



GSP INTERNATIONAL
AIRPORT
ROGER MILLIKEN FIELD
SOUTH CAROLINA



2024

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023

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GREENVILLE-SPARTANBURG AIRPORT DISTRICT
(A political subdivision of the State of South Carolina)

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Years Ended June 30, 2024 and 2023

Prepared by: District's Finance Department



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INTRODUCTORY SECTION

This section contains the following subsections:

Letter of Transmittal
Certificate of Achievement for Excellence in Financial Reporting
Airport Commission and Executive Staff
Organizational Chart





November 5, 2024

To the Commissioners of
Greenville-Spartanburg Airport District
Greer, South Carolina

The Annual Comprehensive Financial Report of the Greenville-Spartanburg Airport District (GSP, the District, or the Airport) for the fiscal years ended June 30, 2024 and 2023 is hereby submitted. The Finance Department prepared this report. The responsibility for both the accuracy of the data and completeness and fairness of presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, this report fairly presents and fully discloses the District's financial position, changes in financial position, and cash flows in accordance with accounting principles generally accepted in the United States of America. Please refer to the Management Discussion and Analysis (MD&A) for additional information on the financial position of the District.

Reporting Entity and Its Services

In March 1959, the General Assembly of the State of South Carolina executed an act to create the Greenville-Spartanburg Airport District, a political subdivision of the State of South Carolina. The corporate powers and duties of the District are to be exercised and performed by the Greenville-Spartanburg Airport Commission (the Commission, or the District's Commission).

The membership of the Commission consists of three (3) members who are residents of Spartanburg County and who are appointed upon the recommendation of a majority of the members of the Spartanburg County Legislative Delegation, and three (3) members who are residents of Greenville County and who are appointed upon the recommendation of a majority of the members of the Greenville County Legislative Delegation. Thus, a total of six (6) members exist. Upon election by a majority of the Greenville or the Spartanburg Delegation, the secretary or acting secretary of the respective county delegation shall certify the approval to the Governor who shall commission the nominee for a term of six (6) years.

The Commission supervises the process by which the financial statements are annually audited through an established Audit Committee. The Committee consists of three members of the Commission whose responsibilities include supervising the processes by which the annual financial statements are audited, thereby providing independent oversight. The Committee meets with both Airport staff and external auditors to ensure objectivity and full disclosure of any concerns impacting financial reporting.

Economic Condition and Outlook

Situated in the upstate region of South Carolina, the Airport has benefitted from the resilient and expanding population. Management remains committed to providing increased levels of air service for the surrounding population, which consists of ten counties. The Upstate Metropolitan Statistical Area (MSA) consists of Abbeville, Anderson, Cherokee, Greenville, Greenwood, Laurens, Oconee, Pickens, Spartanburg and Union Counties. With a MSA population of approximately 1.6 million people, the Upstate is a hub of services and industries that includes cutting edge technologies in automotive, aerospace, advanced materials, biosciences and engineering. The community enjoys a natural location for distribution and warehousing activities. Quality of life, labor force, culture, education, and medical facilities are considered key resources in the market's ability to sustain future growth.



The Airport's passenger traffic increased 16.3% to 2.7 million for fiscal year 2024 compared to 2.3 million in fiscal year 2023. Traffic increases impact all airport concessions, such as parking, food and beverage, retail, and rental car revenues. While passenger volume has returned, airlines have been willing to add more passenger aircraft capacity to their national and international networks. As a result, demand for all-cargo aircraft declined during the fiscal year and the significant increase in cargo activity experienced during the pandemic stabilized to pre-pandemic levels. During 2024, cargo activity declined by 8.4% from 158.3 million pounds to 145.0 million pounds. GSP's cargo operation remains a significant gateway for the southeast U.S. region. During 2024, GSP was ranked 24th in the U.S. in both international trade value and international tonnage. Both cargo and passenger activity generate various types of revenue for the District including landing fees, cargo warehouse rentals, space rentals, ground handling fees, fuel sales, parking and concessions sales.

The strength of the Upstate economy lies in its uniquely diversified industry structure. From 2019 to 2023, over \$11.0 billion in capital investment has been announced in the Upstate region creating over 27,000 jobs. The region has established itself as a leader in advanced manufacturing, innovation, life sciences, food and beverage, engineered materials, automotive and aerospace. The automotive industry's prominent role in the Upstate is best represented by BMW's large manufacturing operation in Spartanburg County, which has generated a total annual economic impact of approximately \$26.7 billion for the state through 42,935 jobs since it started production in 1995 based on a study by the University of South Carolina Darla Moore School of Business. Based on the same study, for every ten direct jobs created at BMW, 25 other support jobs are created elsewhere in the state, an employment multiplier of 3.5. The Upstate is also home to 40% of the over 400 aviation and aerospace companies located in South Carolina. These companies have invested over \$1.1 billion in the Upstate from 2014-2024. The vibrancy of the Upstate region's economy has contributed to an increase in migration to the area. In 2023, the Upstate region grew 1.9%, outpacing growth in SC of 1.7%.

The most recent economic impact study released in November 2023 revealed that the Greenville-Spartanburg International Airport continues to be a catalyst to the local economy. The number of jobs associated with GSP in 2023 was nearly 20,000, representing a 34.0% increase from 2018. Income related to GSP rose from \$649.0 million in 2018 to \$995.0 million in 2023 for an increase of 53.3%. The overall Economic Output was 40.3% greater than 2018 at \$4.1 billion from 2023 from \$2.9 billion in 2018. A total of 12,628 jobs are directly supported by GSP, another 4,271 indirectly and 2,961 induced. For every direct job, the Airport supports another 0.6 jobs locally. GSP adds a total of \$995.0 million dollars of income locally; \$571.9 million directly, another \$273.4 million indirectly and \$149.6 million induced. For every dollar of output produced by activities generated from the Greenville-Spartanburg International Airport, another \$0.51 of output is generated in the area economy.

Long-Term Financial Planning

The District prepares an annual operating and capital improvement budget which is submitted for approval to the District's Commission. A five-year capital improvement program, including modifications and reasons thereof, is also prepared.

The District maintains excess operating cash on hand to guard against significant economic downturns. In an effort to provide revenue diversification, the District continues to pursue various options in real estate development and other sources of non-aviation revenue.

On September 10, 2018, the District's Commission approved establishment of a \$16 million, 20-year term note with a fixed finance rate of 4.78% for ten years. The \$15,687,840 term note was established with TD Bank on November 6, 2018 with a maturity date of November 1, 2028.



On August 21, 2020, the District's Commission approved a \$35 million, 20-year term note with a fixed finance rate of 1.61% for ten years. The \$35 million term note was established with TD Bank on August 31, 2020 with a maturity date of August 31, 2030. The purpose of the new term loan is to refinance the existing term loan and reimburse the District for the cost of the Surface Parking Project and the local share of the Aircraft Rescue and Firefighting Station Construction Project at a reduced interest rate.

See subsequent events section of the District's financial statements for debt activity occurring after the end of the fiscal year 2024.

PFC Collection

The District began collecting passenger facility charges (PFCs) at the \$4.50 level on May 1, 2020. The District's total authorization approved for collection by the FAA is \$33,551,627. The initial PFC application was amended in FY 2024 and a new application was approved by the FAA in early FY2025. The legal expiration date for PFC collections is August 1, 2027.

Accounting Systems

The management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are safeguarded. In addition, as a recipient of federal financial assistance, the District is responsible for ensuring that adequate internal controls are in place to ensure compliance with laws and regulations of the Airport Improvement Program (AIP). On January 1, 2020, the District went live with and replaced the old accounting system, Sage, with a new accounting system, Sage Intacct. The new system is robust and will integrate with other operational solutions that the District is considering for use in the future.

The objectives of internal controls are to provide management with reasonable assurance that the resources are safeguarded against waste, loss and misuse, and reliable data is recorded, maintained and fairly disclosed in reports. The current internal controls provide the District with a solid base of reliable financial records from which financial statements are prepared. These accounting controls provide reasonable assurance that accounting data is reliable and available to facilitate the preparation of financial statements on a timely basis. Inherent limitations should be recognized in considering the potential effectiveness of any system on internal control. The concept of reasonable assurance is based on the recognition that the cost of a system of internal controls should not exceed the benefits derived, and that the evaluation of those factors requires judgement by management.

The District's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, using the accrual basis of accounting. The District is a local government proprietary fund. Therefore, the activities are reported in conformity with governmental accounting and financial reporting principles issued by the Governmental Accounting Standards Board (GASB).

Budgetary Control

The District's annual budget is a financial planning tool outlining the estimated revenues and expenses for the District. Prior to July 1 of each year, the District prepares and submits its budget to the Commission for the ensuing fiscal year. Budgetary control and evaluation are affected by comparing actual unaudited and annual results with budget. The District conducts periodic reviews to ensure compliance with the provisions of the annual operating budget approved by the Commission. Operating statements comparing actual financial results to budgets are reported periodically by the Chief Financial Officer and distributed to executive staff, Commission, and key partners. Certain assumptions are made in determining the annual budget and subsequent results could differ substantially from those projected. In keeping with the requirements of a proprietary fund, budgetary comparisons have not been included in the financial section of this report.



Independent Audit

The financial statements for fiscal year 2024 were audited by Forvis Mazars, LLP, and the opinion resulting from their examination is included in this Annual Comprehensive Financial Report. Their audit was made in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*. Each year, the independent certified public accountants meet with the Audit Committee of the Commission to review the results of the audit.

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparations of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. The ACFR is judged by an impartial panel to determine if it meets the high standards of the program, and if it demonstrates a constructive “spirit of full disclosure” to clearly communicate its financial story and to motivate users to read the ACFR.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report conforms to the Certificate of Achievement Program’s requirements and will be submitting it to GFOA for consideration.

Acknowledgements

The publication of this annual financial report is the culmination of a year of hard work by the District’s Finance Department. We appreciate the commitment, efforts, and perseverance of the Finance Department staff in the preparation of this report.

We also thank the Management Team and the Commission for their leadership and support in planning and conducting the financial operations of the District in a responsible and progressive manner. Lastly, we appreciate Forvis Mazars, LLP’s dedication to completing the audit in a timely manner.

Respectfully submitted,

David N. Edwards, Jr.
President/CEO

Thomas A. Brooks
Vice President/CFO

GREENVILLE-SPARTANBURG AIRPORT DISTRICT
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE
IN FINANCIAL REPORTING



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Greenville-Spartanburg Airport District
South Carolina**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Executive Director/CEO



GREENVILLE-SPARTANBURG AIRPORT COMMISSION

Minor Shaw
Chair

Doug Smith
Vice Chair

Jay Beeson
Commissioner

Leland Burch
Commissioner

Hunter Cuthbertson
Commissioner

Valerie Miller
Commissioner

EXECUTIVE STAFF

David N. Edwards, Jr.
President/Chief Executive Officer (CEO)

Kevin Howell
Senior Vice President/Chief Operating Officer (COO)

Thomas Brooks
Vice President/Chief Financial Officer (CFO)

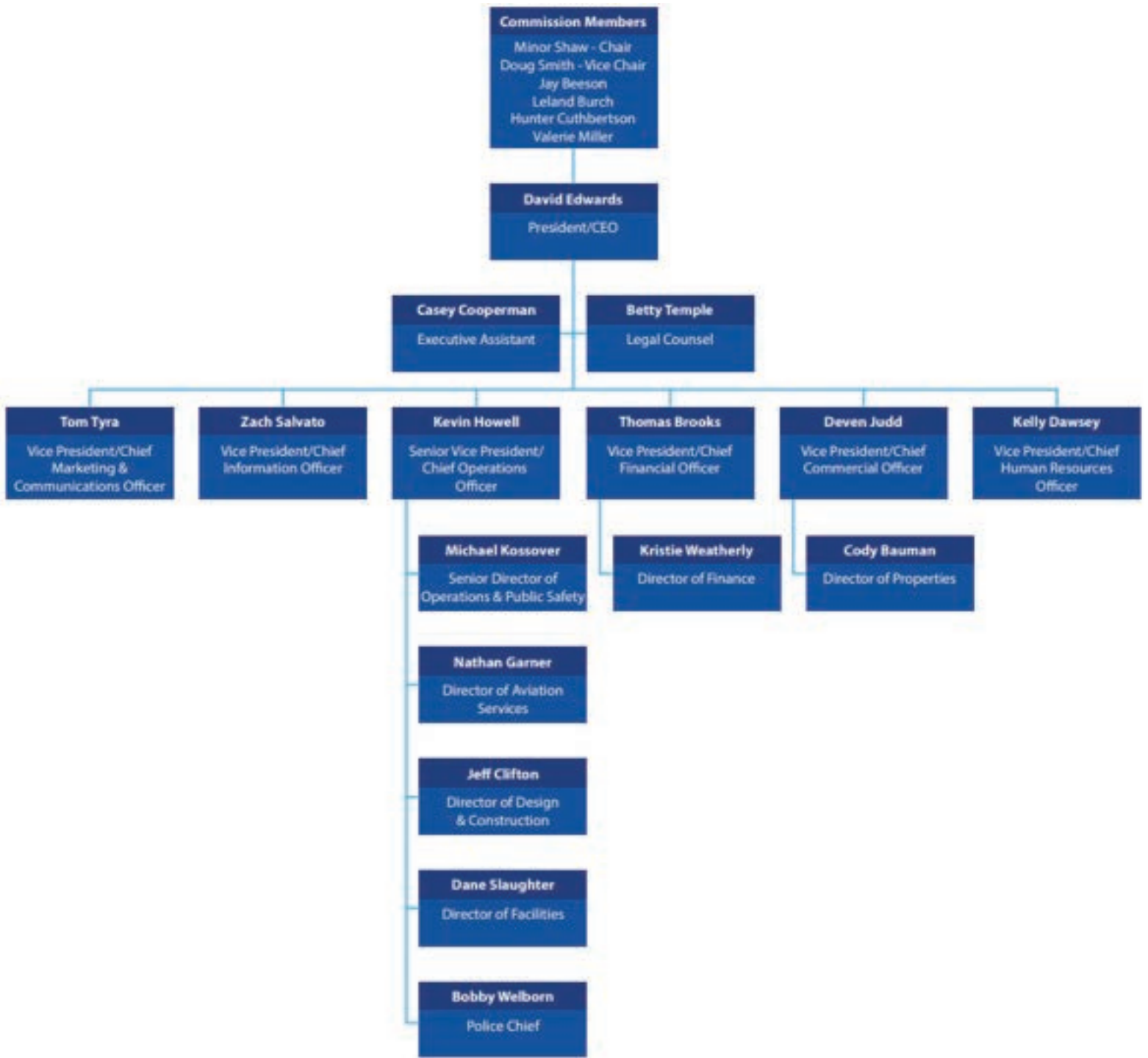
Kelly Dawsey
Vice President/Chief Human Resources Officer (CHRO)

Deven Judd
Vice President/Chief Commercial Officer (CCO)

Zach Salvato
Vice President/Chief Information Officer (CIO)

Tom Tyra
Vice President/Chief Marketing & Communications Officer (CMCO)

**GREENVILLE-SPARTANBURG AIRPORT DISTRICT
ORGANIZATIONAL CHART
(COMMISSION MEMBERS AND MANAGEMENT TEAM)**





FINANCIAL SECTION

This section contains the following subsections:

Report of Independent Auditor
Management's Discussion and Analysis
Basic Financial Statements

Independent Auditor's Report

To the Commissioners of
Greenville-Spartanburg Airport District
Greer, South Carolina

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Greenville-Spartanburg Airport District (Airport), a political subdivision of the State of South Carolina, as of and for the year ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Airport'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 Airport as of June 30, 2024 and 2023, 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) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Airport, 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.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Airport'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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Airport'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 Airport'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, pension, and other postemployment benefit information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Airport's basic financial statements. The schedule of federal expenditures of federal awards required by *Title 2 U.S. Code of Federal Regulations Part 200 Uniform Guidance Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2024, on our consideration of the Airport's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Airport's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Airport's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Indianapolis, Indiana
November 5, 2024



JUNE 30, 2024 AND 2023 (UNAUDITED)

The following Management Discussion and Analysis (MD&A) of the District's activities and financial performance for the fiscal years ended June 30, 2024 and 2023, is presented in accordance with the Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements — Management's Discussion and Analysis — For State and Local Governments*. The intent of the MD&A is to provide the reader with an introduction and overview to the financial statement package.

Following this MD&A are the basic financial statements of the District together with the notes thereto, which are essential to a full understanding of the data contained in the financial statements. In addition to the basic financial statements and accompanying notes, this section also presents certain required supplementary information.

Overview of Annual Financial Report

Management's Discussion and Analysis serves as an introduction to the basic financial statements. The MD&A represents management's examination and analysis of the District's financial condition and performance. Summary financial statement data, key financial, and operational indicators used in the District's budgeting and other management tools were used for this analysis.

The District's financial statements include a statement of net position; a statement of revenues, expenses, and changes in net position; a statement of cash flows; and notes to the financial statements. The statement of net position presents the financial position of the District on a full accrual historical cost basis and provides information about the nature and amount of resources and obligations at the end of a year.

The statement of revenues, expenses, and changes in net position present the results of the business activities over the course of the fiscal year and information as to how the net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. This statement also provides certain information about the Airport's recovery of its costs. The Airport's rates and charges are based on a cost recovery methodology provided in its airline use agreements. The primary objective of the rates and charges model is to determine the costs not covered by non-airline sources and to annually compute landing fees and terminal rents which will provide sufficient funding to reimburse the District.

The statement of cash flows presents changes in cash and cash equivalents, resulting from operational, financing, and investing activities. This statement presents cash receipts and cash disbursement information, without consideration of the earnings event, when obligations arise, or depreciation of capital assets.

The notes to the financial statements provide disclosures and other information that is essential to a full understanding of material data provided in the statements. The notes present information about the District's accounting policies, significant account balances, activities, material risks, obligations, commitments, contingencies and subsequent events, if any.

The financial statements were prepared by the District's staff from the detailed books and records of the Airport.

FINANCIAL HIGHLIGHTS

STATEMENTS OF NET POSITION, JUNE 30, 2024 AND 2023

	June 30		Change	% Change
	2024	2023		
Assets:				
Cash and investments	\$ 91,074,079	\$ 85,917,690	\$ 5,156,389	6.0%
Receivables	55,379,093	50,323,325	5,055,768	10.0%
Capital and lease assets - net	361,850,828	334,380,317	27,470,511	8.2%
Other	395,397	602,732	(207,335)	-34.4%
Total assets	508,699,397	471,224,064	37,475,333	8.0%
Deferred outflows of resources	8,349,484	6,379,431	1,970,053	30.9%
Liabilities:				
Current liabilities	21,688,653	15,852,372	5,836,281	36.8%
Long-term liabilities	58,354,546	57,200,083	1,154,463	2.0%
Total liabilities	80,043,199	73,052,455	6,990,744	9.6%
Deferred inflows of resources	32,402,670	34,647,333	(2,244,663)	-6.5%
Net position:				
Net investment in capital assets	322,472,760	298,990,570	23,482,190	7.9%
Restricted	17,514,443	30,278,301	(12,763,858)	-42.2%
Unrestricted	64,615,809	40,634,836	23,980,973	59.0%
Total net position	\$ 404,603,012	\$ 369,903,707	\$ 34,699,305	9.4%

- The District has maintained a strong Statement of Net Position. Liquidity continues to be very strong. Total net position as of June 30, 2024 is \$404,603,012, of which \$64,615,809 is unrestricted.
- Total assets at June 30, 2024 were \$508,699,397, which included \$65,343,882 in cash, receivables, and other, \$47,765,963 in investments, \$33,738,724 in lease receivables as required to be recorded by GASB Statement No. 87 and \$361,850,828 in net capital and lease assets. Total liabilities were \$80,043,199, which included \$26,890,255 in the unfunded portion of the pension plans and \$28,437,500 in term notes payable. The difference between the \$508,699,397 in assets plus the \$8,349,484 in deferred outflows of resources and the \$80,043,199 in liabilities plus the \$32,402,670 in deferred inflows of resources is categorized as Net Position of \$404,603,012. Included in deferred inflows of resources is \$30,922,982 in deferred lease revenues as required to be recorded by GASB Statement No. 87. Net position is composed of \$322,472,760 of net investment in capital assets, \$17,514,443 restricted for capital projects, and \$64,615,809 unrestricted.



JUNE 30, 2024 AND 2023 (UNAUDITED)

FINANCIAL HIGHLIGHTS

STATEMENTS OF NET POSITION, JUNE 30, 2023 AND 2022

	June 30		Change	% Change
	2023	2022		
Assets:				
Cash and investments	\$ 85,917,690	\$ 90,229,850	\$ (4,312,160)	-4.8%
Receivables	50,323,325	47,301,298	3,022,027	6.4%
Capital and lease assets - net	334,380,317	316,914,020	17,466,297	5.5%
Other	602,732	962,438	(359,706)	-37.4%
Total assets	<u>471,224,064</u>	<u>455,407,606</u>	<u>15,816,458</u>	3.5%
Deferred outflows of resources	<u>6,379,431</u>	<u>5,100,004</u>	<u>1,279,427</u>	25.1%
Liabilities:				
Current liabilities	15,852,372	15,873,866	(21,494)	-0.1%
Long-term liabilities	57,200,083	54,067,427	3,132,656	5.8%
Total liabilities	<u>73,052,455</u>	<u>69,941,293</u>	<u>3,111,162</u>	4.4%
Deferred inflows of resources	<u>34,647,333</u>	<u>42,090,502</u>	<u>(7,443,169)</u>	-17.7%
Net position:				
Net investment in capital assets	298,990,570	278,701,138	20,289,432	7.3%
Restricted	30,278,301	21,349,019	8,929,282	41.8%
Unrestricted	40,634,836	48,425,658	(7,790,822)	-16.1%
Total net position	<u>\$ 369,903,707</u>	<u>\$ 348,475,815</u>	<u>\$ 21,427,892</u>	6.1%

- The District has maintained a strong Statement of Net Position. Liquidity continues to be very strong. Total net position is \$369,903,707, of which \$40,634,836 is unrestricted.
- Total assets at June 30, 2023 were \$471,224,064, which included \$63,054,276 in cash, receivables, and other, \$39,130,692 in investments, \$34,658,779 in lease receivables as required to be recorded by GASB Statement No. 87 and \$334,380,317 in net capital and lease assets. Total liabilities were \$73,052,455, which included \$23,778,825 in the unfunded portion of the pension plans and \$30,187,500 in term notes payable. The difference between the \$471,224,064 in assets plus the \$6,379,431 in deferred outflows of resources and the \$73,052,455 in liabilities plus the \$34,647,333 in deferred inflows of resources is categorized as Net Position of \$369,903,707. Included in deferred inflows of resources is \$32,471,470 in deferred lease revenues as required to be recorded by GASB Statement No. 87. Net Position is composed of \$298,990,570 of net investment in capital assets, \$30,278,301 restricted for capital projects, and \$40,634,836 unrestricted.

