,439**

STATEMENTS OF CASH FLOWS

for the last 10 years ended December 31 (in thousands)

	2022 (1)(2)	2021 (1)	2020 (1)	2019
Cash Flows From Operating Activities				
Cash receipts from customers and users	$ 172,686	$ 156,394	$ 115,308	$ 161,214
Cash payments to vendors for goods and services	(57,825)	(44,751)	(49,360)	(43,894)
Cash payments for Personal services	(40,250)	(34,313)	(34,909)	(34,939)
Net cash provided by operating activities	74,611	77,330	31,039	82,381
Cash Flows From Noncapital Financing Activities				
Operating grants received	4,917	1,816	21,384	616
Customer facility charges received	8,108	6,526	4,348	9,410
Interest from lease transactions	6,569	-	-	-
Insurance recoveries	3	478	60	1,225
Net cash provided by noncapital financing activities	19,597	8,820	25,792	11,251
Cash Flows From Capital and Related Financing Activities				
Proceeds from issuance of subordinate note	-	-	-	59,700
Proceeds from issuance of revenue bonds	256,172	-	-	327,378
Principal paid on bonds and commercial paper	(106,015)	(34,480)	(28,705)	(207,235)
Principal paid on subordinate securites	-	-	-	(105,540)
Termination payment on interest rate swap	(9,372)	-	-	(26,532)
Bond issue costs paid	(1,359)	(288)	(184)	(2,347)
Interest paid	(37,297)	(40,344)	(39,085)	(38,583)
Acquisition and construction of capital assets	(113,585)	(49,549)	(62,091)	(115,647)
Demolition costs related to capital assets	-	-	-	-
Proceeds from sale of capital assets	4,454	3,154	26,546	5,634
Passenger facility charges received	17,304	13,739	8,321	19,113
Capital grants received	74,006	41,372	44,816	21,719
Net cash provided by (used in) capital and related financing activities	84,308	(66,396)	(50,382)	(62,340)
Cash Flows from Investing Activities				
Purchase of investment securities	(289,922)	(144,244)	(287,654)	(308,409)
Proceeds from sales and maturities of investment securities	253,453	126,784	391,000	308,715
Interest received on investments and cash equivalents	2,816	1,446	2,603	3,188
Cash received from monetization of investment derivative	-	-	-	-
Net cash provided by (used in) investing activities	(33,653)	(16,014)	105,949	3,494
Net Increase (Decrease) in Cash and Cash Equivalents	144,863	3,740	112,398	34,786
Cash and Cash Equivalents, Beginning of Year	289,579	285,839	173,441	138,655
Cash and Cash Equivalents, End of Year	$ 434,442	$ 289,579	$ 285,839	$ 173,441

(1) 2020-22 activity reflects the impact of the COVID-19 Pandemic
(2) Figures reflect the implementation of GASB 87. Amounts prior to 2022 have not been restated.

2018	2017	2016	2015	2014	2013
$ 161,457	$ 155,794	$ 158,753	$ 145,901	$ 143,993	$ 143,537
(45,412)	(42,184)	(37,686)	(32,397)	(36,513)	(32,908)
(33,836)	(30,519)	(27,796)	(27,276)	(26,176)	(27,097)
82,209	83,091	93,271	86,228	81,304	83,532
525	593	647	697	1,000	964
7,422	7,218	7,285	6,702	6,442	6,097
-	-	-	-	-	-
590	225	291	48	393	2,668
8,537	8,036	8,223	7,447	7,835	9,731
45,840	-	-	-	-	-
-	-	196,895	198,965	184,775	37,845
(53,895)	(34,845)	(237,700)	(226,630)	(221,800)	(73,410)
-	-	-	-	-	-
-	-	-	-	-	-
(119)	(283)	(1,202)	(1,583)	(1,236)	(420)
(40,905)	(40,911)	(44,637)	(51,816)	(54,875)	(52,729)
(99,715)	(34,643)	(40,119)	(32,021)	(25,993)	(31,945)
(2)	(365)	(8)	(141)	(136)	(5,315)
1,972	4,349	796	2,259	192	41
19,850	17,553	17,104	15,459	14,715	14,494
18,871	10,136	12,057	20,689	9,560	9,204
(108,103)	(79,009)	(96,814)	(74,818)	(94,797)	(102,235)
(236,887)	(334,759)	(294,556)	(61,495)	(188,139)	(118,087)
255,940	321,318	287,149	28,321	163,553	129,377
3,279	2,628	3,603	7,022	2,216	4,072
-	-	-	-	3,117	-
22,332	(10,812)	(3,805)	(26,152)	(19,253)	15,362
4,976	1,306	875	(7,294)	(24,910)	6,391
133,679	132,373	131,499	138,793	163,704	157,313
$ 138,655	$ 133,679	$ 132,373	$ 131,499	$ 138,793	$ 163,704

OPERATING REVENUES

for the last 10 years ended December 31 (in thousands)

	2022 (1) (2)	2021 (1)	2020 (1)	2019
Airfield				
Landing fees - scheduled airlines	$ 10,503	$ 9,572	$ 6,777	$ 9,074
Landing fees - freight and other	16,501	16,886	11,994	9,258
Apron fees	1,985	2,452	1,620	2,805
Commissions - aviation fuel sales	427	378	228	368
Other	2,127	1,743	1,499	2,173
Total Airfield	31,543	31,031	22,118	23,678
Terminal Complex				
Space rental				
Airlines	35,136	36,537	29,274	25,226
Concessionaires	8,746	6,051	3,537	8,520
Other space rental	1,742	1,753	1,726	1,585
Contra revenue - federal grants	(4,034)	(1,009)	-	-
Automobile rental commissions	11,526	9,494	5,461	10,753
Other commissions, fees, etc.	5,028	4,690	4,178	5,262
Financing interest - leases	(1,203)	-	-	-
Total Terminal Complex	56,941	57,516	44,176	51,346
Parking - parking operations	59,562	42,772	25,208	59,370
Rented Buildings and Other				
Space rental - freight buildings	1,380	1,303	1,343	1,266
Space rental - hangars	806	781	746	708
Space rental - other buildings	7,085	6,937	7,113	7,079
Ground leases	7,333	6,472	5,796	5,705
Farm income	140	86	1	25
International building	-	-	-	-
Other	467	970	1,219	722
Financing interest - leases	(2,911)	-	-	-
Total Rented Buildings and Other	14,301	16,549	16,218	15,505
Indianapolis Maintenance Center (IMC)	5,565	5,586	6,571	8,567
Reliever Airports	3,699	3,217	2,780	2,883
Financing interest - leases	(275)	-	-	-
	3,423	3,217	2,780	2,883
Total Operating Revenues	$ 171,335	$ 156,671	$ 117,071	$ 161,349

Signatory Airline Rates and Charges

	2022 (1) (2)	2021 (1)	2020 (1)	2019
Landing Fee (Per 1,000 lbs.)	$ 2.23	$ 2.30	$ 2.09	$ 1.71
Average Terminal Building Rate (Per Sq. Ft.)	$ 105.50	$ 112.57	$ 90.37	$ 77.95
Apron Rate (Per Sq. Ft.)	$ 0.67	$ 1.51	$ 0.48	$ 1.16

(1) 2020-22 activity reflects the impact of the COVID-19 Pandemic
(2) Figures reflect the implementation of GASB 87. Amounts prior to 2022 have not been restated.

2018	2017	2016	2015	2014	2013
$ 9,812	$ 8,562	$ 9,615	$ 8,645	$ 7,768	$ 7,875
9,999	8,912	10,601	10,375	10,306	10,171
2,002	1,892	1,894	2,011	1,994	2,085
324	300	308	310	281	243
2,151	2,080	1,331	1,206	1,325	1,092
24,288	21,746	23,749	22,546	21,674	21,468
27,011	27,005	31,359	26,309	26,102	26,429
8,575	8,230	8,182	7,620	7,382	7,480
1,716	1,804	2,022	1,565	1,395	1,321
-	-	-	-	-	-
11,261	10,717	10,518	10,085	9,439	9,146
5,575	5,427	5,370	5,189	5,117	5,081
-	-	-	-	-	-
54,138	53,183	57,451	50,768	49,435	49,458
54,551	50,776	50,562	47,055	43,469	40,718
1,262	1,033	985	931	928	930
696	675	622	598	649	663
7,923	8,107	8,035	7,708	7,660	7,641
5,894	5,999	6,091	6,171	6,149	5,790
30	29	150	155	149	162
1	15	17	18	24	25
717	709	483	435	389	449
-	-	-	-	-	-
16,523	16,567	16,382	16,016	15,948	15,659
8,239	8,068	7,206	8,643	9,200	9,395
2,934	2,920	2,897	2,928	3,105	2,961
-	-	-	-	-	-
2,934	2,920	2,897	2,928	3,105	2,961
$ 160,672	$ 153,260	$ 158,247	$ 147,957	$ 142,831	$ 139,659
$ 1.85	$ 1.70	$ 1.95	$ 1.92	$ 1.88	$ 1.88
$ 92.78	$ 98.22	$ 114.09	$ 95.11	$ 91.68	$ 91.68
$ 0.53	$ 0.48	$ 0.71	$ 0.27	$ 0.34	$ 0.34

SIGNATORY AIRLINE RATES AND CHARGES

for the last 10 years ended December 31

Year	Signatory Landing Fees (Per 1,000 lbs.)	Average Terminal Building Rates (Per Sq. Ft.)	Apron Rates (Per Sq. Ft.)
2022[3]	$ 2.23	$ 105.50	$ 0.67
2021[3]	2.30	112.57	1.51
2020[3]	2.09	90.37	0.48
2019	1.71	77.95	1.16
2018	1.85	92.78	0.53
2017	1.70	98.22	0.48
2016	1.95	114.09	0.71
2015	1.92	95.11	0.27
2014	1.88	91.68	0.34
2013	1.88	91.68	0.34

(1) The revenue bases to which the rates are applied and lists of principal payors can be found in other schedules.