FINANCIAL HIGHLIGHTS

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION, JUNE 30, 2024 AND 2023

	June 30		Change	% Change
	2024	2023		
Operating revenues:				
Landing and other airside fees	\$ 4,487,482	\$ 3,384,075	\$ 1,103,407	32.6%
Space and ground rental fees	16,361,291	14,364,070	1,997,221	13.9%
Concessions revenue	27,873,003	21,721,183	6,151,820	28.3%
Expense reimbursements	2,208,708	1,999,390	209,318	10.5%
Other revenue	6,709,201	6,262,883	446,318	7.1%
Net profit on fuel sales	6,856,911	5,400,438	1,456,473	27.0%
Net profit on food and beverage	4,781,815	3,635,395	1,146,420	31.5%
Total operating revenues	<u>69,278,411</u>	<u>56,767,434</u>	<u>12,510,977</u>	22.0%
Operating expenses:				
Direct operating expenses	42,771,113	37,787,603	4,983,510	13.2%
Pension	3,966,901	3,134,427	832,474	26.6%
Depreciation	18,152,840	16,478,709	1,674,131	10.2%
Total operating expenses	<u>64,890,854</u>	<u>57,400,739</u>	<u>7,490,115</u>	13.0%
Operating income	4,387,557	(633,305)	5,020,862	-792.8%
Nonoperating income:				
Customer and passenger facility charges	9,085,597	4,694,012	4,391,585	93.6%
Federal non-capital grants	-	1,093,725	(1,093,725)	-100.0%
Other nonoperating income (expense)	3,860,476	1,345,705	2,514,771	186.9%
Total nonoperating income	<u>12,946,073</u>	<u>7,133,442</u>	<u>5,812,631</u>	81.5%
Income before capital contributions	17,333,630	6,500,137	10,833,493	166.7%
Capital contributions	<u>17,365,675</u>	<u>12,644,523</u>	<u>4,721,152</u>	37.3%
Change in net position	34,699,305	19,144,660	15,554,645	81.2%
Net position - beginning of year	367,620,475	348,475,815	19,144,660	5.5%
Net position - end of year	<u>\$ 402,319,780</u>	<u>\$ 367,620,475</u>	<u>\$ 34,699,305</u>	9.4%



JUNE 30, 2024 AND 2023 (UNAUDITED)

- Total operating revenues were \$69,278,411 for the fiscal year ended June 30, 2024, up 22.0% from \$56,767,434 as compared to the prior year. The increase in operating revenues is driven primarily by a 16% increase in enplanements, which drove increases in parking, ground transportation, concessions, and other passenger-related revenue streams. In addition to the increase in traffic, the upswing in landing revenues and per-turn fees are also the result of an increase in rates. Net profit on food and beverage increased due to concept changes, food cost management, extension of operation hours to include breakfast in two additional concepts, as well as the return of passenger traffic. Jet A fuel cost of goods sold decreased due to a shift towards contract fuel that does not have an associated cost (only into-plane revenues).
- Total direct operating expenses were \$42,771,113 for the fiscal year ended June 30, 2024, up 13.2% from \$37,787,603 as compared to the prior year. The increase in operating expenses is due primarily to costs associated with increased traffic levels such as contractual (janitorial, food & beverage costs, public parking operations) in addition to repairs and maintenance, promotional incentives for new services/routes and continued investment in our workforce.
- Pension expense was \$3,966,901 for the fiscal year ended June 30, 2024, up 26.6% from \$3,134,427 as compared to the prior year. This is due to an increase in the actuarially determined Pension Plan's expenses pushed down by the state to each participating entity.
- Depreciation expense was \$18,152,840 for the fiscal year ended June 30, 2024, as compared to \$16,478,709 in the fiscal year ended June 30, 2023.
- Total non-operating income was \$12,946,073 for the fiscal year ended June 30, 2024, up 37.5% from \$9,416,674 as compared to the prior year. This increase is due an increase in customer facility charges and passenger facility charges due to an uptick in traffic and an increase in the fair market value of investments.
- The combined result of increased operating revenues, operating expenses and non-operating income, as discussed above, resulted in income before capital contributions of \$17,333,630 and \$8,783,369 for the fiscal years ended June 30, 2024 and 2023, respectively.
- Total capital contributions were \$17,365,675 for the fiscal year ended June 30, 2024, up 37.3% from \$12,644,523 as compared to the prior year.
- In summary, operating revenues and non-operating income were the biggest contributing factors in an overall improvement in the financial position of the District with a \$34.7 million increase in total net position.

FINANCIAL HIGHLIGHTS

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION, JUNE 30, 2023 AND 2022

	June 30		Change	% Change
	2023	2022		
Operating revenues:				
Landing and other airside fees	\$ 3,384,075	\$ 3,343,073	\$ 41,002	1.2%
Space and ground rental fees	14,364,070	13,871,360	492,710	3.6%
Concessions revenue	21,721,183	19,784,954	1,936,229	9.8%
Expense reimbursements	1,999,390	2,009,257	(9,867)	-0.5%
Other revenue	6,262,883	6,148,930	113,953	1.9%
Net profit on fuel sales	5,400,438	6,316,821	(916,383)	-14.5%
Net profit on food and beverage	3,635,395	2,753,600	881,795	32.0%
Total operating revenues	<u>56,767,434</u>	<u>54,227,995</u>	<u>2,539,439</u>	4.7%
Operating expenses:				
Direct operating expenses	37,787,603	31,093,433	6,694,170	21.5%
Pension	3,134,427	2,521,009	613,418	24.3%
Depreciation	16,478,709	15,129,992	1,348,717	8.9%
Total operating expenses	<u>57,400,739</u>	<u>48,744,434</u>	<u>8,656,305</u>	17.8%
Operating income	(633,305)	5,483,561	(6,116,866)	-111.5%
Nonoperating income				
Customer and passenger facility charges	4,694,012	5,809,960	(1,115,948)	-19.2%
Federal non-capital grants	1,093,725	11,123,326	(10,029,601)	-90.2%
Other nonoperating income (expense)	1,345,705	(701,642)	2,047,347	-291.8%
Total nonoperating income	<u>7,133,442</u>	<u>16,231,644</u>	<u>(9,098,202)</u>	-56.1%
Income before capital contributions	6,500,137	21,715,205	(15,215,068)	-70.1%
Capital contributions	12,644,523	10,262,161	2,382,362	23.2%
Change in net position	19,144,660	31,977,366	(12,832,706)	-40.1%
Net position - beginning of year	348,475,815	316,498,449	31,977,366	10.1%
Net position - end of year	<u>\$ 367,620,475</u>	<u>\$ 348,475,815</u>	<u>\$ 19,144,660</u>	5.5%



JUNE 30, 2024 AND 2023 (UNAUDITED)

- Total operating revenues were \$56,767,434 for the fiscal year ended June 30, 2023, up 4.7% from \$54,227,995 as compared to the prior year. The increase in operating revenues is driven primarily by an almost 9% increase in enplanements, which drove increases in parking, ground transportation, concessions, ground handling and other passenger-related revenue streams. In addition, net profit on food and beverage increased due to pricing, concept changes as well as the return of passenger traffic. These increases were partially offset by approximately \$1.3 million of federal grants for concessionaire relief, the reset of cargo volumes back to pre-COVID levels, and a decline in fuel revenue.
- Total direct operating expenses were \$37,787,603 for the fiscal year ended June 30, 2023, up 21.5% from \$31,093,433 as compared to the prior year. The increase in operating expenses is due primarily to continued investment in our workforce and other costs associated with increased traffic levels such as administrative fees related to credit card expenses (parking), utilities, repair and maintenance, contractual (janitorial) and supplies (paper, ticketing supplies).
- Pension expense was \$3,134,4279 for the fiscal year ended June 30, 2023, up 24.3% from \$2,521,009 as compared to the prior year. This is due to an increase in the actuarially determined Pension Plan's expenses pushed down by the state to each participating entity.
- Depreciation expense was \$16,478,709 for the fiscal year ended June 30, 2023, as compared to \$15,129,992 in the fiscal year ended June 30, 2022.
- Total non-operating income was \$9,416,674 for the fiscal year ended June 30, 2023, down 42.0% from \$16,231,644 as compared to the prior year. This decrease is due to the on-time American Rescue Plan Act from fiscal year 2021.
- The combined result of increased operating revenues, increased operating expenses and decreased non-operating income, as discussed above, resulted in income before capital contributions of \$8,783,369 and \$21,715,205 for the fiscal years ended June 30, 2023 and 2022, respectively.
- Total capital contributions were \$12,644,523 for the fiscal year ended June 30, 2023, up 23.2% from \$10,262,161 as compared to the prior year.
- In summary, capital contributions, customer facility charges and passenger facility charges were the biggest contributing factors in an overall improvement in the financial position of the Airport with a \$21.4 million increase in total net position.

Description of Significant Capital Expenditures

During the fiscal year ended June 30, 2024, the District completed and capitalized the following major programs:

- Cargo Phase 2 apron extension to the south, along with the extension of Gateway Drive and utilities
- GA hangar facility consisting of \$25,000 square feet of hangar space and 5,000 square feet of office shell along with a parking lot of 30 spaces
- GA apron expansion phase IA paving to also include the taxi-lane in front of the new corporate hangar

Total capital asset additions for the fiscal years ended June 30, 2024 and 2023 were \$78,576,214 and \$79,548,787, respectively. Overall, capital assets and lease assets – net at June 30, 2024 and 2023 were \$361,850,828 and \$334,380,317, respectively.

Further detailed information on the District's capital assets can be found in Note 8 to the financial statements.

Description of Significant Debt Expenditures

On May 9, 2016, the District's Commission approved the opening of a \$25 million revolving Line of Credit (LOC) with TD Bank for special project use. Interest was variable at 1 Month LIBOR plus 75 basis points. The most recent two-year term of the LOC was set to mature on September 7, 2023. Because of that maturity and the cessation of LIBOR on June 30, 2023, the LOC was modified as of June 28, 2023, to replace LIBOR with SOFR and extend the maturity date to September 7, 2025. There were no draws against the LOC in fiscal years 2024 or 2023. The interest rate was 6.08% (SOFR of 5.33% plus 0.75%) and 5.81% (SOFR of 5.06% plus 0.75%) at June 30, 2024 and 2023, respectively.

On August 21, 2020, the District's Commission approved a \$35 million, 20-year term note with a fixed finance rate of 1.61% for ten years. The \$35 million term note was established with TD Bank on August 31, 2020 with a maturity date of August 31, 2030. The purpose of the new term loan was to refinance the previous term loan and reimburse the District for the cost of the Surface Parking Project and the local share of the Aircraft Rescue and Firefighting Station Construction Project at a reduced interest rate. Debt activity during the fiscal years ended June 30, 2024 and 2023 consisted of scheduled monthly payments only. As of June 30, 2024 and 2023, the District had an outstanding principal balance of \$28,437,500 and \$30,187,500, respectively.

The District anticipates using a mix of District funds, grant funds and debt to fund the program. There were no outstanding bonds at June 30, 2024 and 2023. Further detailed information on the District's debt can be found in Note 10 and 11.

Subsequent Events

In August 2024, the District priced \$103.225 million of Series 2024AB Airport Revenue bonds. As part of the financing, the District sold \$37.220 million of tax-exempt Series A bonds and \$66.005 million of taxable Series 2024B bonds. These bonds were issued to provide funds to pay for the construction of a new public parking garage and consolidated rental car facility. The Series 2024A bonds were issued at a fixed interest rate of 5.250% and the Series 2024B bonds were issued at fixed interest rates ranging from 4.587% to 5.585%. The bonds are made up of various components with maturity dates ranging from 1 to 30 years.

Economic Outlook

The FAA's current outlook on commercial passenger air service indicates a continued recovery and growth from the pandemic's impact, though challenges remain. After a sharp decline due to COVID-19, U.S. airlines have rebounded with strong demand, particularly for leisure travel. The FAA forecasts that domestic passenger numbers in 2024 will exceed pre-pandemic levels by 6%, with an average annual growth of 2.5% over the next 20 years. Although there are concerns about rising operational costs, including fuel and labor, airlines are expected to maintain profitability as they manage capacity and debt.

International travel demand, especially to Asia, has lagged behind other regions due to trade tensions and the economic recovery, but is forecast to grow steadily in the coming years. The FAA projects international traffic to increase at an annual rate of 2.8% through 2044, supported by a strong recovery in global economic activity, particularly in Asia. This resurgence will drive increases in both domestic and international revenue passenger miles (RPMs), creating opportunities for airlines to expand routes and services.

Technological advancements and new aircraft are also shaping the future of the industry. The launch of new aircraft, like the Airbus A321XLR and Boeing 737 MAX 10, set for certification in late 2024, is expected to enhance long-haul capabilities and cater to growing market demands. However, industry experts are cautious about potential softening demand and rising costs, which could put pressure on profit margins despite the positive long-term growth forecast.



JUNE 30, 2024 AND 2023 (UNAUDITED)

Labor disputes remain a concern in the U.S., with ongoing negotiations between airlines and unions over collective bargaining agreements. These issues could affect operations if not resolved, though the government has historically been involved in preventing major disruptions. Overall, the FAA's outlook is optimistic, projecting consistent growth driven by economic factors, but the industry must navigate labor challenges, costs, and evolving demand.

Greenville-Spartanburg International Airport (GSP) Outlook

Management continues to be focused on and remains committed to providing increased levels of air service for the surrounding population base. We continue to work diligently towards attracting greater levels of air service for the Upstate region and are committed to aligning passenger demand with new nonstop routes. During 2024, new air service began or was announced to 9 new destination airports.

An Airport Master Plan was completed in late 2018. On November 19, 2018, the Commission adopted the final Greenville-Spartanburg International Airport Master Plan presented by McFarland Johnson. The Master Plan addresses, among other things, the following variables which will impact the Airport's future:

- The financial and operational impact of the air cargo route to Germany, and associated airfield changes (e.g., Taxiway L extension) to support cargo growth
- Projected availability of continued federal funding
- Our assumption of FBO and fueling responsibilities
- A thorough airport pavement evaluation
- Sustainability issues
- An analysis of GSP360 for land use compatibility, highest and best use, and linkage to GSP International Industrial Logistics Park
- Future development of aeronautical and non-aeronautical land owned by the District in concert with our GSP360 plan
- The proposed PRT system and associated impacts on parking, roadway circulation, curbside and other
- Expansion of rental car parking capacities
- Staged parking lot expansions for customers
- Potential capacity constraints for ground transportation along the terminal curb-front and options to reduce congestion along public roadways
- Long-term development planning for future needs of key airport tenants
- Optimal location for new Air Traffic Control tower
- Updated airport layout plan (ALP) to meet FAA SOPs
- Updated GIS database to meet FAA requirements to include infrastructure capacities, environmental information, and areas for future development

COVID-19 Grants

The District received \$183K in Coronavirus aid and relief grant funds in fiscal year 2023 from the Airport Coronavirus Grant Program (ACRGP) for federally mandated relief to concessionaires. Prior to fiscal 2023, the District received \$11.1M in Coronavirus aid and relief grant funds from the Coronavirus Aid, Relief and Economic Security Act (CARES Act) grant and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) grant related to operating expenses.



JUNE 30, 2024 AND 2023 (UNAUDITED)

Financial Standpoint

Since passenger traffic levels have exceeded pre-COVID 19 levels, normal activities have resumed.

Management is committed to providing our customers with the highest level of service possible in these exciting times and looks forward to the future.

Requests for Information

This financial report is designed to provide a general overview of the Airport's finances and to demonstrate the Airport's accountability for the funds it receives and expends. Questions concerning any of the information provided in this report or requests for additional information should be addressed in writing to the Finance Department, 2000 GSP Drive, Suite 1, Greer, South Carolina 29651-9202.

GREENVILLE-SPARTANBURG AIRPORT DISTRICT
STATEMENTS OF NET POSITION



JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Current assets:		
Unrestricted assets:		
Cash and cash equivalents	\$ 27,325,376	\$ 17,351,271
Receivables, net of Allowance for Doubtful Accounts of \$149,500	20,108,666	14,821,972
Inventories and prepaid insurance	395,397	602,732
Investments	25,243,946	14,067,329
Leases receivable	1,485,802	1,389,219
Total unrestricted current assets	<u>74,559,187</u>	<u>48,232,523</u>
Restricted assets:		
Cash and cash equivalents	15,982,740	29,435,727
Receivables	1,531,703	842,574
Total restricted current assets	<u>17,514,443</u>	<u>30,278,301</u>
Total current assets	<u>92,073,630</u>	<u>78,510,824</u>
Noncurrent assets:		
Investments	22,522,017	25,063,363
Leases receivable	32,252,922	33,269,560
Capital assets - net	361,850,828	334,380,317
Total noncurrent assets	<u>416,625,767</u>	<u>392,713,240</u>
Total Assets	<u>508,699,397</u>	<u>471,224,064</u>
Deferred Outflows of Resources:		
Deferred Outflow Related to State Pension Plans	7,517,365	5,573,211
Deferred Outflow Related to OPEB	832,119	806,220
Total Deferred Outflows	<u>8,349,484</u>	<u>6,379,431</u>

The accompanying notes to the financial statements are an integral part of these statements.

GREENVILLE-SPARTANBURG AIRPORT DISTRICT
STATEMENTS OF NET POSITION

JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
LIABILITIES		
Current liabilities:		
Payable from unrestricted assets:		
Account payable	\$ 15,495,390	\$ 11,214,940
Accrued employee benefits	4,087,208	2,531,043
Accrued interest payable	38,932	41,610
Lease liabilities - current portion	317,123	314,779
Term notes payable - current portion	1,750,000	1,750,000
Total payable from unrestricted assets	<u>21,688,653</u>	<u>15,852,372</u>
Total current liabilities	<u>21,688,653</u>	<u>15,852,372</u>
Noncurrent liabilities:		
Long-term employee benefits	1,634,785	2,029,199
Net pension liability	26,890,255	23,778,825
Total OPEB liability	2,695,681	2,260,165
Lease liabilities - net of current portion	446,325	694,394
Term notes payable - net of current portion	26,687,500	28,437,500
Total noncurrent liabilities	<u>58,354,546</u>	<u>57,200,083</u>
Total Liabilities	<u>80,043,199</u>	<u>73,052,455</u>
Deferred Inflows of Resources:		
Deferred Inflows - State Pension Plans	340,404	620,233
Deferred Inflows - OPEB	1,139,284	1,285,630
Deferred Inflows - Leases	30,922,982	32,741,470
Total Deferred Inflows	<u>32,402,670</u>	<u>34,647,333</u>
NET POSITION		
Net investment in capital assets	322,472,760	298,990,570
Restricted:		
Customer facility charges	9,519,166	18,130,929
Passenger facility charges	7,995,277	12,147,372
Total restricted	<u>17,514,443</u>	<u>30,278,301</u>
Unrestricted	<u>64,615,809</u>	<u>40,634,836</u>
Total Net Position	<u>\$ 404,603,012</u>	<u>\$ 369,903,707</u>

The accompanying notes to the financial statements are an integral part of these statements.

GREENVILLE-SPARTANBURG AIRPORT DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION



JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Operating revenues:		
Airside	\$ 4,487,482	\$ 3,384,075
Space and ground rental	16,361,291	14,364,070
Concessions	27,873,003	21,721,183
Other	8,917,909	8,262,273
	<u>57,639,685</u>	<u>47,731,601</u>
Operating revenues before fuel sales		
Gross profit on fuel sales:		
Fuel sales	9,983,271	9,765,724
Cost of goods sold	(3,126,360)	(4,365,286)
Fuel sales - net	<u>6,856,911</u>	<u>5,400,438</u>
Gross profit on food and beverage:		
Food and beverage	6,559,463	5,110,106
Cost of goods sold	(1,777,648)	(1,474,711)
Food and beverage - net	<u>4,781,815</u>	<u>3,635,395</u>
Total operating revenues	<u>69,278,411</u>	<u>56,767,434</u>
Operating expenses before pension and depreciation expense:		
Airfield	531,572	361,652
Terminal building	4,335,897	3,985,163
Administrative	11,156,440	9,180,853
Maintenance and operations	6,325,235	5,856,868
Fire and crash department	2,004,053	1,706,963
Security	1,937,386	1,824,380
Other direct expenses	16,480,530	14,871,724
Total operating expenses before pension and depreciation expense	<u>42,771,113</u>	<u>37,787,603</u>
Operating income before pension and depreciation expense	26,507,298	18,979,831
Pension expense	3,966,901	3,134,427
Depreciation and amortization	18,152,840	16,478,709
Operating Income (Loss)	<u>4,387,557</u>	<u>(633,305)</u>
Nonoperating revenues (expenses):		
Customer facility charges	3,748,593	2,283,232
Passenger facility charges	5,337,004	4,694,012
Interest earned on accounts and leases	2,988,516	2,200,449
Change in fair value of investments	1,361,039	(359,030)
Insurance proceeds and legal settlement	(1,761)	21,087
Interest expense and other financing costs	(487,318)	(516,801)
Federal non-capital grants	-	1,093,725
Nonoperating revenues - net	<u>12,946,073</u>	<u>9,416,674</u>
Income before capital contributions	17,333,630	8,783,369
Capital contributions and grants	17,365,675	12,644,523
Increase in net position	<u>34,699,305</u>	<u>21,427,892</u>
Net position:		
Beginning of year	369,903,707	348,475,815
End of year	<u>\$ 404,603,012</u>	<u>\$ 369,903,707</u>

The accompanying notes to the financial statements are an integral part of these statements.