(2) The Authority uses a hybrid residual rate-making methodology for its Agreements. This provides for the review and adjustment of Signatory Airline Terminal Complex rental rates, Apron Area rents, and Landing Fees each Fiscal Year to ensure that the Gross Revenues of the Airport System are sufficient to meet the Operation and Maintenance Expenses of the Airport System, the Debt Service Requirements of the Authority's Outstanding Revenue Bonds and Subordinate Securities, and other funding requirements established by the Bond Ordinance.

(3) 2020-22 activity reflects the impact of the COVID-19 Pandemic

Photo: @jasonthorcollins

OUTSTANDING DEBT BY TYPE AND REVENUE BOND DEBT SERVICE RATIOS

for the last 10 years ended December 31

	2022 (2)	2021 (2)	2020 (2)	2019
Outstanding Debt				
Revenue Bonds	$ 1,045,837,056	$ 904,728,333	$ 948,862,708	$ 987,885,214
Commercial Paper, Subordinate Securities & Credit Facility Agreements	-	-	-	-
Obligations under Capital Lease	-	-	-	-
Total Outstanding Debt	$ 1,045,837,056	$ 904,728,333	$ 948,862,708	$ 987,885,214
Outstanding Debt Per Capita	$ 488.30	$ 425.39	$ 453.78	$ 476.20
Total Enplaned Passengers	4,345,413	3,582,020	2,044,464	4,765,409
Outstanding Debt / Enplaned Passenger	$ 240.68	$ 252.57	$ 464.11	$ 207.30
Outstanding Debt as % of Personal Income	Data Not Available	0.38%	0.77%	0.37%
Revenue Bond Debt Service				
Principal	$ 36,260,000	$ 34,480,000	$ 28,705,000	$ 31,045,000
Interest	36,516,846	39,717,639	39,037,834	36,770,467
Total Revenue Bond Debt Service (1)	$ 72,776,846	$ 74,197,639	$ 67,742,834	$ 67,815,467
Total Expenses (Less Depreciation)	$ 139,212,043	$ 110,132,715	$ 94,547,608	$ 130,300,534
Revenue Bond Debt Service (1) **/ Total Expenses**	52.28%	67.37%	71.65%	52.05%
Revenue Bond Debt Service (1) **/ Enplaned Passenger**	$ 16.75	$ 20.71	$ 33.13	$ 14.23

(1) These Revenue Bond Debt Service figures are gross debt service requirements on a cash basis, they are not net of Capitalized Interest.

(2) 2020-22 activity reflects the impact of the COVID-19 Pandemic

2018	2017	2016	2015	2014	2013
$ 874,561,922	$ 933,949,408	$ 974,523,714	$ 1,022,725,052	$ 1,054,556,120	$ 1,094,668,006
45,840,000	-	-	-	-	-
-	12,728,442	28,696,082	54,878,039	79,942,322	103,844,418
$ 920,401,922	$ 946,677,850	$ 1,003,219,796	$ 1,077,603,091	$ 1,134,498,442	$ 1,198,512,424
$ 448.46	$ 466.90	$ 499.92	$ 542.57	$ 575.59	$ 613.63
4,697,124	4,387,532	4,239,828	4,008,256	3,686,245	3,598,718
$ 195.95	$ 215.77	$ 236.62	$ 268.85	$ 307.77	$ 333.04
0.36%	0.41%	0.47%	0.55%	0.65%	0.73%
$ 53,895,000	$ 34,845,000	$ 32,850,000	$ 29,245,000	$ 32,400,000	$ 24,625,000
40,174,647	40,565,126	42,970,440	44,258,956	50,046,187	52,706,166
$ 94,069,647	$ 75,410,126	$ 75,820,440	$ 73,503,956	$ 82,446,187	$ 77,331,166
$ 166,214,431	$ 115,371,597	$ 125,760,383	$ 124,848,572	$ 119,690,767	$ 120,842,636
56.60%	65.36%	60.29%	58.87%	68.88%	63.99%
$ 20.03	$ 17.19	$ 17.88	$ 18.34	$ 22.37	$ 21.49

REVENUE BOND DEBT SERVICE COVERAGE

for the last 10 years ended December 31 (in thousands)

	2022[4]	2021[4]	2020[4]	2019
Gross Revenues				
Total Operating Revenues	$ 175,724	$ 156,671	$ 117,071	$ 161,349
Federal Operating Grants	591	551	586	589
Federal Relief Designated as Gross Revenues[1]	24,964	24,959	38,436	
Reduced (Excess) Rental Revenue Recognized Under GASB 13	579	59	83	100
Federal Payments	(664)	(553)	(536)	(504)
Total Gross Revenues	201,195	181,688	155,640	161,534
Operating and Maintenance Expenses				
Total Operating Expenses	210,204	180,632	167,204	174,865
Capital Assets Expensed Under Ordinance	-	1,984	351	2,613
Environmental Mitigation Costs	-		-	-
Depreciation	(110,988)	(100,933)	(94,641)	(89,679)
Total Operating & Maintenance Expenses	99,216	81,683	72,914	87,799
Net Revenues Available for Debt Service	101,979	100,005	82,726	73,735
Fund Transfers				
Transfers from Debt Service Coverage Fund [2]	17,168	17,158	17,171	17,188
Transfers from Prepaid Airline Revenue Fund [3]	5,717	8,600	-	5,656
Total Funds Available for Debt Service	$ 124,864	$ 125,763	$ 99,897	$ 96,579
Debt Service Requirements				
Debt Service Requirements for Revenue Bonds	$ 64,476	$ 64,250	$ 56,280	$ 54,077
Debt Service Coverage				
Revenue Bond Debt Service Coverage	1.94	1.96	1.78	1.79

(1) Per Resolutions No. 24-2020, No. 10-2021 and No. 08-2022
(2) Pursuant to the Authority's Master Bond Ordinance, amounts deposited into the Authority's Coverage Fund will be added to Net Revenues for purposes of determining the Authority's Revenue Bond Debt Service Coverage.
(3) Reflects actual transfer versus calculated Prepaid Airline Credit as defined in the Authority's Master Bond Ordinance.
(4) 2020-22 activity reflects the impact of the COVID-19 Pandemic

2018	2017	2016	2015	2014	2013
$ 160,672	$ 153,260	$ 158,247	$ 147,957	$ 142,831	$ 139,659
599					
99	109	306	306	306	306
(505)	(908)	(762)	(536)	(522)	(478)
160,865	152,461	157,791	147,727	142,615	139,487
173,206	167,609	161,038	156,493	156,502	156,022
1,441	1,175	1,318	930	396	1,055
1	(50)	96	192	38	1,182
(92,196)	(94,075)	(93,818)	(94,113)	(94,127)	(95,821)
82,452	74,659	68,634	63,502	62,809	62,438
78,413	77,802	89,157	84,225	79,806	77,049
17,212	17,179	17,380	17,171	17,173	15,130
5,155	2,568	17,000	7,500	1,500	499
$ 100,780	$ 97,549	$ 123,537	$ 108,896	$ 98,478	$ 92,678
$ 68,473	$ 55,243	$ 59,606	$ 59,035	$ 60,819	$ 58,801
1.47	1.77	2.07	1.84	1.62	1.58

AIRLINE LANDING WEIGHT STATISTICS

for the last 10 years ended December 31

Listed by current rank

	2022 [5]		2021 [5]	2020 [5]	2019
	Landing Wts. (000 lbs.)	% of Total	Landing Wts. (000 lbs.)	Landing Wts. (000 lbs.)	
Scheduled Air Carrier:					
American [1]	1,293,499	10.8%	1,003,770	715,498	1,275,230
Southwest [1]	1,158,456	9.6%	1,100,586	1,031,104	1,502,429
Delta [1]	969,527	8.1%	879,247	672,889	1,432,395
United [1]	593,154	4.9%	497,036	353,790	641,815
Spirit Airlines [4]	258,456	2.1%	261,106	122,396	106,002
Allegiant Air [2]	247,055	2.1%	270,245	210,267	272,558
Frontier Airlines [1]	101,593	0.8%	113,532	77,219	108,263
Alaska Airlines [3]	65,104	0.5%	49,576	50,756	54,993
Indianapolis Aviation Partners	48,769	0.4%	59,110	23,661	22,712
US Airways [1]		0.0%	-	-	
AirTran Airways [1]		0.0%	-	-	-
Other	43,966	0.4%	29,673	15,190	48,963
Subtotal	**4,779,578**	**39.7%**	**4,263,881**	**3,272,770**	**5,465,360**
Net Change from Prior Year	12.1%		30.3%	-40.1%	-0.4%
Freight and Charter:					
Federal Express	7,076,951	58.8%	7,009,102	5,509,279	5,157,946
Cargolux Airlines International S.A.	103,926	0.9%	106,234	104,903	106,131
Mountain Air Cargo	43,780	0.4%	42,697	34,801	33,799
Eli Lilly International	9,266	0.1%	7,786	9,474	10,164
Other	16,024	0.1%	11,756	5,004	6,454
Subtotal	**7,249,948**	**60.3%**	**7,177,576**	**5,663,461**	**5,314,494**
Net Change from Prior Year	1.0%		26.7%	6.6%	0.4%
Total Airline Landing Weights	**12,029,525**	**100.0%**	**11,441,458**	**8,936,231**	**10,779,854**
Net Change from Prior Year	5.1%		28.0%	-17.1%	0.0%