GREENVILLE-SPARTANBURG AIRPORT DISTRICT
STATEMENTS OF CASH FLOWS

JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Cash received from providing services	\$ 76,356,968	\$ 54,998,581
Cash payments to suppliers for goods and services	(27,069,605)	(19,088,482)
Cash payments to employees for services	(23,756,209)	(22,537,804)
Net cash provided by operating activities	<u>25,531,154</u>	<u>13,372,295</u>
Cash flows from noncapital and related financing activities:		
Federal non-capital grants	(1,093,725)	273,471
Net cash provided by (used in) capital and related financing activities	<u>(1,093,725)</u>	<u>273,471</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(39,530,594)	(37,472,600)
Principal payments on note payable	(1,750,000)	(1,750,000)
Interest payment on note payable	(481,353)	(508,753)
Principal payments received on leases receivable	1,572,479	3,882,301
Interest payments received on leases receivable	600,325	627,315
Principal payments on lease liability	(354,436)	(311,804)
Interest payments on lease liability	(8,643)	(10,845)
Proceeds from insurance settlement	(1,761)	21,087
Capital contributions	8,704,283	9,618,508
Customer facility charges	3,525,228	2,208,946
Passenger facility charges	4,871,240	4,623,374
Net cash used in capital and related financing activities	<u>(22,853,232)</u>	<u>(19,072,471)</u>
Cash flows from investing activities:		
Maturities of investment securities	15,350,000	12,200,000
Purchases of investment securities	(22,624,232)	(13,268,539)
Investment income	2,211,153	1,473,575
Net cash provided by (used in) investing activities	<u>(5,063,079)</u>	<u>405,036</u>
Net decrease in cash and cash equivalents	<u>(3,478,882)</u>	<u>(5,021,669)</u>
Cash and cash equivalents, beginning of year	<u>46,786,998</u>	<u>51,808,667</u>
Cash and cash equivalents, end of year	<u>\$ 43,308,116</u>	<u>\$ 46,786,998</u>
Reconciliation to balance sheet		
Unrestricted cash and cash equivalents	\$ 27,325,376	\$ 17,351,271
Restricted cash and cash equivalents	<u>15,982,740</u>	<u>29,435,727</u>
Cash and cash equivalents, end of year	<u>\$ 43,308,116</u>	<u>\$ 46,786,998</u>

The accompanying notes to the financial statements are an integral part of these statements.



JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Noncash Transactions from NonCapital and Related Financing Activities		
Non-capital grant revenue included in accounts receivable	\$ -	\$ 1,093,725
Noncash Transactions from Capital and Related Financing Activities		
Capital asset acquisitions included in accounts payable	\$ 10,177,120	\$ 4,193,074
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ 4,387,557	\$ (633,305)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	18,152,840	16,478,709
Change in assets and liabilities:		
Receivables	4,645,461	(2,813,576)
Inventory and prepaid insurance	207,335	359,706
Deferred outflows related to state pension plans	(1,944,154)	(1,389,163)
Deferred outflows related to OPEB	(25,899)	109,736
Accounts payable	(1,703,596)	3,002,521
Net pension liability	3,111,430	4,999,568
Total OPEB liability	435,516	(253,517)
Accrued employee benefits	1,161,751	954,785
Deferred inflows related to state pension plans	(279,829)	(3,048,593)
Deferred inflows related to OPEB	(146,346)	400,698
Deferred inflows related to leases	(2,470,912)	(4,795,274)
Total adjustments	<u>21,143,597</u>	<u>14,005,600</u>
Net cash provided by operating activities	<u>\$ 25,531,154</u>	<u>\$ 13,372,295</u>

The accompanying notes to the financial statements are an integral part of these statements.

Note 1—Organization

The Greenville-Spartanburg Airport District (the “Airport”) is a political subdivision of the State of South Carolina (the “State”). Commissioners of the Airport are recommended for appointment by a majority of the Greenville and Spartanburg County Delegations and appointed by the governor of the State.

Note 2—Summary of Significant Accounting and Reporting Policies

Basis of Presentation – The Airport is accounted for as a single-purpose, business-type entity since its operations are financed and operated in a manner similar to a private business. The Airport’s financial statements are presented on the accrual basis of accounting using the economic resources measurement focus. Revenues are recognized when earned or when services are provided, and expenses are recognized when the related obligations are incurred.

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, deferred outflows of resources, liabilities and deferred inflow of resources, as well as the 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.

Cash and Cash Equivalents – For purposes of the accompanying statements of cash flows, the Airport considers all cash on hand and highly liquid investments (including restricted assets) with an original maturity of three months or less to be cash equivalents. Cash equivalents at June 30, 2024 and 2023 consist of money market mutual funds.

Inventories – Inventories are stated at cost.

Investments – The Airport’s investments, consisting of U.S. treasury bills and U.S. government securities at June 30, 2024 and 2023, are carried at fair value, based on quoted market prices, and changes in the fair value of investments are reported as nonoperating revenues in the statements of revenues, expenses and changes in net position. All investments are carried in the Airport’s name and held by the dealer/safekeeping agent. The investments mature at various dates from less than a year up to five years. At maturity, the U.S. treasury bills and U.S. government securities are either reinvested or included in current assets until used for construction in progress.

Lease Assets – Lease assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Capital Assets – Capital assets are stated at historical cost. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging from 3 to 40 years. The Airport’s threshold for capitalization is \$10,000. Repair and maintenance costs are expensed when incurred.

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 of which a liability could be liquidated with the counterparty at the acquisition date.

Changes in accumulated depreciation during 2024 and 2023 are as follows:

	Capital Assets Acquired by FAA Grants	Other Capital Assets	Total Capital Assets
Accumulated depreciation - June 30, 2022	\$ 95,915,865	\$ 103,685,798	\$ 199,601,663
Fiscal year 2023 depreciation	<u>4,705,363</u>	<u>11,465,152</u>	<u>16,170,515</u>
Accumulated depreciation - June 30, 2023	\$ 100,621,228	\$ 115,150,950	\$ 215,772,178
Fiscal year 2024 depreciation	<u>6,372,209</u>	<u>11,447,201</u>	<u>17,819,410</u>
Accumulated depreciation - June 30, 2024	<u>\$ 106,993,437</u>	<u>\$ 126,598,151</u>	<u>\$ 233,591,588</u>

Deferred Outflows and Inflows of Resources – The Airport reports the consumption of net assets that is applicable to a future reporting period as deferred outflows of resources and the acquisition of net assets that is applicable to a future reporting period as deferred inflows of resources in separate sections of its statements of net position.

Customer Facility Charge – Customer Facility Charges (“CFCs”) are levied by the Airport pursuant to a Memorandum of Understanding signed with the rental car companies serving the Airport. This rate is adjusted from time to time as deemed necessary by airport management in order to cover the related annual expenses. The CFC rate was \$9.00 and \$6.00 per contract rental day as of June 30, 2024 and 2023, respectively. Up to the date of beneficial occupancy, April 1, 2003, the amounts received were recorded as non-operating revenues when earned and were to be used for construction of the rental car facility. Subsequent to April 1, 2003, CFCs received are recorded as space and ground rental operating revenue.

For the years ended June 30, 2024 and 2023, the Airport has recorded CFCs related to space and ground rental as operating revenue of \$1,914,186 and \$1,831,802, respectively, in addition to non-operating revenue consisting of the following:

	2024	2023
Reimbursement of Airport-funded construction costs	\$ -	\$ 241,261
CFC surplus (deficit)	<u>3,748,593</u>	<u>(241,261)</u>
	<u>\$ 3,748,593</u>	<u>\$ -</u>

Additionally, as of June 30, 2024 and 2023, the Airport had received but not yet spent CFCs totaling \$9,911,655 and \$17,731,887, respectively, which are reported as either unrestricted or restricted until expended in the accompanying statements of net position. The assets are included in cash and cash equivalents at June 30, 2024 and 2023.

Passenger Facility Charges (PFCs) – On March 18, 2020, the U.S. Department of Transportation's Federal Aviation Administration (FAA) acknowledged the District's notice of intent to impose and use a PFC. The airlines began collecting PFCs on qualifying enplaning passengers at the Airport for the current maximum rate of \$4.50 beginning May 1, 2020 through July 1, 2023. In May 2023, the application was extended so the airlines could continue collection until October 1, 2024. The application was modified again in April 2024 to increase the eligible PFC collections and extend collections until December 1, 2024. PFCs are fees imposed on enplaning passengers by airports to finance eligible airport-related projects that preserve or enhance safety, capacity, or security of the national air transportation system; fund noise mitigation at the airport; or furnish opportunities for enhanced competition between or among air carriers. Regulations have been promulgated by the Federal Aviation Administration ("FAA") that enhance the eligibility of PFC usage to include, among other things, capital projects and debt service payments. Both the fee imposed and the intended uses must be reviewed and approved by the FAA. The Airport was approved to expend their PFC collections on various capital projects. As of June 30, 2024, the Airport has expended approximately \$9,583,000 on these projects.

PFC revenues are classified as nonoperating in the statements of revenues, expenses and changes in net position and are restricted for the uses approved by the FAA.

Net Position – Net position is classified as net investment in capital assets, restricted and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law. When both restricted and unrestricted net position are available for use, it is the Airport's policy to use restricted net position first, and then unrestricted net position as they are needed.

Capital Contributions and Grants – Certain expenditures for airport capital improvements are significantly funded through the Airport Improvement Program ("AIP") of the FAA, the Economic Development Assistance program ("EDA"), or from various State allocations or grant programs. Capital funding provide under government grants is considered earned as the related allowable expenditures are incurred.

Grants for capital asset acquisition and facility development and rehabilitation are reported in the accompanying statements of revenues, expenses, and changes in net position, after non-operating revenues (expenses), as capital contributions and grants.

Federal Non-Capital Grants – The United States of America acting through the FAA released additional funding under the American Rescue Plan Act (ARPA) to all eligible airports. During 2021, the FAA released funding under the Airport Coronavirus Response Grant Program ("ACRGP"), which is used to provide relief from rent and minimal annual guarantee or obligations for airport concessions. The total approved grant is for \$1,093,725, which the Airport has used for allowable costs during 2023.

As of June 30, 2023, the Airport recognized \$1,093,725 in the accompanying statements of revenues, expenses, and changes in net position, within nonoperating revenues, as federal non-capital grants. No revenue was recognized for 2024.

Operating Revenues and Expenses – All of the Airport's activities relate to the operation of the Airport except for the investment of residual cash and investments and financing-related activities. Accordingly, all of the Airport's revenues and expenses, except for investment income, financing-related costs and charges, and insurance proceeds, are classified as operating in the accompanying statements of revenues, expenses, and changes in net position.

Revenue Recognition – Airside and space and ground rental revenues consist of amounts received under Airline Operating Agreements with the major airlines serving the Airport, certain fixed fees for nonscheduled airlines and private users of the Airport, and certain fixed fees for other ancillary services provided. The Airline Operating Agreements stipulate that landing fees and space rental revenues will be based on maintenance and operations costs, as defined in the agreements. Airside and space and ground rental fees are recognized as revenue when the related services are provided and facilities utilized.

Concessions and other revenues consist primarily of rental car, parking, and other ancillary services revenue. Such revenue is generally based on a fixed percentage of tenant revenues subject to certain minimum monthly fees or a fixed fee schedule. Concessions and other revenue are recognized when earned.

Other Direct Expenses – Other direct expenses consist primarily of the upkeep of the cargo, rental car, and parking lot facilities. Other direct expenses are recognized when incurred.

Post-Employment Benefits (OPEB) – During the 2010 fiscal year, the Airport implemented a new personnel policy in which it will pay for a portion of an eligible retiree’s health insurance premiums between ages 60 to 65 who also have at least 10 years of service with the Airport. The liability related to this benefit is included in the long-term employee benefits in the statements of net position.

Compensated Absences – Employees earn vacation leave at a rate of 80 to 160 hours per year dependent upon length of service. Unused vacation hours can be carried over from year to year up to a maximum of 480 hours and are payable upon termination, resignation, retirement, or death in accordance with the Airport’s personnel policy. The noncurrent portion of the accrued liability related to vacation hours is included in long-term employee benefits and the current portion in accrued liabilities in the statements of net position.

Regular full-time employees accumulate sick leave at the rate of 96 hours per year and can accrue up to 720 hours. All employees who properly resign, are laid off, or otherwise separated from the Airport in good standing are entitled to be paid 33% of any unused sick balance not to exceed 240 hours. An accrual for sick leave has been made as of June 30, 2024 and 2023 and has been categorized into a short-term and long-term portion. Sick leave can be taken for medical appointments, personal illness or illness of a member of the immediate family. Sick leave may be used in the determination of length of service for retirement benefit purposes. The noncurrent portion of the accrued liability related to sick leave is included in long-term employee benefits and the current portion in accrued liabilities in the statements of net position.

New Pronouncements – The GASB has issued several statements which have not yet been implemented by the Airport. The statements which may have a significant future impact on the Airport are as follows:

GASB has issued: GASB Statement No. 101, *Compensated Absences*; GASB Statement No. 102, *Certain Risk Disclosures*, GASB Statement No. 103, *Financial Reporting Model Improvements*, and GASB Statement No. 104, *Disclosure of Certain Capital Assets*. The Airport intends to adopt these GASB Statements, as applicable, on their respective effective dates.

Note 3 - Cash, Cash Equivalents and Investment Securities

As of June 30, 2024 and 2023 , the Airport had the following cash deposits and investments:

	<u>2024</u>	<u>2023</u>
Deposits	\$ 27,331,961	\$ 46,786,998
Investments	63,742,118	39,130,692
	<u>\$ 91,074,079</u>	<u>\$ 85,917,690</u>

Deposits - All the cash deposits of the Airport are in a single financial institution. The carrying amount of cash deposits is separately reported as cash in the accompanying statements of net position. The Airport's cash deposits are insured up to \$250,000 at financial institutions insured by the FDIC. Any cash deposits in excess of the \$250,000 FDIC limit are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits are collateralized with securities held by the Airport. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer.

Investments - In accordance with the South Carolina State Statutes and the Airport's approved investment policy, the following investments are permitted:

1. Checking accounts in U.S. federally insured banks and savings and loans not to exceed federally insured amounts;
2. Money market funds that invest in U.S. Government-backed securities;
3. U.S. Treasury Obligations to include U.S. Treasury bills and notes, or any other obligation or security issued by or backed by the full faith and credit of the U.S. Treasury;
4. Federal Agency Obligations including bonds, notes, debentures, or other obligations or securities issued by, or backed by, full faith and credit of any U.S. Government agency or sponsored enterprise.
5. South Carolina Local Government Investment Pool ("SCLGIP") limited to 25% of investment portfolio

The maturity ranges and credit ratings for the Airport's investment securities at June 30, 2024 and 2023 follow:

	2024			Moody's Credit Rating
	Fair Value	Maturities (in Years)		
		Less than 1	1 - 5	
U.S. government bonds	\$ 4,482,170	\$ 2,488,550	\$ 1,993,620	Aaa
U.S. treasury securities	43,283,792	22,755,395	20,528,397	Aaa
Money market mutual funds	15,976,156	15,976,156	-	Aaa-mf
Total investments	<u>\$ 63,742,118</u>	<u>\$ 41,220,101</u>	<u>\$ 22,522,017</u>	

	2023			Moody's Credit Rating
	Fair Value	Maturities (in Years)		
		Less than 1	1 - 5	
U.S. government bonds	\$ 6,441,020	\$ -	\$ 6,441,020	Aaa
U.S. treasury securities	32,689,672	14,067,329	18,622,343	Aaa
Total investments	<u>\$ 39,130,692</u>	<u>\$ 14,067,329</u>	<u>\$ 25,063,363</u>	

Interest Rate Risk: The risk that changes in interest rates of debt securities will adversely affect the value of an investment. The Airport generally limits a portion of its investment portfolio to maturities of less than 12 months. Also, the Airport's purchases of securities are laddered with staggered maturity dates.

Credit Risk: The risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Airport has no written policy regarding credit risk. However, a conservative investment strategy is maintained. Currently, most investments are in low risk securities or deposits, which fall within the Federal Deposit Insurance Corporation limits.

Custodial Credit Risk: The risk that, in the event of the failure of the counterparty, the Airport will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Since a large majority of the Airport's investments are with the U.S. Treasury Department in the form of T-bills, or other securities backed by the U.S. Treasury, management views custodial credit risk as minimal, and consequently, has no written policy on this particular form of risk.

Concentration of Credit Risk: The Airport places no limit on the amount that the Airport may invest in any one issuer, with the exception of the 25% limitation on the SCLGIP. All of the Airport's investments are in, or backed by, U.S. Treasury bills and the SCLGIP.

Foreign Currency Risk: The risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Airport's investment policy prohibits investment in foreign securities.

Note 4—Disclosures About Fair Value of Assets

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 tables present the fair value measurements of assets recognized in the accompanying statements 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 June 30, 2024 and 2023:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Investments Measured at NAV (A)
June 30, 2024				
Investments at fair value				
U.S. government bonds	\$ 4,482,170	\$ -	\$ 4,482,170	\$ -
U.S. treasury securities	43,283,792	43,283,792	-	-
Money market mutual funds	15,976,156	-	-	15,976,156
Total investments by fair value	<u>\$ 63,742,118</u>	<u>\$ 43,283,792</u>	<u>\$ 4,482,170</u>	<u>\$ -</u>
June 30, 2023				
Investments at fair value				
U.S. government bonds	\$ 6,441,020	\$ -	\$ 6,441,020	\$ -
U.S. treasury securities	32,689,672	32,689,672	-	-
Total investments by fair value	<u>\$ 39,130,692</u>	<u>\$ 32,689,672</u>	<u>\$ 6,441,020</u>	<u>\$ -</u>

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 and Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.

Investments at NAV – Money market mutual funds invest in short-term debt securities and seek to provide greater returns than cash deposits. There are no unfunded commitments or restrictions on redemptions.

Note 5—Receivables

Receivables are recorded at their gross value when earned and are reduced, if applicable, by the estimated portion that is expected to be uncollectible. The allowance for uncollectible amounts, when applicable, is based on collection history, aviation industry trends, and current information regarding the creditworthiness of the tenants and others doing business with the Airport. As of June 30, 2024 and 2023, there was an allowance for uncollectible accounts of \$149,500.

Receivables (including restricted assets) consisted of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Trade	\$ 3,541,576	\$ 6,065,326
Customer and passenger facility charges FAA and other grants	1,531,703	842,574
Interest and other	15,570,961	8,003,294
	996,129	753,352
	<u>\$ 21,640,369</u>	<u>\$ 15,664,546</u>

Note 6—Leases Receivable

The Airport leases a portion of its property to various third parties who use the space to conduct their operations on the Airport grounds, the terms of which expire 2025 through 2064. Payments for most of the leases increase annually either by 3% or the Consumer Price Index (Index), with the latter based upon the Index at lease commencement. In addition, the Airport has some leases with rental car and retail companies 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 Airport bases the payments for these leases on the required minimum annual guarantee. The Airport leases certain 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.

Revenue recognized under lease contracts during the years ended June 30, 2024 and 2023, was \$3,032,624 and \$5,509,775, respectively, which includes both lease revenue and interest. The Airport recognized lease revenue of \$578,805 and \$3,704,755, for the years ended June 30, 2024 and 2023, respectively, 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 Airport's leases that are included in the measurement of the lease receivable as of June 30, 2024:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,485,802	\$ 590,184	\$ 2,075,986
2026	1,403,264	566,949	1,970,213
2027	1,084,869	547,581	1,632,450
2028	816,918	532,540	1,349,458
2029	855,933	517,801	1,373,734
2030 - 2034	5,160,700	2,344,104	7,504,804
2035 - 2039	6,662,085	1,830,330	8,492,415
2040 - 2044	8,104,661	1,124,156	9,228,817
2045 - 2049	6,914,361	428,238	7,342,599
2050 - 2054	229,613	103,047	332,660
2055 - 2059	355,207	76,090	431,297
2060 - 2064	665,311	36,247	701,558
Total	<u>\$ 33,738,724</u>	<u>\$ 8,697,267</u>	<u>\$ 42,435,991</u>

Note 7—Regulated Leases

The Airport 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 No. 87, and therefore, are only subject to the disclosure requirements. The terms of the regulated leases expire 2025 through 2044. Payments for most of the leases increase annually either by 3% or the Consumer Price Index (Index), with the latter based upon the Index at lease commencement. The Airport 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 exclusive use of the premises, however, aircraft and vehicles may traverse the space and the Airport has the right to grant third party privileges at their discretion. The portion of buildings and improvements that are exclusive as of June 30, 2024 and 2023 are \$18,993,337 and \$8,853,791, respectively. In addition, 3 of the 6 hangars that the Airport has as of June 30, 2024 and 2023 are for the exclusive use of the lessee.

The Airport did not recognize any lease revenue for the years ended June 30, 2024 and 2023, for variable payments 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 Airport's regulated leases as of June 30, 2024:

	Total Future Payments
2025	\$ 3,533,399
2026	3,363,931
2027	3,423,840
2028	2,861,143
2029	2,564,133
2030 - 2034	14,194,354
2034 - 2039	15,670,436
2040 - 2044	14,478,348
Total	<u>\$ 60,089,584</u>

Certain aeronautical leases with the major air carriers are not included in the regulated leases disclosures as each of these agreements are considered short-term leases and exempt from disclosure. The Airport or air carriers both have the option to terminate at any point as long as 60 days' notice is given. The air carriers are also given exclusive use of certain spaces, including such areas as ticket counter office space, operations space, apron storage space, etc. to conduct their operations, which are defined in the agreements.

Note 8—Capital and Lease Assets

Capital and lease assets activity for the year ended June 30, 2024 is as follows:

	<u>June 30, 2023</u>	<u>Transfers/ Additions</u>	<u>Transfers/ Disposals</u>	<u>June 30, 2024</u>
Capital assets not being depreciated:				
Land	\$ 40,166,121	\$ 659,974	\$ -	\$ 40,826,095
Construction-in-process	22,490,575	45,549,882	(33,061,574)	34,978,883
 Total capital assets not being depreciated	 62,656,696	 46,209,856	 (33,061,574)	 75,804,978
Capital assets being depreciated:				
Buildings and improvements	337,903,284	10,476,306	-	348,379,590
Equipment	18,139,747	4,472,644	-	22,612,391
Roadways	13,659,732	1,705,090	-	15,364,822
Runways	116,803,226	15,712,318	-	132,515,544
 Total capital assets being depreciated	 486,505,989	 32,366,358	 -	 518,872,347
Less accumulated depreciation				
Buildings and improvements	(127,273,939)	(11,653,186)	-	(138,927,125)
Equipment	(9,415,362)	(1,370,272)	-	(10,785,634)
Roadways	(10,617,664)	(502,684)	-	(11,120,348)
Runways	(68,465,213)	(4,293,268)	-	(72,758,481)
 Total accumulated depreciation	 (215,772,178)	 (17,819,410)	 -	 (233,591,588)
 Total capital assets being depreciated, net	 270,733,811	 14,546,948	 -	 285,280,759
Lease assets				
Buildings and improvements	155,523	108,711	-	264,234
Equipment	1,450,675	-	-	1,450,675
 Total lease assets	 1,606,198	 108,711	 -	 1,714,909
Less accumulated amortization				
Buildings and improvements	(88,870)	(69,671)	-	(158,541)
Equipment	(527,518)	(263,759)	-	(791,277)
 Total accumulated amortization	 (616,388)	 (333,430)	 -	 (949,818)
 Total lease assets being amortized, net	 989,810	 (224,719)	 -	 765,091
 Net capital assets	 <u>\$ 334,380,317</u>	 <u>\$ 60,532,085</u>	 <u>\$ (33,061,574)</u>	 <u>\$ 361,850,828</u>

Capital assets activity for the year ended June 30, 2023 is as follows:

	June 30, 2022	Transfers/ Additions	Transfers/ Disposals	June 30, 2023
Capital assets not being depreciated:				
Land	\$ 40,166,121	\$ -	\$ -	\$ 40,166,121
Construction-in-process	34,149,348	33,945,008	(45,603,781)	22,490,575
Total capital assets not being depreciated	<u>74,315,469</u>	<u>33,945,008</u>	<u>(45,603,781)</u>	<u>62,656,696</u>
Capital assets being depreciated:				
Buildings and improvements	312,700,066	25,203,218	-	337,903,284
Equipment	14,835,357	3,304,390	-	18,139,747
Roadways	13,641,182	18,550	-	13,659,732
Runways	99,725,605	17,077,621	-	116,803,226
Total capital assets being depreciated	<u>440,902,210</u>	<u>45,603,779</u>	<u>-</u>	<u>486,505,989</u>
Less accumulated depreciation				
Buildings and improvements	(116,028,499)	(11,245,440)	-	(127,273,939)
Equipment	(8,468,595)	(946,767)	-	(9,415,362)
Roadways	(10,157,301)	(460,363)	-	(10,617,664)
Runways	(64,947,268)	(3,517,945)	-	(68,465,213)
Total accumulated depreciation	<u>(199,601,663)</u>	<u>(16,170,515)</u>	<u>-</u>	<u>(215,772,178)</u>
Total capital assets being depreciated, net	<u>241,300,547</u>	<u>29,433,264</u>	<u>-</u>	<u>270,733,811</u>
Lease assets				
Buildings and improvements	155,523	-	-	155,523
Equipment	1,450,675	-	-	1,450,675
Total lease assets	<u>1,606,198</u>	<u>-</u>	<u>-</u>	<u>1,606,198</u>
Less accumulated amortization				
Buildings and improvements	(44,435)	(44,435)	-	(88,870)
Equipment	(263,759)	(263,759)	-	(527,518)
Total accumulated amortization	<u>(308,194)</u>	<u>(308,194)</u>	<u>-</u>	<u>(616,388)</u>
Total lease assets being amortized, net	<u>1,298,004</u>	<u>(308,194)</u>	<u>-</u>	<u>989,810</u>
Net capital assets	<u>\$ 316,914,020</u>	<u>\$ 63,070,078</u>	<u>\$ (45,603,781)</u>	<u>\$ 334,380,317</u>

Note 9—Changes in Long-Term Liabilities

Long-term obligation activity for the Airport for the years ended June 30, 2024 and 2023, is as follows:

	Beginning Balance	2024		Ending Balance	Current Portion
		Additions	Reductions		
Term note payable	\$ 30,187,500	\$ -	\$ (1,750,000)	\$ 28,437,500	\$ 1,750,000
Lease liability	1,009,173	108,710	(354,435)	763,448	317,123
Net pension liability	23,778,825	5,708,118	(2,596,688)	26,890,255	-
Total OPEB liability	2,260,165	512,425	(76,909)	2,695,681	-
Employee benefits	4,560,242	3,692,794	(2,531,043)	5,721,993	4,087,208
Total long-term liabilities	<u>\$ 61,795,905</u>	<u>\$ 10,022,047</u>	<u>\$ (7,309,075)</u>	<u>\$ 64,508,877</u>	<u>\$ 6,154,331</u>

	Beginning Balance	2023		Ending Balance	Current Portion
		Additions	Reductions		
Term note payable	\$ 31,937,500	\$ -	\$ (1,750,000)	\$ 30,187,500	\$ 1,750,000
Lease liability	1,320,977	-	(311,804)	1,009,173	314,779
Net pension liability	18,779,257	7,025,852	(2,026,284)	23,778,825	-
Total OPEB liability	2,513,682	368,537	(622,054)	2,260,165	-
Employee benefits	3,605,457	2,982,427	(2,027,642)	4,560,242	2,531,043
Total long-term liabilities	<u>\$ 58,156,873</u>	<u>\$ 10,376,816</u>	<u>\$ (6,737,784)</u>	<u>\$ 61,795,905</u>	<u>\$ 4,595,822</u>

Note 10—Long Term Debt

On August 21, 2020, the District's Commission approved a \$35 million, 20-year term note with a fixed finance rate of 1.61% for ten years. The \$35 million term note was established with TD Bank on August 31, 2020 with a maturity date of August 31, 2030. The purpose of the term loan was to refinance the previous term loan and reimburse the District for the cost of the Surface Parking Project and the local share of the Aircraft Rescue and Firefighting Station Construction Project at a reduced interest rate.

The future maturities of the remaining note payable are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,750,000	\$ 451,133	\$ 2,201,133
2026	1,750,000	422,566	2,172,566
2027	1,750,000	394,000	2,144,000
2028	1,750,000	366,418	2,116,418
2029	1,750,000	336,867	2,086,867
2030-2031	19,687,500	380,708	20,068,208
Total	<u>\$ 28,437,500</u>	<u>\$ 2,351,692</u>	<u>\$ 30,789,192</u>

In August 2024, the Airport issued the Airport Revenue Bonds, Series 2024A (Non-AMT) and 2024B (Taxable) in the amount of \$37,220,000 and \$66,005,000, respectively, for a total issuance of \$103,225,000. The bonds are being used to fund the cost of the design and construction of an approximately 1,500-space parking garage on the Airport, which will include additional parking spaces as well as the new rental car concessionaire space. The Series 2024A bonds have a maturity date of July 1, 2054 and interest rate of 5.25%. The 2024B bonds have various maturity dates through July 1, 2048 and an interest rate that varies from 4.59% to 5.59%.

Note 11—Line of Credit

The Airport entered into a \$25,000,000 revolving line of credit agreement with a maturity date of September 7, 2023. On September 7, 2023, the Airport renewed its revolving line of credit with a maturity date of September 7, 2025. The line of credit bears an interest rate of Term SOFR rate plus 0.75%. At June 30, 2024 and 2023, the applicable interest rate was 6.08% and 5.92%, respectively. For the years ended June 30, 2024 and 2023, there was no balance outstanding against this line of credit.

Note 12—Capital Contributions and Grants

For the years ended June 30, 2024 and 2023, the Airport recognized capital contributions primarily from the FAA totaling \$17,365,675 and \$12,644,523, respectively, in its statements of revenues, expenses, and changes in net position.

Note 13—Lease Liability

The Airport leases equipment and building space, the terms of which expire in 2026 and 2027, respectively. The payments are fixed throughout the life of the lease, and there are no variable payments associated with the lease agreements.

The following is a schedule by year of payments under the leases as of June 30, 2024:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 317,123	\$ 5,895	\$ 323,018
2026	328,816	2,897	331,713
2027	117,509	374	117,883
Total	<u>\$ 763,448</u>	<u>\$ 9,166</u>	<u>\$ 772,614</u>

Note 14—Commitments and Contingencies

The Airport is party to various legal actions in the ordinary course of business from time to time. Management believes that such matters will not have a material adverse effect on the Airport’s financial condition, results of operations or cash flows.

The Airport’s ability to derive net revenues from operations depends upon various factors, many of which are not within the control of the Airport. The primary sources of net revenues are parking revenues and the Airline Operating Agreements between the Airport and the airlines. The Airline Operating Agreements provide for the landing fees, terminal rentals, and ramp fees to be charged to the airlines. Should an airline default under the terms of the Airline Operating Agreement, management believes it can take certain actions to mitigate any potential adverse impact.

At any point in time, the U.S. economy, excess airline capacity, and industry-wide competition through airfare discounting may create significant constraints on the operations of the airlines. Due to these factors, the financial results of the Airport are largely dependent upon conditions in the national economy and the U.S. airline industry.

Additionally, the Airport receives significant financial assistance from federal governmental agencies in the form of grants and other awards. The disbursement of resources received under such programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by grantor agencies. Management believes the Airport is in compliance with all such terms and conditions.

Note 15—Pension Plan and Post-retirement Benefits

Pension Plan – All Airport permanent employees are members of either the South Carolina Retirement System (“SCRS”) or the Police Officers Retirement System (“PORS”), collectively the “Plans”, cost-sharing multiple-employer defined benefit pension plans administered by the Retirement Division of the State Budget and Control Board. The Plans offer retirement and disability benefits, cost of living adjustments on an ad hoc basis, life insurance benefits, and survivor benefits. The Plans’ provisions are established under Title 9 of the South Carolina Code of Laws.

South Carolina Retirement System

Plan Description – All employees of the Airport are required to participate in and contribute to the SCRS plan as a condition of employment unless they are eligible for the PORS plan. Employee members of the system with an effective membership prior to July 1, 2012 are Class Two members. Any employees with a membership date on or after July 1, 2012 are Class Three members.

Benefits – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 65 or with 28 years credited service regardless of age. A member may elect early retirement with reduced pension benefits payable at age 55 with 25 years of service credit. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension upon satisfying the Rule of 90 requirement that the total of the member’s age and the member’s creditable service equals at least 90 years. Both Class Two and Class Three members are eligible to receive a reduced deferred annuity at age 60 if they satisfy the five- or eight-year earned service requirement, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employees who participate in the death benefit program.

The annual retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase. Members who retire under the early retirement provisions at age 55 with 25 years of service are not eligible for the benefit adjustment until the second July 1 after reaching age 60 or the second July 1 after the date they would have had 28 years of service credit had they not retired.

Contributions – Plan members were required to contribute 9.0% of their annual covered salary to the Plan for June 30, 2024 and 2023. The Airport was required to contribute 18.41% and 17.41% for June 30, 2024 and 2023, respectively, plus an additional 0.15% for employer incidental death benefits. For the years ended June 30, 2024 and 2023, the Airport’s contributions to the plan were \$2,558,943 and \$2,120,600, respectively, and equaled the required contributions for those years.

Pension Liability – The SCRS plan reported a liability of \$22,803,495 and \$20,411,278 for its proportionate share of the net pension liability as of June 30, 2024 and 2023, respectively. The net pension liability was measured as of June 30, 2023 and 2022, respectively, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of July 1, 2022 and 2021 rolled forward to the measurement date. The Airport’s proportion of the net pension liability was based on its long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At the measurement date of June 30, 2024 and 2023, the Airport’s proportion was 0.094317% and 0.084197%, respectively, of the total SCRS pension liability.

Police Officers Retirement System

Plan Description – The PORS plan provides retirement and other benefits to police officers and firefighters employed by the Airport. Employee members of the system with an effective membership prior to July 1, 2012 are Class Two members. Any employees with a membership date on or after July 1, 2012 are Class Three members.

Benefits – A Class Two member who has separated from service with at least five or more years of earned service is eligible for a monthly pension at age 55 or with 25 years of service regardless of age. A Class Three member who has separated from service with at least eight or more years of earned service is eligible for a monthly pension at age 55 or with 27 years of service regardless of age. Both Class Two and Class Three members are eligible to receive a deferred annuity at age 55 with five or eight years of earned service, respectively. An incidental death benefit is also available to beneficiaries of active and retired members of employers who participate in the death benefit program. Accidental death benefits are also provided upon the death of an active member working for a covered employer whose death was a natural and proximate result of an injury incurred while in the performance of duty.

The retirement allowance of eligible retirees or their surviving annuitants is increased by the lesser of one percent or five hundred dollars every July 1. Only those annuitants in receipt of a benefit on July 1 of the preceding year are eligible to receive the increase.

Contributions – Plan members were required to contribute 9.75% of their annual covered salary to the Plan for June 30, 2024 and 2023. The Airport was required to contribute 20.84% and 19.84% for June 30, 2024 and 2023, respectively, plus an additional 0.20% for both employer incidental death benefits and the accidental death program. For the years ended June 30, 2024 and 2023, the Airport's contributions to the plan were \$547,114 and \$476,089, respectively, and equaled the required contributions for that year.

Pension Liability – The PORS plan reported a liability of \$4,086,760 and \$3,367,547 for its proportionate share of the net pension liability as of June 30, 2024 and 2023, respectively. The net pension liability was measured as of June 30, 2023 and 2022, respectively, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of July 1, 2022 and 2021 rolled forward to the measure date. The Airport's proportion of the net pension liability was based on its long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At the measurement date of June 30, 2024 and 2023, the Airport's proportion was 0.134252% and 0.112290%, respectively, of the total PORS pension liability.

The Airport reported deferred outflows of resources and deferred inflows of resources related to the SCRS and PORS retirement plans from the following sources as of June 30:

	South Carolina Retirement System			
	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 395,908	\$ 63,237	\$ 177,336	\$ 88,952
Changes of assumptions	349,382	-	654,638	-
Net difference between projected and actual earnings on pension plan investments	-	31,213	31,478	-
Changes in proportion and differences between the Airport's contributions and proportionate share of contributions	2,920,871	87,830	1,901,164	278,767
Contributions subsequent to the measurement date	2,558,943	-	2,120,600	-
	<u>\$ 6,225,104</u>	<u>\$ 182,280</u>	<u>\$ 4,885,216</u>	<u>\$ 367,719</u>

	Police Officers Retirement System			
	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 192,327	\$ 50,381	\$ 56,501	\$ 66,571
Changes of assumptions	88,945	-	140,230	-
Net difference between projected and actual earnings on pension plan investments	-	7,014	10,169	-
Changes in proportion and differences between the Airport's contributions and proportionate share of contributions	463,875	100,729	5,006	185,943
Contributions subsequent to the measurement date	547,114	-	476,089	-
	<u>\$ 1,292,261</u>	<u>\$ 158,124</u>	<u>\$ 687,995</u>	<u>\$ 252,514</u>

The Airport's contributions of \$3,106,057 subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Total pension expense for the years ended June 30, 2024 and 2023 was \$3,399,230 and \$2,864,035, respectively, for SCRS and \$567,671 and \$270,392, respectively, for PORS, which is recognized as pension expense of \$3,966,901 and \$3,134,427, respectively, on the statements of revenues, expenses and changes in net position.

The following schedule reflects the Airport's proportion of the amortization of the net balance of remaining deferred outflows / (inflows) of resources of the SCRS and PORS at the measurement date of June 30, 2024:

	<u>SCRS</u>	<u>PORS</u>
2025	\$ 1,653,878	\$ 204,243
2026	738,459	58,919
2027	1,104,921	328,136
2028	(13,377)	(4,275)
Total	<u>\$ 3,483,881</u>	<u>\$ 587,023</u>

Actuarial Assumptions – Actuarial valuations involve estimates of the reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and future salary increases. Amounts determined during the valuation process are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. South Carolina state statute requires that an actuarial experience study be completed at least once in each five-year period. The last experience study was performed on data through June 30, 2019.

The most recent annual actuarial valuation reports adopted by the Public Employee Benefit Authority Board and the SC Budget and Control Board are as of July 1, 2022. The total pension liability in that report was determined using the following actuarial assumptions, applied to all periods included in the measurement.

	<u>SCRS</u>	<u>PORS</u>
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return*	7.00%	7.00%
Projected salary increases (varies by service)*	3.0% to 11.0%	3.5% to 10.5%
Benefit adjustment (annually)	Lesser of 1% or \$500	Lesser of 1% or \$500

*includes inflation at 2.25%

The post-retiree mortality assumption is dependent upon the member's job category and gender. The base mortality assumptions, the 2020 Public Retirees of South Carolina Mortality table (2020 PRSC) was developed using the Systems' mortality experience. These base rates are adjusted for future improvement in mortality using 80% of Scale UMP projected from the year 2020.

<u>Former Job Class</u>	<u>Males</u>	<u>Females</u>
Educators	2020 PRSC Males multiplied by 95%	2020 PRSC Females multiplied by 94%
General Employees and Members of the General Assembly	2020 PRSC Males multiplied by 97%	2020 PRSC Females multiplied by 107%
Public Safety and Firefighters	2020 PRSC Males multiplied by 127%	2020 PRSC Females multiplied by 107%

The long-term expected rate of return on pension plan investments for actuarial purposes is based upon the 20-year capital market assumptions. The actuarial long-term expected rates of return represent best estimates of arithmetic real rates of return for each major asset class and were developed in coordination with the investment consultant for the Retirement System Investment Commission (“RSIC”) using a building-block approach, reflecting observable inflation and interest rate information available in the fixed income markets as well as Consensus Economic forecasts. The actuarial long-term assumptions for other asset classes are based on historical results, current market characteristics and professional judgment.

The RSIC has exclusive authority to invest and manage the retirement trust funds’ assets. As co-fiduciary of the SCRS, statutory provisions and governance policies allow the RSIC to operate in a manner consistent with a long-term investment time horizon. The expected real rates of investment return, along with the expected inflation rate, form the basis for the target asset allocation adopted annually by the RSIC. For actuarial purposes, the long-term expected rate of return is calculated by weighting the expected future real rates of return by the target allocation percentage and then adding the actuarial expected inflation. For actuarial purposes for the measurement years ended June 30, 2024 and 2023, the 7.00% assumed annual investment rate of return used in the calculation of the total pension liability includes a 4.75% real rate of return and a 2.25% inflation component. The target asset allocations and the long-term expected real rates of return are as follows:

Asset Class	Target Asset Allocation	Expected Arithmetic Real Rate of Return	Long-Term Expected Portfolio Real Rate of Return
Global Public Equity	46%	6.62%	3.04%
Private Equity	9%	10.91%	0.98%
Real Estate	9%	6.41%	0.58%
Infrastructure	3%	6.62%	0.20%
Bonds	26%	0.31%	0.08%
Private Debt	7%	6.16%	0.43%
Total Expected Return	100%		5.31%
Inflation for Actuarial Purposes			2.25%
Total Expected Nominal Return			7.56%

Discount Rate – The discount rate used to measure the total pension liability was 7.00% in the June 30, 2024 and 2023 valuations. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers in SCRS and PORS will be made based on the actuarially determined rates based on provisions in the South Carolina State Code of Laws. Based on those assumptions, the fiduciary net position of SCRS and PORS was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Airport's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following table presents the net pension liability the Airport calculated using the discount rate of 7.00%, as well as what the Airport's net pension liability would be if it were calculated using a discount rate that is 1.00% lower (6.00%) or 1.00% higher (8.00%) than the current rate.

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

	June 30, 2024		
	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
SCRS	\$ 29,464,290	\$ 22,803,495	\$ 17,267,272
PORS	5,764,993	4,086,760	2,712,078
	June 30, 2023		
	1.00% Decrease (6.00%)	Current Discount Rate (7.00%)	1.00% Increase (8.00%)
SCRS	\$ 26,169,777	\$ 20,411,278	\$ 15,623,834
PORS	4,695,841	3,367,547	2,280,213

Plan Fiduciary Net Position and Required Supplementary Information – The SCRS issues a publicly available Annual Comprehensive Financial Report that includes the fiduciary net position and required supplementary information for the SCRS. The pension plan's fiduciary net position has been determined on the same basis used by the pension plan. The report is publicly available on the South Carolina Public Employee Benefit Authority's ("PEBA") Retirement Benefits' website at <http://www.retirement.sc.gov>, or a copy may be obtained by submitting a request to PEBA, PO Box 11960, Columbia, South Carolina 29211-1960.