(1) Airline either merged with another airline, serves another airline, discontinued operations or no longer serves Indianapolis International Airport.
(2) Allegiant Air began operations in February 2015.
(3) Alaska Airlines began operation in May 2017.
(4) Spirit Airlines began operation in March 2019.
(5) 2020-22 activity reflects the impact of the COVID-19 Pandemic

2018	2017	2016	2015	2014	2013
1,283,779	1,201,711	1,277,344	502,901	474,639	410,592
1,611,201	1,660,810	1,605,178	1,387,432	947,356	723,664
1,335,814	1,176,262	1,136,286	1,133,755	1,153,816	1,190,901
683,717	671,124	669,129	667,649	623,969	637,841
-	-	-	-	-	-
267,444	184,307	179,027	125,927	-	-
129,409	114,412	129,823	115,820	120,871	126,538
91,435	48,895	-	-	-	-
31,974	27,697	30,910	17,141	48,576	65,667
-	-	-	672,034	653,730	635,757
-	-	-	-	211,352	434,352
55,056	53,351	47,957	42,539	35,156	33,670
5,489,829	5,138,569	5,075,654	4,665,198	4,269,465	4,258,982
6.8%	1.2%	8.8%	9.3%	0.2%	-3.9%
5,138,742	4,997,397	5,190,106	5,186,724	5,216,438	5,141,051
101,806	104,179	102,121	100,937	98,575	101,933
34,442	31,826	33,232	26,564	23,360	22,300
11,814	11,484	12,408	11,286	10,758	12,870
7,900	5,713	9,211	21,363	18,314	13,292
5,294,704	5,150,599	5,347,078	5,346,874	5,367,445	5,291,446
2.8%	-3.7%	0.0%	-0.4%	1.4%	6.6%
10,784,533	10,289,168	10,422,732	10,012,072	9,636,910	9,550,428
4.8%	-1.3%	4.1%	3.9%	0.9%	1.6%

ENPLANED PASSENGER STATISTICS

for the last 10 years ended December 31

Listed by current rank

	2022[5] Number of Enplanements	2022[5] % of Total	2021[5] Number of Enplanements	2020[5] Number of Enplanements	2019
Scheduled Air Carrier:					
Southwest [1]	1,142,642	26.3%	1,009,090	621,110	1,367,642
American [1]	1,117,442	25.7%	846,323	448,241	1,023,504
Delta [1]	833,330	19.2%	661,322	369,537	1,207,021
United [1]	539,595	12.4%	399,181	230,536	574,462
Allegiant Air [2]	256,549	5.9%	234,950	168,781	271,158
Spirit Airlines [4]	247,678	5.7%	251,505	100,356	98,869
Frontier Airlines [1]	103,574	2.4%	115,381	66,721	123,263
Alaska Airlines [3]	65,568	1.5%	43,727	27,077	54,700
Indianapolis Aviation Partners	10,505	0.2%	10,569	5,128	8,888
US Airways [1]	-	0.0%			
AirTran Airways [1]	-	0.0%			
Other	28,530	0.7%	9,972	6,977	35,902
Total Enplanements	4,345,413	100.0%	3,582,020	2,044,464	4,765,409
Net Change from Prior Year	21.3%		75.2%	-57.1%	1.5%

Airline Costs

	2022	2021	2020	2019
Air Carrier Landing Fees	$ 27,004,742	$ 26,458,272	$ 18,770,141	$ 18,331,892
Terminal Apron Fees	1,985,466	2,451,686	1,620,144	2,804,976
Airline Terminal Fees	35,135,708	36,536,553	29,273,668	25,225,826
Freight Landing Fees	(16,501,489)	(16,886,026)	(11,993,612)	(9,258,133)
Total Costs	$ 47,624,427	$ 48,560,485	$ 37,670,341	$ 37,104,561
Total Costs/ Enplaned Passenger	$ 10.96	$ 13.56	$ 18.43	$ 7.79
Net Change from Prior Year	-19.2%	-26.4%	136.6%	-5.8%

(1) Airline either merged with another airline, serves another airline or no longer serves Indianapolis International Airport.
(2) Allegiant Air began operations in February 2015.
(3) Alaska Airlines began operation in May 2017.
(4) Spirit Airlines began operation in March 2019.
(5) 2020-22 activity reflects the impact of the COVID-19 Pandemic