Note 16—Postemployment Benefits Other Than Pensions (OPEB)

Medical Postemployment Benefits – The Airport provides medical and dental insurance benefits to its eligible retirees who have reached the age of 60 and have 10 years of service, through a single-employer defined benefit other postemployment benefit plan (the "OPEB Plan"). The benefits are provided through fully insured plans that are sponsored by a regional health insurance consortium. The Airport pays 80% of the retiree's medical and dental insurance premiums until the retiree reaches the age of 65, where the benefits are terminated, and the employee pays the other 20%. Spouses are permitted to participate in the plan. GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, requires governments to account for other post-employment benefits ("OPEB") on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense on the Statements of Activities when a future retiree earns their post-employment benefits, rather than when they use Their post-employment benefit. The total OPEB liability is recognized on the Statements of Net Position over time. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The OPEB Plan does not issue separate financial statements.

The employees covered by the benefit terms at the measurement date for the fiscal years are:

	<u>2024</u>	<u>2023</u>
Inactive employees or beneficiaries currently receiving benefit payments	9	9
Inactive employees entitled to but not yet receiving benefit payments		
Active employees	169	169
Total participants covered by the OPEB Plan	<u>178</u>	<u>178</u>

The Airport's total OPEB Plan liability at June 30, 2024 and 2023 was measured as of December 31, 2023 and 2022, respectively, and was determined by an actuarial valuation as of December 31, 2022 and 2021, respectively.

The total OPEB Plan liability for each year was determined using the following actuarial assumptions and other inputs applied to all periods included in the measurement:

	<u>2024</u>	<u>2023</u>
Discount Rate	3.26%	3.72%
Inflation Rate	0.47%	14.31%
Salary Increases	3.50%	3.50%
Healthcare Cost Trend Rates:	7.50%	14.31%
2024 - 7.50% for 2024, 7.00% for 2025 and decreasing each year to an ultimate rate of 4.54% in 2090.		
2023 - 7.50% for 2023, 7.00% for 2024 and decreasing each year to an ultimate rate of 4.54% in 2090.		

For June 30, 2024 and 2023, the discount rates were based on the index provided by *Bond Buyer 20-Bond General Obligation Index* based on the 20 year AA municipal bond rate as of December 31, 2023 and 2022, respectively. Mortality rates were based on the Pub-2010 General Employees Headcount-Weighted Mortality fully generational using Scale MP-2021, Pub-2010 General Retirees Headcount-Weighted Mortality fully generational using Scale MP-2021, and Pub-2010 Safety Employees Headcount-Weighted Mortality fully generational using Scale MP-2021 for June 30, 2024 and 2023.

The changes in the OPEB liability are as follows for the years ended June 30:

	<u>2024</u>	<u>2023</u>
OPEB Plan liability, beginning of year	\$ 2,260,165	\$ 2,513,682
Changes for the year:		
Service cost	276,026	275,602
Interest	86,319	92,935
Differences between expected and actual experience	-	(479,829)
Change of assumptions or other inputs	150,080	(67,215)
Benefit payments	(76,909)	(75,010)
OPEB Plan liability, end of year	<u>\$ 2,695,681</u>	<u>\$ 2,260,165</u>

Sensitivity of Total OPEB Liability to Change in Discount Rate and Healthcare Trend Rate – The total OPEB Plan’s liability of the Airport has been calculated using a discount rate of 3.26% and 3.72% at June 30, 2024 and 2023, respectively. The following presents the total OPEB liability using a discount rate 1% higher and 1% lower than the current discount rate.

	Discount Rate		
	1.00% Decrease	Current: 3.26% (2024) 3.72% (2023)	1.00% Increase
2024	\$ 2,964,404	\$ 2,695,681	\$ 2,448,892
2023	2,485,500	2,260,165	2,054,506

The total OPEB Plan’s liability of the Airport has been calculated using a health care cost trend rate starting at 14.31% at June 30, 2024 and 2023. The following presents the total OPEB liability using health care cost trend rates 1% higher and 1% lower than the current health care cost trend rates.

	Healthcare Cost Trend Rate		
	1.00% Decrease	Current: 14.31%	1.00% Increase
2024	\$ 2,287,729	\$ 2,695,681	\$ 3,203,540
2023	1,965,214	2,260,165	2,621,054

For the years ended June 30, 2024 and 2023, the Airport recognized OPEB Plan expense of \$340,180 and \$331,927, respectively. At June 30, 2024 and 2023, the Airport reported deferred outflows and inflows of resources related to the OPEB Plan from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 740	\$ 725,062	\$ 13,033	\$ 813,335
Changes of assumptions	831,379	414,222	793,187	472,295
	<u>\$ 832,119</u>	<u>\$ 1,139,284</u>	<u>\$ 806,220</u>	<u>\$ 1,285,630</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB Plan will be recognized in OPEB expense for the year ended June 30, as follows:

2025	\$	(26,056)
2026		(26,305)
2027		(26,305)
2028		(26,305)
2029		(26,305)
Thereafter		(175,889)
	<u>\$</u>	<u>(307,165)</u>

401(k) and 457 Plans – The Airport matches 100% of employee contributions to the South Carolina Deferred Compensation Program (“SCDCP”) 401(k) and/or 457 plans up to 5% of the employee’s gross income.

The Airport’s SCDCP matching contribution in the fiscal years ended June 30, 2024 and 2023 was \$298,611 and \$219,880, respectively.

Note 17—Restricted Assets

The Airport’s PFC and CFC receipts and receivables not yet spent at year-end are classified as restricted assets on the statements of net position because their use is limited by applicable concession agreements. The Cash and Receivables accounts represent passenger facility charges or customer facility charges that have either been received or earned by the Airport but not yet spent as of June 30, 2024 and 2023. The CFC funds are to be used by the Airport to fund additional improvements to the rental car facilities at the Airport, while the PFC funds are to be used for various eligible airport related capital projects.

Note 18—Net Investment in Capital Assets

The Airport’s net investment in capital assets is comprised of the following components for the years ended:

	<u>2024</u>	<u>2023</u>
Capital assets, net of accumulated depreciation	\$ 361,850,828	\$ 334,380,317
Long-term debt	(28,437,500)	(30,187,500)
Lease liability	(763,448)	(1,009,173)
Accounts payable - related to capital assets	(10,177,120)	(4,193,074)
	<u>\$ 322,472,760</u>	<u>\$ 298,990,570</u>

Note 19—Risk Management

The Airport, like other business enterprises, is exposed to various risks including, but not limited to, fire, accident, natural disasters, fraud, torts, error and omissions, environmental incidents, cybercrime, damage/destruction of assets, as well as other causal factors. The following policies are carried by the Airport to protect against such risks and are competitively bid out each year with an insurance brokerage firm:

- General liability, war risk, non-owned aircraft liability, and hangarkeepers,
- Commercial Crime (Dishonesty, Forgery, Computer and Funds Transfer Fraud),
- Public officials liability (Directors & Officers (“D&O”) liability, Professional Liability Insurance),
- Workers Compensation,
- Auto comprehensive/collision/liability,
- Building and personal property,
- Environmental mitigation,
- Police professional liability, and
- Inland marine.

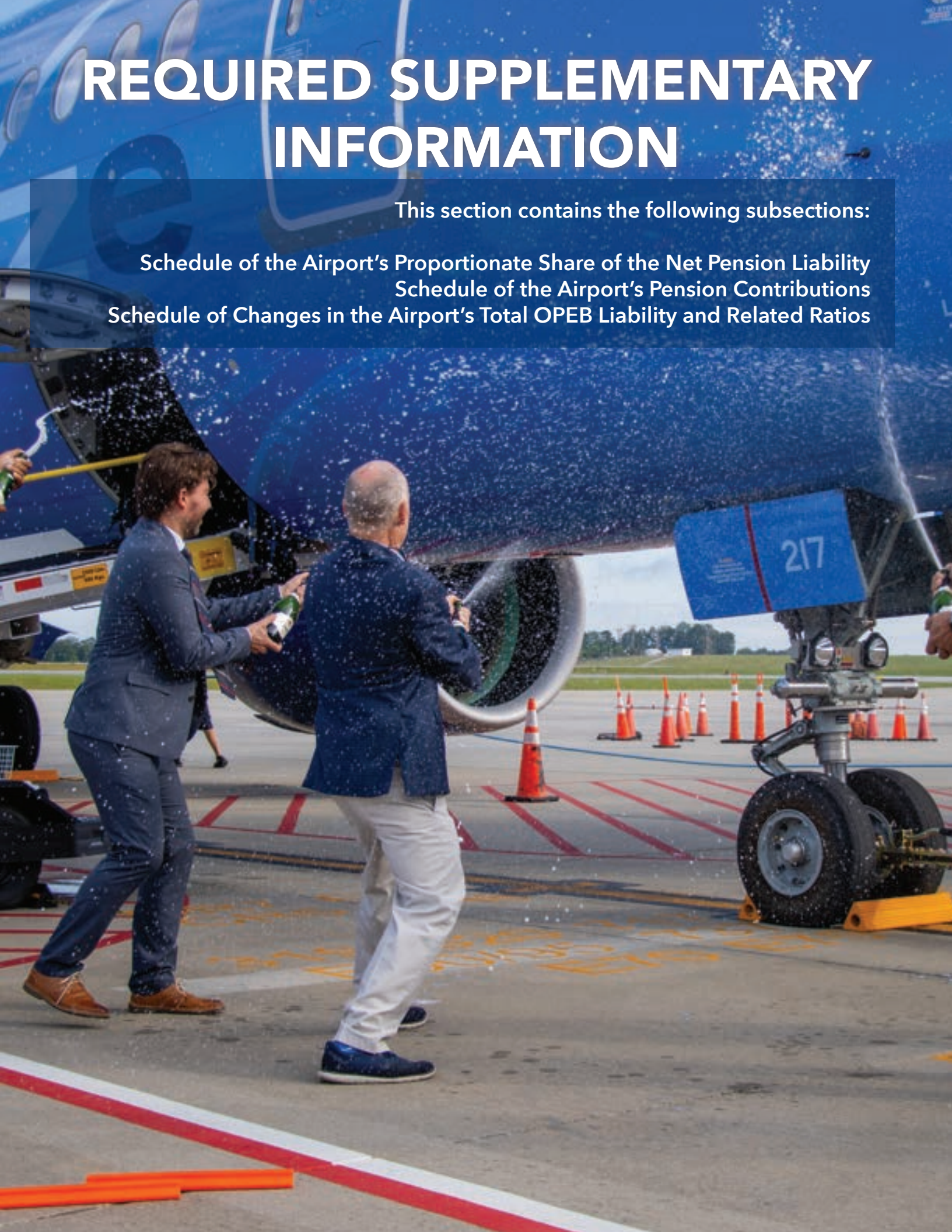
The Airport has not significantly reduced any of its insurance coverage from the prior year, and settled claims have not exceeded the Airport’s insurance coverage in the past five years.

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REQUIRED SUPPLEMENTARY INFORMATION

This section contains the following subsections:

Schedule of the Airport's Proportionate Share of the Net Pension Liability
Schedule of the Airport's Pension Contributions
Schedule of Changes in the Airport's Total OPEB Liability and Related Ratios



**GREENVILLE-SPARTANBURG AIRPORT DISTRICT
SCHEDULE OF THE AIRPORT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**

JUNE 30, 2024

Fiscal Year	Airport's Proportion of Net Pension Liability	Airport's Proportionate Share of the Net Pension Liability	Airport's Covered Payroll	Airport's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
South Carolina Retirement System					
2024	0.094317%	\$ 22,803,495	\$ 11,913,566	191.4%	58.6%
2023	0.084197%	20,411,278	10,032,874	203.4%	57.1%
2022	0.073161%	15,832,889	8,347,053	189.7%	60.7%
2021	0.074761%	19,102,682	8,050,283	237.3%	50.7%
2020	0.076472%	17,461,652	6,725,393	259.6%	54.4%
2019	0.064788%	14,516,992	5,380,687	269.8%	54.1%
2018	0.053344%	12,008,619	4,186,489	286.8%	53.3%
2017	0.043232%	9,234,291	3,941,685	234.3%	52.9%
2016	0.042039%	7,972,910	3,775,657	211.2%	57.0%
2015	0.041344%	7,118,066	3,624,914	196.4%	59.9%
Police Officers Retirement System					
2024	0.134252%	\$ 4,086,760	\$ 2,375,695	172.0%	67.8%
2023	0.112290%	3,367,547	1,793,598	187.8%	66.4%
2022	0.114515%	2,946,368	1,881,027	156.6%	70.4%
2021	0.123153%	4,084,001	1,818,106	224.6%	58.8%
2020	0.124391%	3,564,963	1,688,587	211.1%	62.7%
2019	0.120492%	3,414,195	1,614,548	211.5%	61.7%
2018	0.118090%	3,235,174	1,519,914	212.9%	60.9%
2017	0.117490%	2,980,003	1,427,286	208.8%	60.4%
2016	0.113490%	2,473,521	1,367,390	180.9%	64.6%
2015	0.114560%	2,193,168	1,233,905	177.7%	67.5%

The amounts presented for each fiscal year were determined as of June 30th of the prior year (measurement date). Required supplementary information is presented for ten years.

Notes to Schedule

Benefit changes: None

Changes in assumptions: None

**GREENVILLE-SPARTANBURG AIRPORT DISTRICT
SCHEDULE OF THE AIRPORT'S PENSION
CONTRIBUTIONS**



JUNE 30, 2024

Fiscal Year	Actuarial Required Contribution	Actual Contributions	Contribution Deficiency (Excess)	Airport's Covered Payroll	Contributions as a Percentage of Covered Payroll
South Carolina Retirement System					
2024	\$ 2,558,943	\$ 2,558,943	\$ -	\$ 13,616,794	18.8%
2023	2,120,600	2,120,600	-	11,913,566	17.8%
2022	1,684,783	1,684,783	-	10,032,874	16.8%
2021	1,278,916	1,278,916	-	8,270,134	15.5%
2020	1,298,801	1,298,801	-	8,347,053	15.6%
2019	1,172,121	1,172,121	-	8,050,283	14.6%
2018	901,877	901,877	-	6,725,393	13.4%
2017	613,609	613,609	-	5,380,687	11.4%
2016	513,824	513,824	-	4,186,489	12.3%
2015	429,644	429,644	-	3,941,685	10.9%
		0			
Police Officers Retirement System					
2024	\$ 547,114	\$ 547,114	\$ -	\$ 2,600,353	21.0%
2023	476,089	476,089	-	2,375,695	20.0%
2022	341,501	341,501	-	1,793,598	19.0%
2021	314,035	314,035	-	1,740,771	18.0%
2020	339,337	339,337	-	1,881,027	18.0%
2019	309,805	309,805	-	1,818,106	17.0%
2018	267,445	267,445	-	1,688,587	15.8%
2017	223,454	223,454	-	1,614,548	13.8%
2016	213,415	213,415	-	1,519,914	14.0%
2015	188,544	188,544	-	1,427,286	13.2%

The amounts presented for each fiscal year were determined as of June 30th of the current year. Required supplementary information is presented for ten years.

**GREENVILLE-SPARTANBURG AIRPORT DISTRICT
SCHEDULE OF CHANGES IN THE AIRPORT'S TOTAL OPEB
LIABILITY AND RELATED RATIOS**

JUNE 30, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Service cost	\$ 276,026	\$ 275,602	\$ 317,942	\$ 372,214
Interest	86,319	92,935	45,184	49,748
Changes of benefit terms	-	-	-	1,035,506
Differences between expected and actual experience	-	(479,829)	-	(514,071)
Change of assumptions or other inputs	150,080	(67,215)	(490,375)	1,085,516
Benefit payments	(76,909)	(75,010)	(85,685)	(83,906)
Net change in total OPEB Plan liability	435,516	(253,517)	(212,934)	1,945,007
Total OPEB Plan liability, beginning of year	2,260,165	2,513,682	2,726,616	781,609
Total OPEB Plan liability, end of year	<u>\$ 2,695,681</u>	<u>\$ 2,260,165</u>	<u>\$ 2,513,682</u>	<u>\$ 2,726,616</u>
Covered-employee payroll	\$ 8,186,491	\$ 7,909,654	\$ 9,527,289	\$ 9,340,480
Total OPEB Plan liability as a % of covered payroll	32.93%	28.57%	26.38%	29.19%
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2018</u>
Service cost	\$ 56,084	\$ 53,875	\$ 53,468	\$ 22,432
Interest	30,156	26,915	19,455	10,488
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	62,205	19,464	259,178
Change of assumptions or other inputs	34,579	(41,256)	-	64,269
Benefit payments	(51,661)	(49,626)	(39,619)	(21,994)
Net change in total OPEB Plan liability	69,158	52,113	52,768	334,373
Total OPEB Plan liability, beginning of year	712,451	660,338	607,570	273,197
Total OPEB Plan liability, end of year	<u>\$ 781,609</u>	<u>\$ 712,451</u>	<u>\$ 660,338</u>	<u>\$ 607,570</u>
Covered-employee payroll	\$ 5,618,353	\$ 5,508,190	\$ 6,908,993	\$ 6,773,523
Total OPEB Plan liability as a % of covered payroll	13.91%	12.93%	9.56%	8.97%

The amounts presented for each fiscal year were determined as of December 31st (measurement date) of the prior year. Required supplementary information is presented for those years for which information is available.

Notes to Schedule

Changes of Benefit Terms – None

Changes of Assumptions – The following changes occurred for assumptions: 1) The discount rate changed from 3.72% in 2023 to 3.26% in 2024, 2) Trend rates in subsequent years were based on the Getzen Model as updated through October 2023, and 3) The percentage of future retirees electing benefits has been reduced to 95% based on future expectations

Plan Assets – The Airport operates the OPEB Plan on a pay-as-you-go basis and as such, no assets are pre-funded for retiree health benefits. Therefore, at all times, the net position available for plan benefits is zero

STATISTICAL SECTION

Statistical information differs from financial statements because it usually covers more than one fiscal year and may present non-accounting data.

Available financial trend data is presented to assist the reader in understanding the District's primary business activities and to identify emerging financial trends. Operational data further supports this.

Special attention is placed on operating revenues, operating expenses, and related indicators. Readers may be interested in the District's debt burden as it provides some insight as to the ability of the District to finance major capital projects.

Finally, demographic, economic, and operating information is presented to further explain the interrelationship of key indicators in the Upstate with the activities of the District.

This section contains the following subsections:

Airport Specific Statistics

Upstate Area Local Economy Statistics



GREENVILLE-SPARTANBURG AIRPORT DISTRICT OPERATING REVENUES ANALYSIS (000S)

JUNE 30, 2024

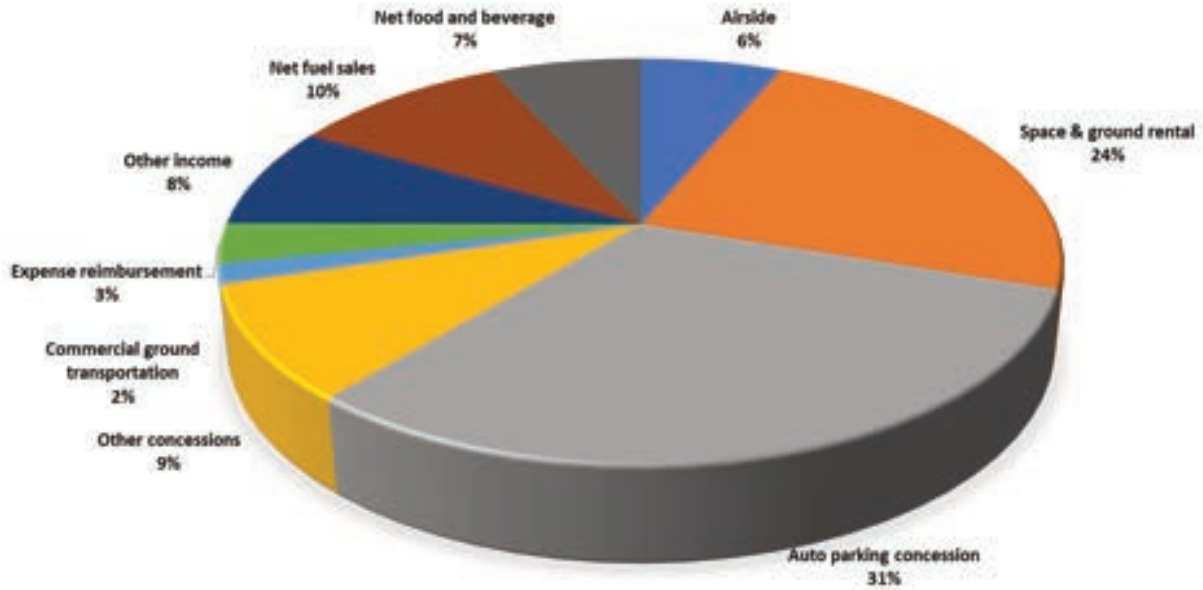
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Operating revenues:										
Airside	\$ 4,487	\$ 3,384	\$ 3,343	\$ 2,521	\$ 3,049	\$ 3,513	\$ 3,299	\$ 3,222	\$ 2,957	\$ 2,919
Space & Ground Rental	16,361	14,364	13,871	10,357	12,856	11,395	10,525	8,812	8,710	8,053
Auto Parking Concession	21,538	16,934	14,516	6,023	11,792	15,044	12,262	11,799	9,773	9,176
Other Concessions	6,335	4,788	5,270	3,281	4,259	5,680	5,255	4,515	4,405	4,167
Commercial Ground Transportation	1,076	486	397	208	397	441	123	147	151	150
Expense Reimbursement	2,209	1,999	2,009	1,847	1,894	2,048	1,590	1,268	1,273	1,112
Other Income	5,633	5,777	5,752	4,546	2,423	3,720	3,100	1,776	1,096	1,108
Net Fuel Sales	6,857	5,400	6,317	4,742	3,960	5,068	4,301	1,907	-	-
Net Food and Beverage	4,782	3,635	2,753	895	-	-	-	-	-	-
Total operating revenues	\$ 69,278	\$ 56,767	\$ 54,228	\$ 34,420	\$ 40,630	\$ 46,909	\$ 40,455	\$ 33,446	\$ 28,365	\$ 26,685
Total enplanements	1,371	1,179	1,084	587	986	1,251	1,108	1,031	1,002	951
Operating revenues per enplaned passenger	50.53	48.15	50.03	58.64	41.21	37.50	36.51	32.44	28.31	28.06
Concessions revenues per enplaned passenger	\$ 20.33	\$ 18.42	\$ 18.25	\$ 15.85	\$ 16.28	\$ 16.57	\$ 15.81	\$ 15.82	\$ 14.15	\$ 14.03
Parking revenue per space	\$ 3,447	\$ 2,675	\$ 2,243	\$ 931	\$ 2,547	\$ 3,249	\$ 2,648	\$ 2,548	\$ 2,111	\$ 1,982

In early 2017, GSP opened Cerulean Aviation and joined the growing ranks of commercial airports that run their own fixed base operators (FBOs). The District also opted to provide cargo handling and ground support services for commercial charter flights. Cerulean Aviation continues to enhance customer service, make GSP more competitive, and increase revenue. In addition, beginning in fiscal year 2018, GSP adopted a new space rental methodology whereby the majority of airline space rent is charge on a per turn basis. Previously, airline revenue was received using a per square foot rate method for leased terminal space. Going forward, airline revenue is received on a per turn basis from airlines based on a combination of factors including aircraft class and utilization of ticket counter use. This change in methodology results in changes to operating revenues that mostly affect Space/Ground Rental, Other Concession, and Other Income. In fiscal years 2020 and 2021, due to the impact of COVID-19, the District experienced approximately 21% and 53%, respectively, reduction in enplaned passengers as compared to fiscal year 2019 which resulted in reductions to various operating revenues to include airside, auto parking concessions, other concessions, commercial ground transportation, etc.

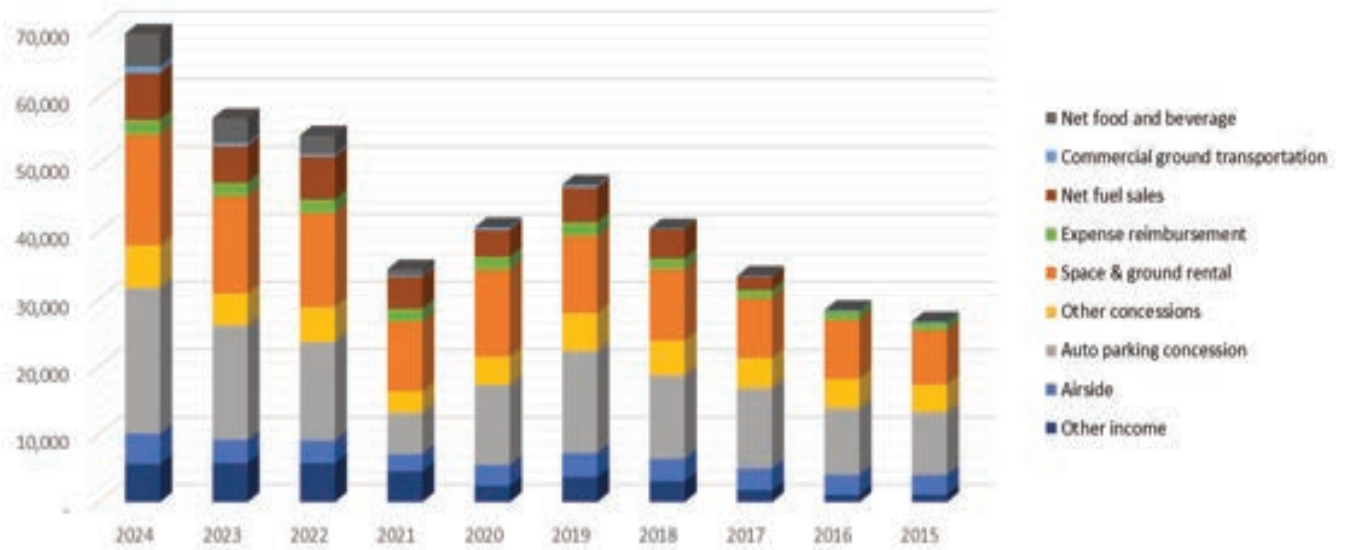
Between fiscal year 2021 and 2024, due to COVID-19 recovery, the District experienced approximately 134% increase in enplanements to 1.4 million which resulted in increases in various operating revenues to include auto parking concessions, food & beverage revenues and space & ground rentals, etc. Increases in parking rates, space rental rates, landing fee rates and other rates also contributed to the uptick in revenues over the years.

Source: Greenville-Spartanburg Airport District Records

2024 OPERATING REVENUES



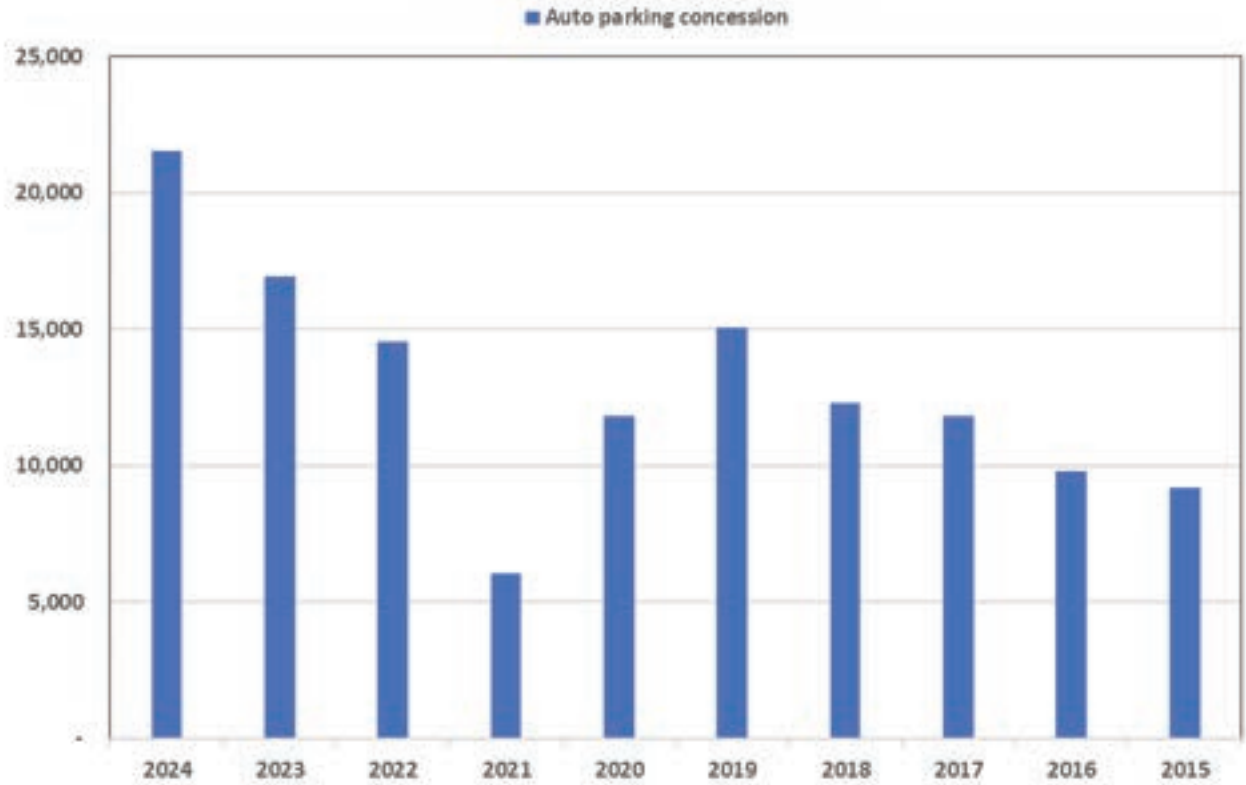
OPERATING REVENUES



Source: Greenville-Spartanburg Airport District Records



PUBLIC PARKING ANALYSIS



Operating revenues have increased 159.6% since 2015. Enplanements increased 44.2% to 1,371,000 compared to 951,000 ten years ago. Parking revenue increased 135.0% since 2015. The parking spaces are broken into Garage A: 1,083; Garage B: 1,498; Economy 1: 1,562; Economy 2: 1,417; Economy 3: 352 (Closed); and Valet: 418. Parking continues to be one of the District's highest individual revenue source.

Source: Greenville-Spartanburg Airport District Records

GREENVILLE-SPARTANBURG AIRPORT DISTRICT OPERATING EXPENSES ANALYSIS (000S)

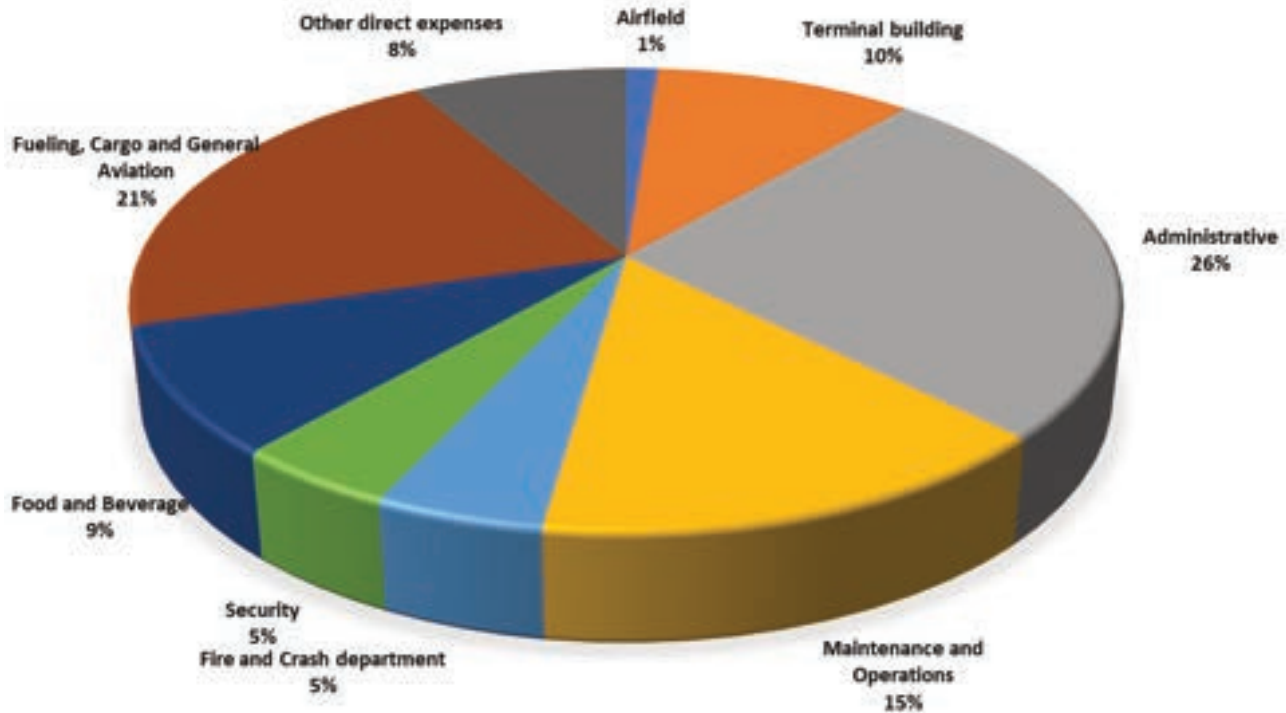
JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Operating expenses before loss on disposal of assets, depreciation, and pension expense:										
Operating expense:										
Airfield	\$ 532	\$ 362	\$ 290	\$ 293	\$ 406	\$ 458	\$ 308	\$ 260	\$ 293	\$ 223
Terminal Building	4,336	3,985	3,413	2,959	3,517	3,663	3,244	2,371	2,305	2,219
Administrative	11,156	9,181	7,905	8,478	6,800	7,412	5,612	6,646	5,035	4,787
Maintenance and Operations	6,325	5,857	4,840	4,108	4,501	4,292	3,941	3,328	3,081	3,178
Fire and Crash Department	2,004	1,707	1,266	1,237	1,418	1,298	1,220	1,155	1,045	1,106
Security	1,937	1,824	1,416	1,227	1,416	1,361	1,233	1,216	1,126	1,242
Food and Beverage	3,783	3,196	2,628	1,058	-	-	-	-	-	-
Fueling, Cargo and General Aviation	9,102	9,244	7,576	5,219	4,729	-	-	-	-	-
Other Direct Expenses	3,596	2,432	1,758	1,427	2,203	7,466	5,335	4,061	1,958	1,871
Total operating expenses before loss on disposal of assets, depreciation, and pension expense	\$ 42,771	\$ 37,788	\$ 31,092	\$ 26,006	\$ 24,990	\$ 25,950	\$ 20,893	\$ 19,037	\$ 14,843	\$ 14,626

Operating expenses have increased 192% since 2015. In 2017, GSP opened Cerulean Aviation to run their own fixed base operations (FBOs), which has resulted in increased operating expenses. While expenses decreased in fiscal year 2020 due to the impact of COVID-19, they have rebounded to keep up with the increase in traffic.

The food and beverage management agreement began in fiscal year 2021. Fueling, cargo and general aviation were presented in other direct expenses in fiscal years prior to 2020 before ERP system implementation.

2024 OPERATING EXPENSES BEFORE DEPRECIATION AND PENSION EXPENSE

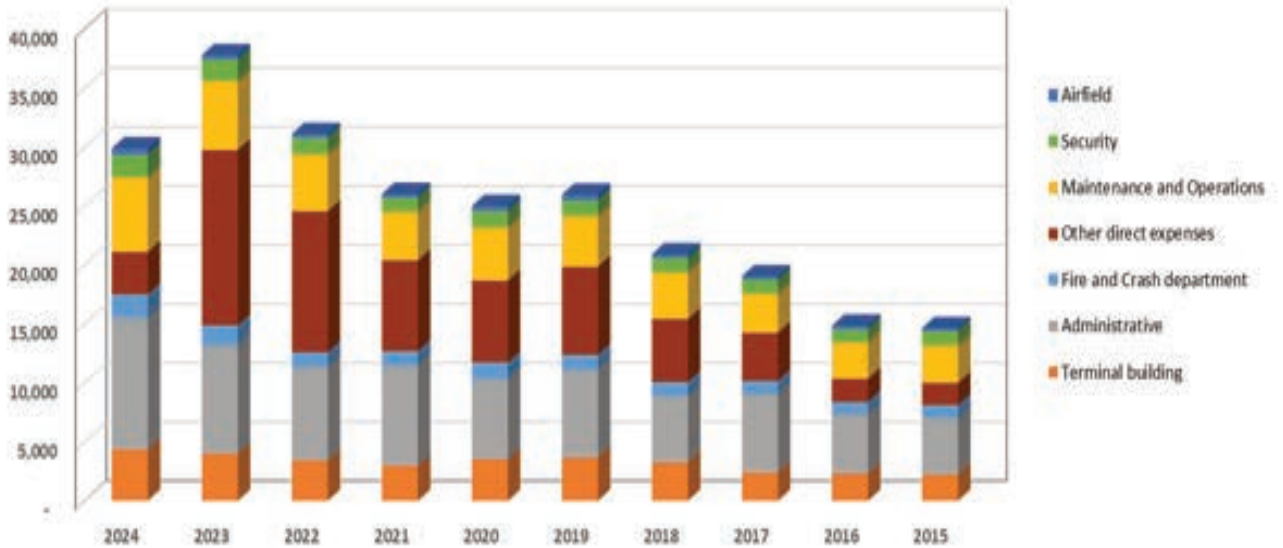


Source: Greenville-Spartanburg Airport District Records



JUNE 30, 2024

OPERATING EXPENSES BEFORE DEPRECIATION AND PENSION EXPENSE



Source: Greenville-Spartanburg Airport District Records

**GREENVILLE-SPARTANBURG AIRPORT DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION ANALYSIS (000S)**

JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Operating revenues:										
Airside	\$ 4,487	\$ 3,384	\$ 3,343	\$ 2,521	\$ 3,049	\$ 3,513	\$ 3,299	\$ 3,222	\$ 2,957	\$ 2,919
Space and ground rental	16,361	14,364	13,871	10,357	12,856	11,395	10,525	8,812	8,710	8,053
Auto parking concessions	21,538	16,934	14,516	6,023	11,792	15,044	12,262	11,799	9,773	9,176
Other concessions	6,335	4,788	5,270	3,281	4,259	5,680	5,255	4,515	4,405	4,167
Commercial ground transportation	1,076	486	397	208	397	441	123	147	151	150
Expense reimbursement	2,209	1,999	2,009	1,847	1,894	2,048	1,590	1,268	1,273	1,112
Other income	5,633	5,777	5,752	4,546	2,423	3,720	3,100	1,776	1,096	1,108
Operating revenues before fuel sales	57,640	47,732	45,158	28,783	36,670	41,841	36,154	31,539	28,365	26,685
Gross profit on fuel sales:										
Fuel sales	9,983	9,765	9,740	6,388	5,974	7,449	5,898	2,318	-	-
Cost of goods sold	(3,126)	(4,365)	(3,423)	(1,646)	(2,014)	(2,381)	(1,597)	(411)	-	-
Fuel sales - net	6,857	5,400	6,317	4,742	3,960	5,068	4,301	1,907	-	-
Gross profit on food and beverage:										
Food and beverage	6,559	5,110	3,904	1,233	-	-	-	-	-	-
Cost of goods sold	(1,778)	(1,475)	(1,151)	(338)	-	-	-	-	-	-
Food and beverage - net	4,782	3,635	2,753	895	-	-	-	-	-	-
Total operating revenues	69,278	56,767	54,228	34,420	40,630	46,909	40,455	33,446	28,365	26,685
Operating expenses before loss on disposal of assets and depreciation:										
Airfield	532	362	290	293	406	458	308	260	293	223
Terminal building	4,336	3,985	3,413	2,959	3,517	3,663	3,244	2,371	2,305	2,219
Administrative	11,156	9,181	7,905	8,478	6,800	7,412	5,612	6,646	5,035	4,787
Maintenance and operations	6,325	5,857	4,840	4,108	4,501	4,292	3,941	3,328	3,081	3,178
Fire and crash department	2,004	1,707	1,266	1,237	1,418	1,298	1,220	1,155	1,045	1,106
Security	1,937	1,824	1,416	1,227	1,416	1,361	1,233	1,216	1,126	1,242
Food and beverage (B)	3,783	3,196	2,628	1,058	-	-	-	-	-	-
Fueling, cargo and general aviation (C)	9,102	9,244	7,576	5,219	4,729	-	-	-	-	-
Other direct expenses	3,596	2,432	1,758	1,426	2,203	7,466	5,335	4,061	1,958	1,871
Total operating expenses before loss on disposal of assets and depreciation	42,772	37,788	31,092	26,005	24,990	25,950	20,893	19,037	14,843	14,626
Operating income before loss on disposal of assets, pension and depreciation expenses										
Net Loss on disposal of assets	-	-	-	-	-	-	-	4	195	490
Pension	3,967	3,134	2,521	4,613	4,338	3,154	2,125	1,178	835	-
Depreciation	18,153	16,478	15,130	13,463	12,240	12,032	11,804	10,846	10,129	9,726
Operating income (loss)	4,387	(633)	5,485	(9,661)	(938)	5,773	5,633	2,381	2,363	1,843
Nonoperating revenues (expenses):										
Customer facility charges	3,749	2,283	1,457	515	1,686	1,263	986	1,154	1,027	857
Passenger facility charges	5,337	4,694	4,353	2,661	313	-	-	-	-	-
Interest earned on accounts	2,989	2,200	1,359	302	536	401	134	53	43	23
Change in fair value of investments	1,361	(359)	(1,581)	(263)	5	96	10	2	2	8
Insurance proceeds and legal settlement	(2)	21	68	1,048	109	-	536	-	-	-
Interest and other financing costs- net	(487)	(517)	(548)	(623)	(904)	(540)	(197)	(155)	(155)	(176)
Nonoperating revenues - net	12,946	8,322	5,108	3,640	1,745	1,220	1,469	1,054	917	712
Income before capital contributions	17,333	7,689	10,593	(6,021)	807	6,993	7,102	3,435	3,280	2,555
Capital contributions	17,366	12,645	10,262	7,271	9,229	13,126	5,854	11,936	3,341	6,524
Federal non-capital grants	-	1,094	11,123	20,111	10,870	-	-	-	-	-
Change in net position	34,699	21,428	31,978	21,361	20,906	20,119	12,956	15,371	6,621	9,079
Net position:										
Beginning of year	369,904	348,476	316,498	295,137	274,231	254,112	241,156	225,935	219,314	219,451
Cumulative effect of change in accounting principle (A)	-	-	-	-	-	-	-	(150)	-	(9,216)
Beginning of year, restated	369,904	348,476	316,498	295,137	274,231	254,112	241,156	225,785	219,314	210,235
End of year	\$ 404,603	\$ 369,904	\$ 348,476	\$ 316,498	\$ 295,137	\$ 274,231	\$ 254,112	\$ 241,156	\$ 225,935	\$ 219,314

(A) - Net position has been restated for the adoption of GASB 75 and 68 in 2017 and 2015, respectively.