2018	2017	2016	2015	2014	2013
1,448,196	1,443,262	1,382,870	1,193,458	832,464	630,082
1,026,854	970,257	965,523	473,919	415,777	365,870
1,092,085	978,384	942,983	958,781	962,455	954,336
599,596	594,727	589,221	572,837	555,441	549,850
265,353	188,748	183,633	120,546	-	-
-	-	-	-	-	-
138,809	122,865	134,528	119,315	125,026	134,911
78,993	42,977	-	-	-	-
10,549	10,934	11,406	7,014	20,264	21,025
-	-	-	537,973	547,520	527,547
-	-	-	-	206,192	399,719
36,689	35,378	29,664	24,413	21,106	15,378
4,697,124	4,387,532	4,239,828	4,008,256	3,686,245	3,598,718
7.1%	3.5%	5.8%	8.7%	2.4%	-2.4%
$ 19,810,491	$ 17,474,532	$ 20,216,506	$ 19,018,664	$ 18,073,410	$ 18,048,151
2,002,360	1,892,080	1,894,273	2,011,024	1,993,759	2,085,167
27,011,058	27,004,991	31,358,509	26,309,293	26,102,447	26,428,972
(9,998,530)	(8,912,244)	(10,601,365)	(10,373,953)	(10,304,967)	(10,172,021)
$ 38,825,379	$ 37,459,359	$ 42,867,923	$ 36,965,028	$ 35,864,649	$ 36,390,269
$ 8.27	$ 8.54	$ 10.11	$ 9.22	$ 9.73	$ 10.11
-3.2%	-15.6%	9.6%	-5.2%	-3.8%	1.0%

NUMBER OF AIRPORT EMPLOYEES BY IDENTIFIABLE ACTIVITY

for the last 10 years ended December 31

Listed by current rank

	2022 (2)		2021 (2)	2020 (2)	2019
Department	Number of Employees	% of Total			
Parking	69	15.5%	59	67	71
Terminal Services	59	13.2%	55	70	66
Fire	42	9.4%	40	41	44
Building Maintenance	39	8.6%	35	36	37
Police	38	8.5%	40	45	48
Airfield	37	8.3%	36	38	39
Airport Security and Dispatch	23	5.2%	22	23	24
Engineering	19	4.3%	18	17	16
Information Technology	15	3.4%	15	15	14
Public Safety Officers (1)	14	3.1%	-	-	-
Accounting and Finance	12	2.7%	11	11	11
Personnel	11	2.5%	10	10	10
Operations	10	2.2%	9	9	8
Guest Services	10	2.1%	6	7	6
Administration	8	1.8%	8	8	7
Marketing	5	1.1%	4	4	4
Reliever Airports	5	1.1%	5	5	5
Properties	4	0.9%	3	4	4
Procurement	4	0.9%	3	3	3
Conservation Management	4	0.9%	5	5	3
IMC	4	0.9%	3	3	4
Audit Services	3	0.7%	3	3	4
Legal	3	0.7%	4	4	4
Diversity	3	0.7%	2	2	1
Executive	2	0.4%	2	2	1
Risk Management	2	0.4%	1	1	1
Retail	2	0.4%	2	2	2
Total Employees	446		401	435	437

Note: These figures include full and part time employees as of each year end.

1) The Public Safety Officer positions were insourced during 2022
2) 2020-22 activity reflects the impact of the COVID-19 Pandemic

2018	2017	2016	2015	2014	2013
70	69	69	70	66	72
62	61	61	62	66	78
43	40	41	41	40	40
37	35	33	33	32	33
48	47	47	47	45	47
39	38	38	38	35	38
24	23	22	21	21	23
13	14	13	12	12	11
13	12	13	13	13	13
-	-	-	-	-	-
11	11	9	10	12	14
10	9	9	8	8	7
8	8	7	6	6	7
6	6	6	6	6	7
6	6	5	3	3	3
4	3	3	3	2	2
5	5	5	5	5	5
4	4	3	4	5	5
4	3	3	3	2	2
4	4	3	3	4	6
3	3	3	4	5	5
5	4	4	4	3	3
3	2	3	2	2	3
1	1	1	1	1	1
1	1	1	1	2	1
1	1	1	1	1	1
1	1	1	1	2	2
426	411	404	402	399	429