(B) - The food and beverage management agreement began in fiscal year 2021.

(C) - Fueling, cargo and general aviation were presented in other direct expenses in fiscal years prior to 2020 before ERP system implementation. re ERP system implementation.

Source: Greenville-Spartanburg Airport District Records

GREENVILLE-SPARTANBURG AIRPORT DISTRICT STATEMENTS OF NET POSITION ANALYSIS (000S)

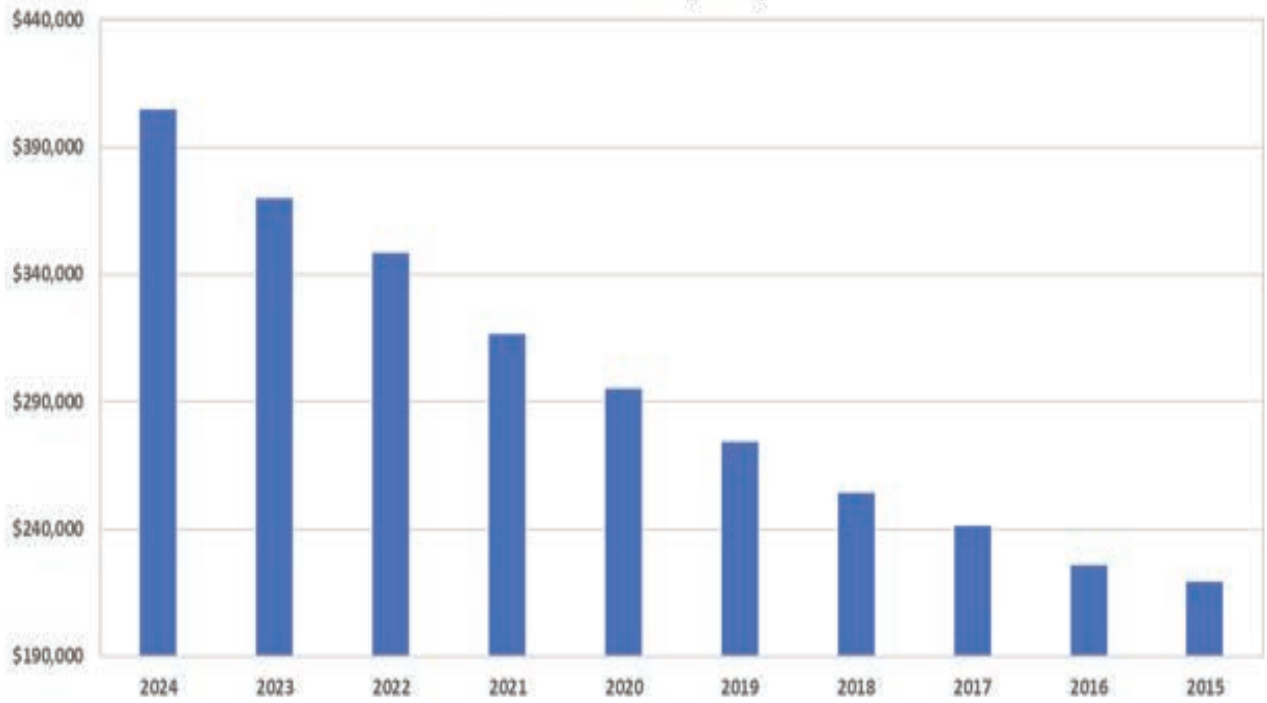
JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
ASSETS										
Current unrestricted assets:										
Cash	\$ 27,325	\$ 17,351	\$ 31,157	\$ 20,168	\$ 3,479	\$ 10,261	\$ 11,854	\$ 6,291	\$ 2,805	\$ 9,621
Receivables	20,109	14,822	8,063	7,578	18,449	8,480	2,537	3,339	3,851	624
Inventories and prepaid insurance	395	603	962	596	528	652	566	479	1,056	439
Investments	25,244	14,067	12,122	39,188	19,312	16,688	9,996	9,996	16,864	36,262
Leases receivable	1,486	1,389	3,955	-	-	-	-	-	-	-
Total current unrestricted assets	74,559	48,232	56,259	67,530	41,768	36,081	24,953	20,105	24,576	46,946
Current restricted assets:										
Cash	15,983	29,436	20,651	12,788	8,660	5,332	2,744	1,865	-	598
Receivables	1,532	843	698	941	353	284	292	280	246	239
Investments - held by Trustee	-	-	-	-	451	433	422	407	398	383
Total current restricted assets	17,514	30,279	21,349	13,729	9,464	6,049	3,458	2,552	644	1,220
Noncurrent assets:										
Investments	22,522	25,063	26,299	-	-	-	-	-	-	-
Leases receivable	32,253	33,270	34,586	-	-	-	-	-	-	-
Capital assets - net	361,851	334,381	316,914	299,599	286,631	273,373	250,853	237,687	216,598	188,744
Total noncurrent assets	416,626	392,714	377,799	299,599	286,631	273,373	250,853	237,687	216,598	188,744
Total Assets	508,699	471,225	455,407	380,858	337,863	315,503	279,264	260,344	241,818	236,910
Deferred Outflows of Resources:										
Deferred outflow related to State Pension Plans	7,517	5,573	4,184	5,771	6,154	5,662	4,535	2,330	972	887
Deferred outflow related to OPEB	832	806	916	1,051	186	222	259	-	-	-
Total deferred outflows	8,349	6,379	5,100	6,822	6,340	5,884	4,794	2,330	972	887
LIABILITIES										
Payable from unrestricted assets:										
Accounts payable	15,495	11,215	11,740	7,947	7,112	9,553	3,259	4,059	3,192	4,852
Accrued employee benefits	4,087	2,531	2,028	1,381	1,329	1,499	1,224	-	-	-
Accrued interest payable	39	42	42	43	-	-	-	-	-	-
Lease liabilities - current portion	317	315	312	-	-	-	-	-	-	-
Line of credit	-	-	-	-	2,100	-	7,194	2,164	-	-
Term notes payable - current portion	1,750	1,750	1,750	1,750	784	784	-	-	-	-
Total payable from unrestricted assets	21,689	15,853	15,872	11,121	11,325	11,836	11,677	6,223	3,192	4,852
Payable from restricted assets:										
Accrued interest payable	-	-	-	-	87	43	55	67	78	88
Revenue bonds - current portion	-	-	-	-	420	390	365	340	320	295
Total payable from restricted assets	-	-	-	-	507	433	420	407	398	383
Total current liabilities	21,689	15,853	15,872	11,121	11,832	12,269	12,097	6,630	3,590	5,235
Noncurrent liabilities:										
Long-term employee benefits	1,635	2,029	1,578	1,314	1,134	803	675	423	827	803
Net pension liability	26,890	23,779	18,779	23,187	21,027	17,931	15,244	12,214	10,446	9,311
Total OPEB liability	2,696	2,260	2,514	2,727	782	712	660	608	-	-
Lease liabilities - net of current portion	446	694	1,009	-	-	-	-	-	-	-
Term notes payable - net of current portion	26,688	28,438	30,188	31,938	13,661	14,446	-	-	-	-
Revenue bonds payable - net of current portion	-	-	-	-	445	865	1,255	1,620	1,960	2,280
Total noncurrent liabilities	58,355	57,200	54,068	59,166	37,049	34,757	17,834	14,865	13,233	12,394
Total Liabilities	80,043	73,053	69,940	70,287	48,881	47,026	29,931	21,495	16,823	17,629
Deferred Inflows of Resources:										
Deferred inflow related to State Pension Plans	340	620	3,669	402	152	89	15	23	32	854
Deferred inflow related to OPEB	1,139	1,286	885	493	33	41	-	-	-	-
Deferred inflow related to Leases	30,923	32,741	37,537	-	-	-	-	-	-	-
Total deferred inflows	32,403	34,647	42,091	895	185	130	15	23	32	854
NET POSITION										
Net investment in capital assets	322,473	298,991	278,701	262,010	264,078	249,914	240,693	231,976	212,500	185,952
Restricted:										
Held by trustee	-	-	-	-	364	390	367	340	320	295
Customer facility charges	9,519	18,131	14,020	10,755	8,700	5,617	2,158	2,146	2,111	2,100
Passenger facility charges	7,995	12,147	7,329	2,974	313	-	-	-	-	-
Total restricted	17,514	30,278	21,349	13,729	9,377	6,007	2,525	2,486	2,431	2,395
Unrestricted	64,616	40,635	48,426	40,759	21,682	18,310	10,894	6,694	11,004	30,967
Total Net Position	\$ 404,603	\$ 369,904	\$ 348,476	\$ 316,498	\$ 295,137	\$ 274,231	\$ 254,112	\$ 241,156	\$ 225,935	\$ 219,314

Source: Greenville-Spartanburg Airport District Records



NET POSITION (000s)



Source: Greenville-Spartanburg Airport District Records

GREENVILLE-SPARTANBURG AIRPORT DISTRICT GROSS MARGIN ANALYSIS (000S)



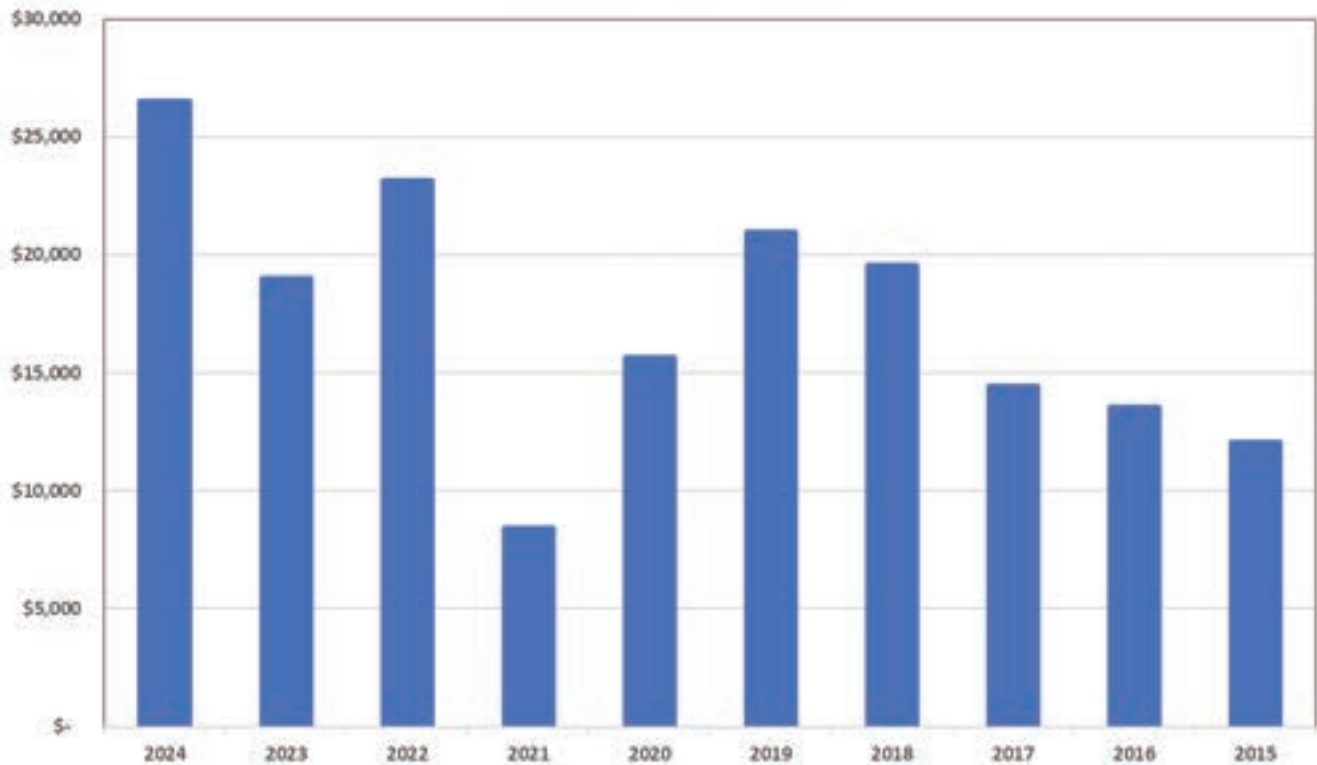
JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Operating revenues	\$ 69,278	\$ 56,767	\$ 54,228	\$ 34,420	\$ 40,630	\$ 46,909	\$ 40,455	\$ 33,446	\$ 28,365	\$ 26,685
Operating expenses	\$ 42,771	\$ 37,788	\$ 31,092	\$ 26,006	\$ 24,990	\$ 25,950	\$ 20,893	\$ 19,037	\$ 14,843	\$ 14,626
Gross margin (\$)	\$ 26,507	\$ 18,979	\$ 23,136	\$ 8,414	\$ 15,640	\$ 20,959	\$ 19,562	\$ 14,409	\$ 13,522	\$ 12,059
Gross margin (%) *	38.3%	33.4%	42.7%	24.4%	38.5%	44.7%	48.4%	43.1%	47.7%	45.2%

*Excludes Depreciation and Pension Expense

Fiscal years 2021 and 2020 illustrate the impact of COVID-19 to various operating revenues to include airside, auto parking concessions, other concessions, commercial ground transportation, etc. Accordingly, operating expenses were reduced in order to mitigate the loss of operating revenues. Operating revenues and operating expenses have both rebounded since the COVID-19 era.

GROSS MARGIN (000s)



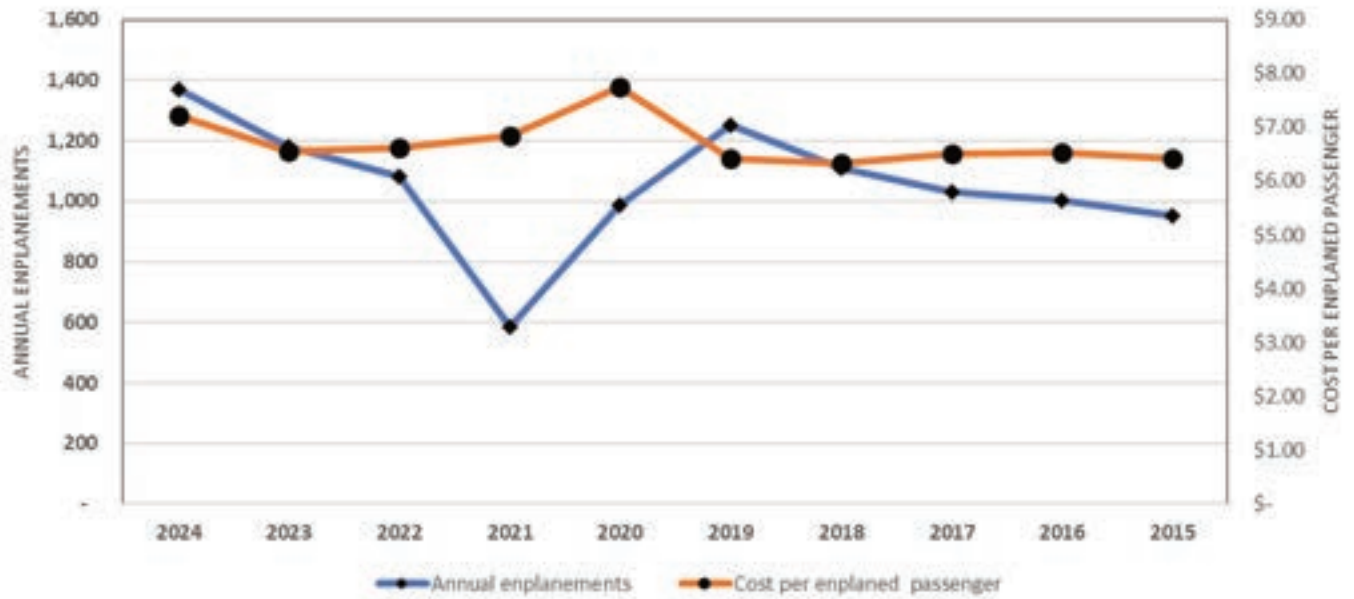
Source: Greenville-Spartanburg Airport District Records

GREENVILLE-SPARTANBURG AIRPORT DISTRICT COST PER ENPLANEMENT (CPE) ANALYSIS (000S)

JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Annual Enplanements	1,371	1,179	1,084	587	986	1,251	1,108	1,031	1,002	951
Landing Fees	\$ 2,997	\$ 1,993	\$ 1,946	\$ 1,319	\$ 2,023	\$ 2,211	\$ 2,086	\$ 2,127	\$ 2,031	\$ 1,956
Terminal Rent	1,081	970	774	422	1,364	1,277	1,241	3,692	3,747	3,432
Apron Fees & Aircraft Parking	-	-	-	-	65	66	62	236	197	207
Passenger Boarding Bridge	-	-	-	-	-	-	-	317	316	280
Shared Tenant Services	73	183	74	84	71	56	48	63	46	46
Security Fees	294	246	225	126	133	279	230	-	-	-
Refuse	-	-	-	-	-	-	-	3	4	4
Triturator	-	-	-	-	-	-	7	6	6	6
Per Turn Fees	5,399	4,264	4,024	2,017	3,915	4,070	3,271	271	205	169
CUSS Ticketing Stock	67	58	53	29	57	58	48	-	-	-
Share Use Equipment	-	-	85	20	20	20	20	-	-	-
Utility Reimbursement	-	-	-	-	-	-	-	-	-	-
Total Airline Cost	\$ 9,911	\$ 7,714	\$ 7,181	\$ 4,017	\$ 7,648	\$ 8,037	\$ 7,013	\$ 6,715	\$ 6,552	\$ 6,100
Cost Per Enplaned Passenger	\$ 7.23	\$ 6.54	\$ 6.62	\$ 6.84	\$ 7.76	\$ 6.42	\$ 6.33	\$ 6.51	\$ 6.54	\$ 6.41

ANNUAL ENPLANEMENTS AND COST PER ENPLANED PASSENGER



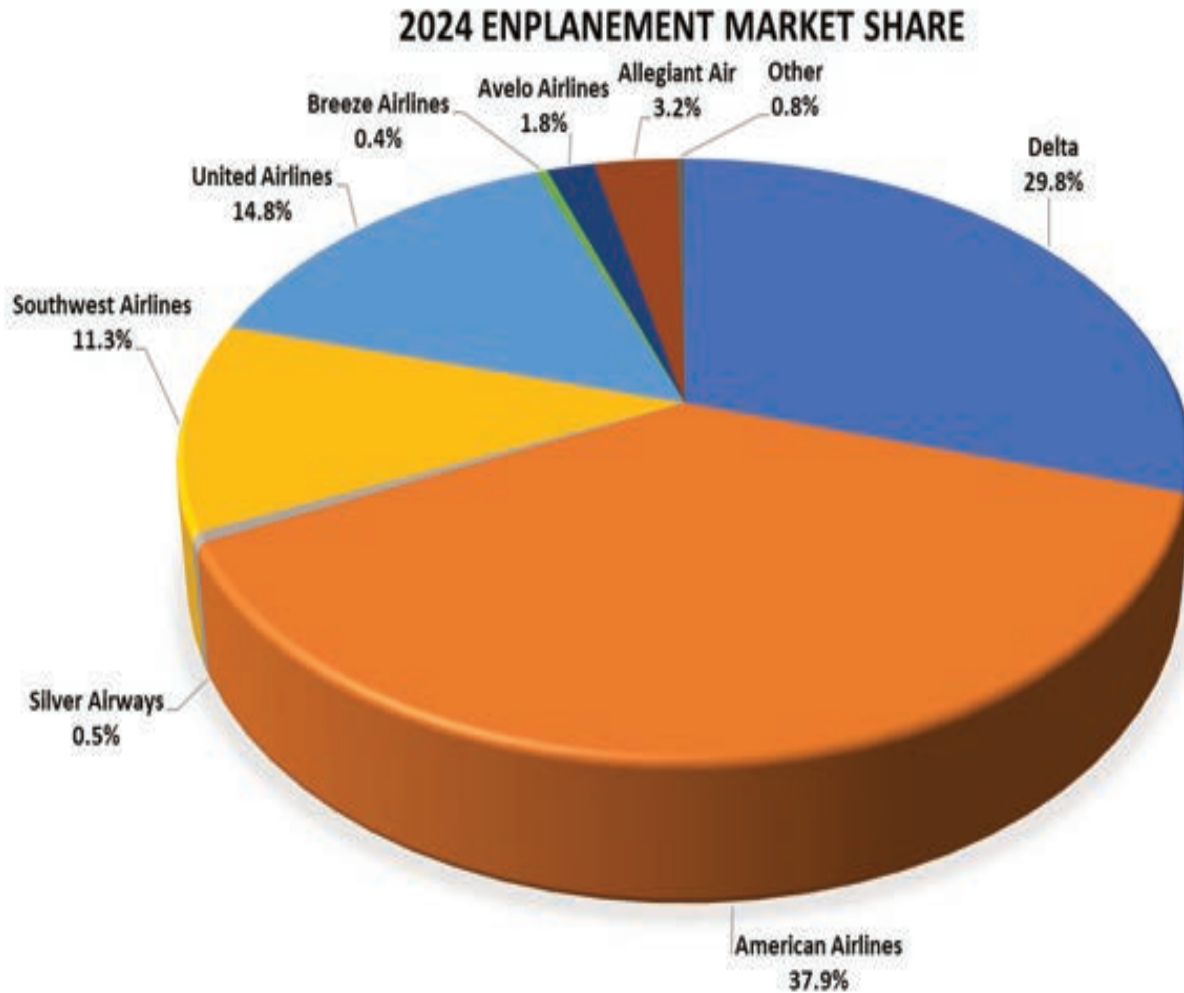
Source: Greenville-Spartanburg Airport District Records