SCHEDULE OF INSURANCE IN FORCE

as of December 31, 2022

Carrier Name	Policy Number	Policy Term	Abstract of Coverage	Limit of Liability	Premium
ACE American Insurance Company	PHFD42291936003	11/30/2022 to 11/30/2023	International Package/Foreign Liability	$ 1,000,000	$ 2,000
ACE American Insurance Company	G46886495003	11/30/2022 to 11/30/2023	Public Officials	10,000,000	73,566
			Employment Practices Liability 7/1/2022	10,000,000	
ACE American Insurance Company	G24733932011	11/30/2022 to 11/30/2023	Underground Storage Tanks Liability	1,000,000	3,873
American International Group (AIG)	AP811512801	11/30/2022 to 11/30/2023	Airport and Aviation General Liability	350,000,000	224,865
			Excess Auto Liability	25,000,000	included
			Excess Employers Liability	25,000,000	included
			Cargo Liability	5,000,000	included
Evanston Insurance Company	SM942675	11/30/2022 to 11/30/2023	Medical Professional Liability	500,000/1,500,000	29,601
Federal Insurance Company	J05983034	11/30/2022 to 11/30/2023	Comprehensive Crime	1,000,000	6,311
Federal Insurance Company	82554636	11/30/2022 to 11/30/2023	Fiduciary Liability	3,000,000	3,238
Fidelity & Deposit	191007068	10/17/2022 to 10/17/2023	Customs & Border Protection Bond	100,000	723
Hudson Insurance Company	PEA000521303	11/30/2022 to 11/30/2023	Automobile Liability	1,000,000	108,712
Indian Harbor Insurance Company	PPL095152404	11/30/2022 to 11/30/2023	Law Enforcement Liability/Police Professional	2,000,000	48,677
Liberty Mutual Insurance Company	YAC-L9L-474688-012	7/1/2022 to 11/30/2023	Property All Risk; Real/Personal; Blanket	1,000,000,000	1,475,061
			Business Interruption (incl. in Blanket)	160,000,000	included
			Boiler & Machinery (incl. in Blanket)	100,000,000	included
			Terrorism Risk Insurance Act	included	included
			Flood	250,000	included
Lloyds of London	PJ21000500103	7/1/2022 to 7/1/2023 11/30/2022	Deadly Weapon Response Program	500,000	7,553
Lloyds of London	PG2204108	7/1/2022 to 11/30/2023	Primary Terrorism and Sabotage Coverage	100,000,000	82,700
	PG2204321		Terrorism and Sabotage (In excess of $100,000,000)	150,000,000	56,400
	PG2204323		Terrorism and Sabotage (In excess of $250,000,000)	250,000,000	72,900
National Union Fire Insurance Company	18255439	11/30/2022 to 11/30/2023	Employed Lawyers Professional Liability	2,000,000	10,117
Palomar Excess and Surplus Insurance Company	QCB250WIJDCZAT	11/30/2022 to 11/30/2023	Cyber/Network Liability	3,000,000	46,323
QBE Insurance	MHH010303	7/1/2022 to 7/1/2023	Accident/Medical expense	2,500	609
Starr Indemnity & Liability Company	1000002517	11/30/2022 to 11/30/2023	Workers Compensation and	Statutory	232,754
			Employers Liability	1,000,000	included
			Foreign Workers Compensation and	Statutory	included
			Employers Liability	1,000,000	included
Western Surety	Various Bond #'s	12/31/2022 to 12/31/2023	Individual Public Official Bonds (11 Board Members)	100,000	2,695
			Individual Public Official Bonds (Treasurer)	500,000	1,155
			Annual Insurance Premiums; estimated as of December 31, 2022		**$ 2,489,834**

INDIANAPOLIS MSA DEMOGRAPHIC AND ECONOMIC STATISTICS

for the last 10 years ended December 31

Year	Population (1)	Personal Income (in millions) (1)	Per Capita Personal Income (1)	Annual Average Unemployment Rate (2)
2022(3)	2,141,779	n/a	n/a	2.8%
2021(3)	2,126,804	139,954	65,805	3.5%
2020(3)	2,091,019	126,362	60,431	6.6%
2019	2,074,537	116,920	56,360	3.0%
2018	2,052,368	110,997	54,179	3.2%
2017	2,027,584	105,838	52,221	3.3%
2016	2,006,760	102,175	50,950	4.1%
2015	1,986,119	97,915	49,306	4.5%
2014	1,971,006	93,389	47,386	5.7%
2013	1,953,149	89,564	45,856	7.4%

(1) The data represents the Indianapolis-Carmel-Anderson Metropolitan Statistical Area (MSA).

(2) The data represents the Indianapolis-Carmel-Anderson Metropolitan Statistical Area (MSA) and is not Seasonally Adjusted.

(3) 2020-22 activity reflects the impact of the COVID-19 Pandemic

n/a = Information is not available.

Note:
As defined by the U.S. Office of Management and Budget, the **Indianapolis-Carmel-Anderson Metropolitan Statistical Area (MSA)** includes Boone, Brown, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Morgan, Putnam and Shelby counties in Indiana.

Source:
Indiana Department of Workforce Development (www.hoosierdata.in.gov)

PRINCIPAL EMPLOYERS IN INDIANAPOLIS-CARMEL-ANDERSON MSA

as of December 31, 2022

Employer Name [1]	% of Total Employed in MSA 2022	# of Employees 2022
Indiana University Health	2.21%	23,187
St. Vincent Hospital and Health	1.65%	17,398
Community Health Network	1.43%	15,000
Indiana University-Purdue University Indianapolis & IU School of Medicine	1.33%	14,000
Eli Lilly and Company	0.99%	10,432
Walmart	0.91%	9,582
Amazon	0.81%	8,500
Kroger	0.72%	7,520
Federal Express	0.62%	6,500
Anthem	0.46%	4,870
Total Employed by Principal Employers	11.13%	116,989
Total Employed in Indianapolis - Carmel - Anderson MSA	100.00%	1,051,250

Employer Name [1]	% of Total Employed in MSA 2013	# of Employees 2013
Indiana University Health	2.22%	20,292
St. Vincent Hospital and Health	1.21%	11,075
Eli Lilly and Company	1.15%	10,500
Walmart	0.99%	9,000
Marsh Supermarkets	0.97%	8,890
Community Health Network	0.89%	8,100
Federal Express	0.66%	6,000
Franciscan St. Francis Health	0.61%	5,576
Indiana University-Purdue University Indianapolis	0.56%	5,100
Wishard Health Services	0.53%	4,825
Total Employed by Principal Employers	9.79%	89,358
Total Employed in Indianapolis - Carmel MSA	100.00%	912,810

(1) Principal employers for the Indianapolis - Carmel - Anderson MSA (Local, state and federal employers are excluded).

Source:
Indy Chamber (www.indychamber.com)

CAPITAL ASSET AND OTHER AIRPORT INFORMATION

as of December 31, 2022

ABOUT THE AIRPORT:

Indianapolis International Airport (IND) is managed by the Indianapolis Airport Authority (IAA). IAA was established as a municipal corporation by the Indiana General Assembly in 1962 and is responsible for developing, operating, and managing six aviation facilities in the greater metropolitan area.

In 2022, IND served about 8.7 million passengers on 10 major airlines and transported over 1.2 million tons of cargo. IND is ranked the eighth largest cargo facility in the nation; and 25th in the world. It is an important contributor to central Indiana's growing economy, especially in the life sciences, technology, and logistics sectors.

LOCATION:

Conveniently located sixteen miles southwest of downtown Indianapolis and within easy expressway access to all parts of the metro area.

COL. H. WEIR COOK TERMINAL:

The Col. H. Weir Cook Terminal has approximately 1.2 million square feet with 20 gates in Concourse A and 19 gates in Concourse B. TSA security checkpoints are situated before the entrance to each concourse with dedicated PreCheck queuing and screening for "trusted travelers" on Checkpoint A. Checkpoint A has 6 screening lanes and a Known Crew Member lane and Checkpoint B has 8 lanes. Both checkpoints have a dedicated queue for passengers with disabilities and/or medical conditions. Once past the checkpoints, a walkway is available for passengers to walk freely between the two concourses. For international arrivals, two gates on Concourse A have been configured to lead directly to a dedicated federal inspection area and baggage claim.

INTERNATIONAL FACILITIES:

The Indianapolis Airport Authority (IAA) is Central Indiana's Foreign Trade Zone (FTZ) grantee. The FTZ program is a national economic incentives program designed to stimulate foreign investment, facilitate global competition and support American businesses and job growth. The FTZ program improves the competitive position of U.S.-based companies by allowing them to defer, reduce or even eliminate Customs duties on imported products. FTZs benefit the community via capital investment, the retention and expansion of jobs and increased local tax-base. Nationally, there are 195 active zone projects (grants of authority) and 347 active FTZ production operations in the United States. The value of shipments to FTZs totaled over $625 billion and directly employed over 470,000 Americans. According to the 82nd Annual Report of the Foreign-Trade Zones to Congress, Indiana ranks 7th nationally for merchandise received and merchandise exported. Indiana directly employs more than 18,000 individuals at their FTZ sites.

RUNWAYS:

IND has two primary parallel runways and one crosswind runway:

- RUNWAY ONE: 5L/23R 11,200' L, 150' W; CAT III ILS (5L), CAT II (23R)
- RUNWAY TWO: 5R/23L 10,000' L, 150' W; CAT III ILS (5R), CAT I ILS (23L)
- RUNWAY THREE: 14/32 7,280' L, 150' W; CAT I ILS

PARKING SPACES:

The airport's total parking capacity is approximately 14,500 vehicles.

- Parking Garage: 6,000 spaces
- Economy Lot: 7,950 spaces
- Park & Walk Lot: 541 spaces

CONCESSIONAIRES:

- Food and Beverage: 21
- Specialty Retail: 14
- News and Gift: 7
- Rental Car Companies: 10

NOTE: This page was provided for additional information only.

Indianapolis Airport Authority