**GREENVILLE-SPARTANBURG AIRPORT DISTRICT
OPERATING REVENUES, EXPENSES, AND GROSS MARGIN
PER ENPLANEMENT ANALYSIS (000S)**

JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Operating Revenues Per Enplaned Passenger	\$ 50.53	\$ 48.15	\$ 50.03	\$ 58.64	\$ 41.21	\$ 37.50	\$ 36.51	\$ 32.44	\$ 28.31	\$ 28.06
Operating Expenses Per Enplaned Passenger*	47.33	48.69	44.97	75.10	42.16	32.88	31.43	30.13	25.95	26.12
Gross Margin per Enplaned Passenger	\$ 3.20	\$ (0.54)	\$ 5.06	\$ (16.46)	\$ (0.95)	\$ 4.62	\$ 5.08	\$ 2.31	\$ 2.36	\$ 1.94

* Operating Expenses above includes pension and depreciation expenses

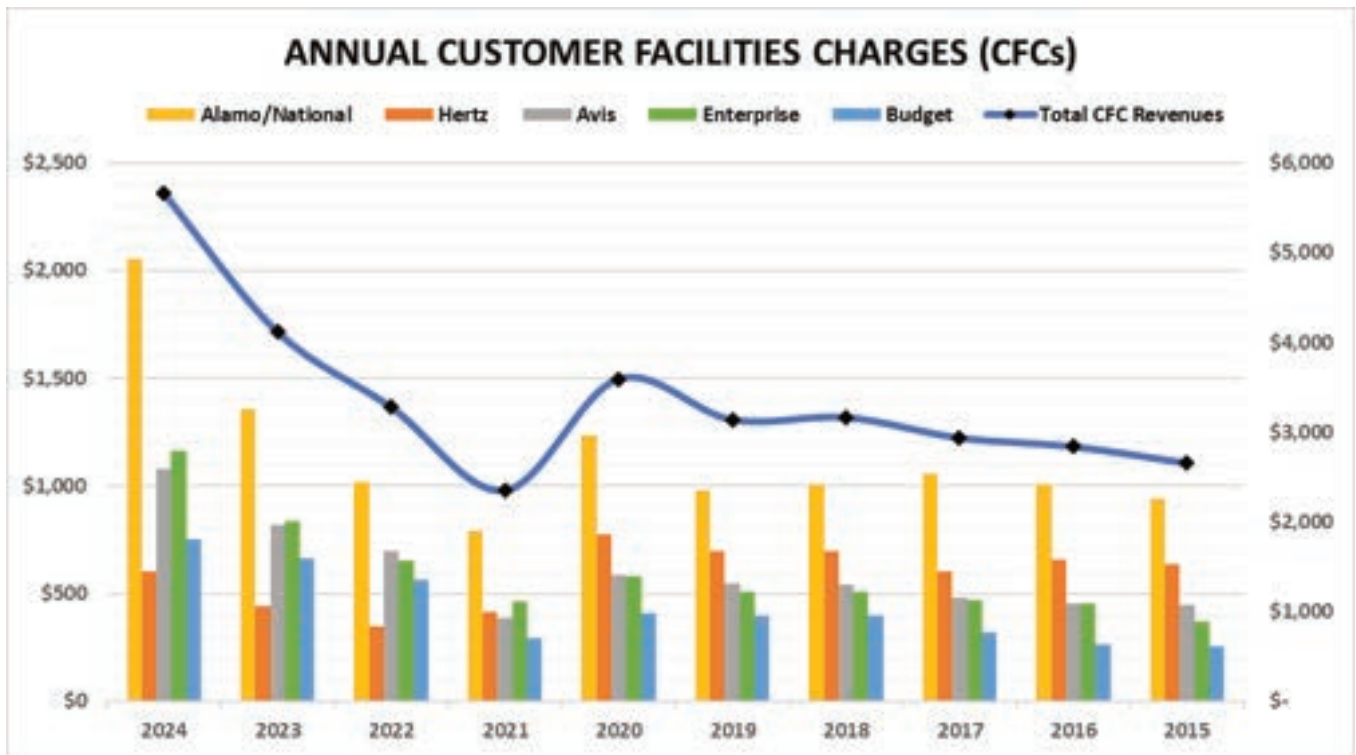


Source: Greenville-Spartanburg Airport District Records

**GREENVILLE-SPARTANBURG AIRPORT DISTRICT
CUSTOMER FACILITY CHARGES (CFC) AND PASSENGER
FACILITY CHARGES (PFC) ANALYSIS (000S)**

JUNE 30, 2024

	Customer Facility Charges									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Hertz	\$ 602	\$ 440	\$ 347	\$ 413	\$ 773	\$ 700	\$ 698	\$ 603	\$ 658	\$ 637
Avis	1,081	819	700	388	587	549	544	482	451	450
Alamo/National	2,057	1,357	1,016	790	1,235	981	1,009	1,056	1,008	942
Budget	752	664	564	295	412	400	401	321	267	255
Enterprise	1,164	835	651	464	583	507	511	473	454	371
Total CFC Revenues	\$ 5,656	\$ 4,115	\$ 3,278	\$ 2,350	\$ 3,590	\$ 3,137	\$ 3,163	\$ 2,935	\$ 2,838	\$ 2,655



	Passenger Facility Charges									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Allegiant Air	\$ 203	\$ 193	\$ 201	\$ 151	\$ 26	\$ -	\$ -	\$ -	\$ -	\$ -
American Airlines	2,063	1,702	1,535	1,042	145	-	-	-	-	-
Avelo	100	-	-	-	-	-	-	-	-	-
Delta	1,551	1,480	1,445	725	59	-	-	-	-	-
Silver Airways	18	23	30	18	-	-	-	-	-	-
Southwest Airlines	569	468	432	300	39	-	-	-	-	-
United Airlines	785	737	661	414	43	-	-	-	-	-
Other	48	91	49	11	1	-	-	-	-	-
Total PFC Revenues	\$ 5,337	\$ 4,694	\$ 4,353	\$ 2,661	\$ 313	\$ -	\$ -	\$ -	\$ -	\$ -

On March 18, 2020, the U.S. Department of Transportation's Federal Aviation Administration (FAA) acknowledged the District's notice of intent to impose and use a passenger facility charges (PFC). The FAA acknowledged that GSP could begin collecting a PFC at a \$4.50 PFC level on May 1, 2020 and complete collections on October 1, 2024. Subsequent to the year ending June 30, 2024, the FAA acknowledged our intent to continue collecting at the current \$4.50 PFC level for application number 2, to complete collections on August 1, 2027.

Source: Greenville-Spartanburg Airport District Records

**GREENVILLE-SPARTANBURG AIRPORT DISTRICT
OUTSTANDING DEBT BY TYPE AND DEBT SERVICE
COVERAGE ANALYSIS (000S)**

JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Outstanding Debt										
Revenue bonds	\$ -	\$ -	\$ -	\$ -	\$ 865	\$ 1,255	\$ 1,620	\$ 1,960	\$ 2,280	\$ 2,575
Term note payable	28,438	30,188	31,938	33,688	14,445	15,230	-	-	-	-
Line of credit	-	-	-	-	2,100	-	7,194	2,164	-	-
Lease liability	763	1,009	1,321	-	-	-	-	-	-	-
	<u>\$ 29,201</u>	<u>\$ 31,197</u>	<u>\$ 33,259</u>	<u>\$ 33,688</u>	<u>\$ 17,410</u>	<u>\$ 16,485</u>	<u>\$ 8,814</u>	<u>\$ 4,124</u>	<u>\$ 2,280</u>	<u>\$ 2,575</u>
Upstate Region Population	1,516	1,512	1,512	1,512	1,494	1,479	1,460	1,441	1,424	1,408
Outstanding Debt per Capita	\$ 19.26	\$ 20.63	\$ 22.00	\$ 22.28	\$ 11.65	\$ 11.15	\$ 6.04	\$ 2.86	\$ 1.60	\$ 1.83
Total Enplaned Passengers	1,371	1,179	1,084	587	986	1,251	1,108	1,031	1,002	951
Outstanding Debt / Enplaned Passengers	\$ 21.30	\$ 26.46	\$ 30.68	\$ 57.39	\$ 17.66	\$ 13.18	\$ 7.95	\$ 4.00	\$ 2.28	\$ 2.71
Debt Service Coverage										
Operating revenue	\$ 69,278	\$ 56,767	\$ 54,228	\$ 34,420	\$ 40,630	\$ 46,909	\$ 40,455	\$ 33,446	\$ 28,365	\$ 26,685
Less operating expenses	42,771	37,788	31,092	26,006	24,990	25,950	20,893	19,037	14,843	14,626
Less pension contributions	3,106	2,597	2,026	1,593	1,638	1,482	1,169	837	732	-
Income from CFC	3,749	2,283	1,457	515	1,686	1,263	986	1,154	1,027	857
Investment income	2,989	2,200	1,359	302	536	401	134	53	43	23
Coverage cash flow	<u>\$ 30,138</u>	<u>\$ 20,865</u>	<u>\$ 23,926</u>	<u>\$ 7,638</u>	<u>\$ 16,224</u>	<u>\$ 21,141</u>	<u>\$ 19,513</u>	<u>\$ 14,779</u>	<u>\$ 13,860</u>	<u>\$ 12,939</u>
Total debt service	<u>\$ 2,229</u>	<u>\$ 2,256</u>	<u>\$ 2,287</u>	<u>\$ 2,365</u>	<u>\$ 1,917</u>	<u>\$ 1,956</u>	<u>\$ 876</u>	<u>\$ 450</u>	<u>\$ 454</u>	<u>\$ 450</u>
Debt service coverage	<u>1352.09%</u>	<u>924.87%</u>	<u>1046.17%</u>	<u>322.96%</u>	<u>846.32%</u>	<u>1080.83%</u>	<u>2227.51%</u>	<u>3284.22%</u>	<u>3052.86%</u>	<u>2875.33%</u>

For calculation of debt service coverage, actual contributions into the Airport sponsored pension plans during the year are utilized instead of actuarially determined pension expense as reported in the statement of revenues, expenses and changes in net position.

Source: Greenville-Spartanburg Airport District Records

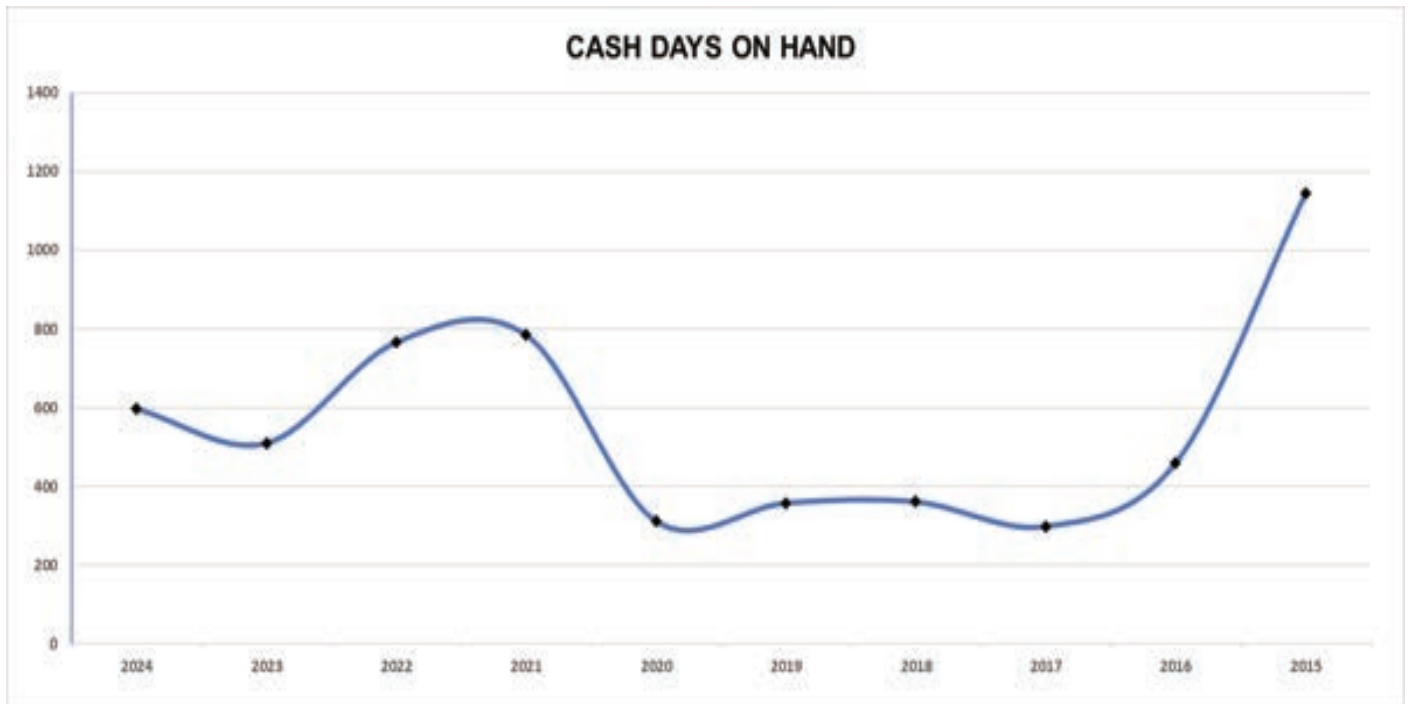
GREENVILLE-SPARTANBURG AIRPORT DISTRICT CASH FLOW SUMMARY ACTIVITIES ANALYSIS (000S)

JUNE 30, 2024

Cash flows provided by (used) in:

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Operating activities	\$ 25,531	\$ 13,372	\$ 17,301	\$ 8,104	\$ 13,913	\$ 20,993	\$ 19,438	\$ 15,643	\$ 7,436	\$ 12,398
Noncapital and related financing activities	(1,094)	273	11,128	30,702						
Capital and related financing activities	(22,853)	(19,072)	(9,460)	1,467	(15,304)	(13,691)	(13,125)	(17,215)	(34,292)	(26,982)
Investing activities	(5,062)	405	(117)	(19,907)	(2,045)	(6,296)	143	7,331	19,442	10,285
Net increase (decrease) in cash:	(3,478)	(5,022)	18,852	20,366	(3,436)	1,006	6,456	5,759	(7,414)	(4,299)
Beginning Year Cash and Cash Equivalents	46,786	51,808	32,956	12,590	16,026	15,020	8,564	2,805	10,219	14,518
End of Year Cash and Cash Equivalents	\$ 43,308	\$ 46,786	\$ 51,808	\$ 32,956	\$ 12,590	\$ 16,026	\$ 15,020	\$ 8,564	\$ 2,805	\$ 10,219
Less: restricted cash	(15,983)	(29,436)	(20,651)	(12,788)	(9,111)	(5,765)	(3,166)	(2,272)	-	(598)
Plus: unrestricted investments	47,766	39,130	38,421	39,188	19,312	16,688	9,996	9,996	16,864	36,262
Unrestricted cash, cash equivalents, and investments	\$ 75,091	\$ 56,480	\$ 69,578	\$ 59,356	\$ 22,791	\$ 26,949	\$ 21,850	\$ 16,288	\$ 19,669	\$ 45,883
Operating expense before pension and depreciation expense	42,771	37,788	31,092	26,006	24,990	25,950	20,893	19,037	14,843	14,626
Pension contributions	3,106	2,597	2,026	1,593	1,638	1,482	1,169	837	732	-
Adjusted operating expense	\$ 45,877	\$ 40,385	\$ 33,118	\$ 27,599	\$ 26,628	\$ 27,432	\$ 22,062	\$ 19,874	\$ 15,575	\$ 14,626
Unrestricted cash, cash equivalents, and investments days on hand	597	510	767	785	312	359	361	299	461	1,145

The days on hand calculation was revised to include only unrestricted cash and investments available to pay for operating expenses; prior years were recalculated using the updated methodology. Operating expenses are adjusted to include cash pension contributions.



Source: Greenville-Spartanburg Airport District Records

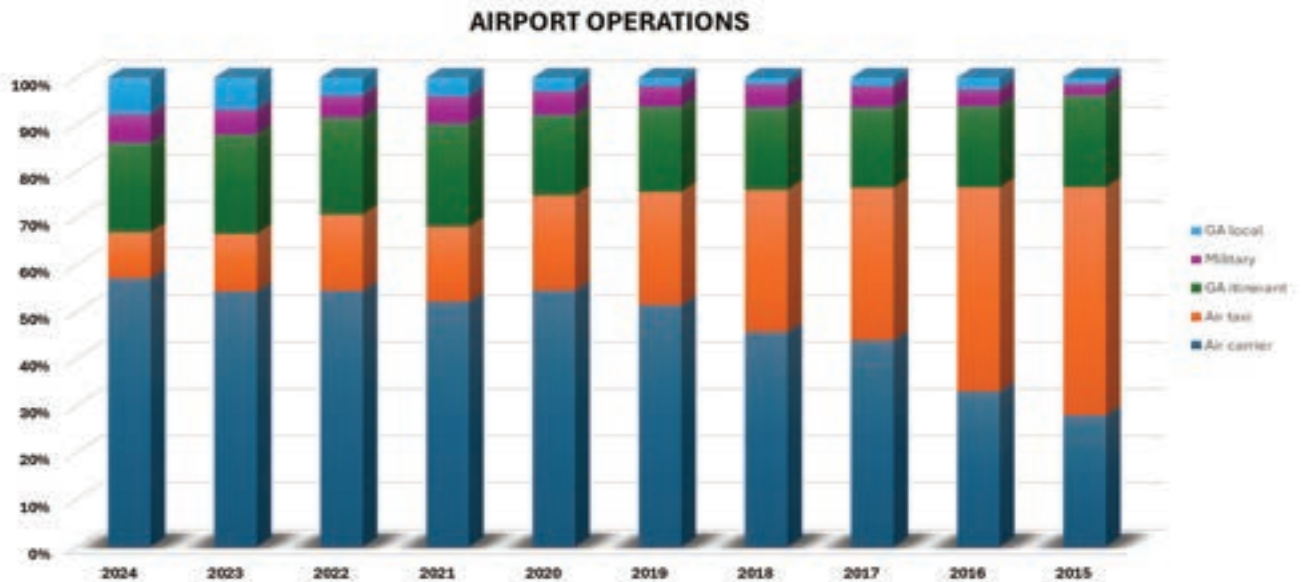
GREENVILLE-SPARTANBURG AIRPORT DISTRICT AIRCRAFT ACTIVITY AND WEIGHTS ANALYSIS



JUNE 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Aircraft Operations										
Air carrier	32,394	27,725	28,587	21,440	25,603	27,020	21,801	19,370	14,875	12,440
Air taxi	5,588	6,281	8,520	6,549	9,512	12,654	14,425	14,343	19,510	21,592
GA itinerant	10,771	10,793	10,818	9,022	8,005	9,521	8,334	7,547	7,764	8,674
Military	3,467	2,710	2,446	2,385	2,354	2,286	2,377	2,012	1,601	1,078
GA local	4,418	3,457	2,012	1,642	1,380	943	674	787	1,135	597
Aircraft Operations	56,638	50,966	52,383	41,038	46,854	52,424	47,611	44,059	44,885	44,381
Cargo (000s Pounds)	144,984	158,278	194,518	168,065	111,537	118,329	112,449	81,867	61,657	60,532

Over the last ten years, air carrier operations have steadily increased at GSP thanks to the introduction of more flights and new non-stop destinations. Airlines have introduced larger, more efficient aircraft and passenger activity has increased. However, in fiscal year 2020 travel restrictions associated with the COVID-19 pandemic negatively impacted operations at airports across the nation, including GSP. Full recovery in the aviation industry was achieved in fiscal year 2024.



Source: Greenville-Spartanburg Airport District Records



CARGO OPERATIONS (000s Pounds)



Source: Greenville-Spartanburg Airport District Records

GREENVILLE-SPARTANBURG AIRPORT DISTRICT EMPLOYEE ANALYSIS AND MAJOR AIRPORT TENANTS

JUNE 30, 2024

Employee Analysis

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Full time	200.0	218.0	183.0	176.0	178.0	177.0	174.0	149.0	103.0	102.0
Part time ¹	31.0	15.0	23.0	21.0	21.0	24.0	31.0	34.7	34.5	31.1
Total Employees	231.0	233.0	206.0	197.0	199.0	201.0	205.0	183.7	137.5	133.1

¹ Part time employees include seasonal employees for all years.

Major Airport Tenants

Passenger Carriers:

Allegiant Air
American Airlines
Avelo Airlines
Breeze Airways
Delta Air Lines
Southwest Airlines
United Airlines

Air Cargo Carriers:

Federal Express
Mountain Air Cargo
United Parcel Service

Charter Services:

SAI Flight Services
Venture Aviation

Private Hangar Partners:

Barker Products
Barnet Vistas
Gibbs International
Michelin
Milliken
PSA Airlines
SAI Flight Services
Venture Aviation

Other Airport Tenants:

ARINC Incorporated
Cingular Wireless
Bradford Logistics Group
CenterPoint
Delta Cargo
EQT Exeter
G2 Secure Staff
Greer CPW
JetStar
Majestic Air Services
PrimeFlight Aviation
MAERSK
SB Acquisitions
SITA SCRL
US Federal Aviation Administration
US National Weather Service
US Transportation Security Administration

Rental Car:

Alamo/National
Avis
Budget
Enterprise
Hertz/Dollar/Thrifty

Vehicle Parking:

LAZ Parking LLC

Other Terminal Tenants:

Clear
Flippit Corporation
Fuel Rod
Hudson Group
Innovative Vending Solutions
Escape Lounges
Metz Culinary Management
Prepango
TD Bank
Vision Aviation Services

Ground Transportation:

Eastside Transportation
Hotel Shuttles
Limousine Companies
Taxicab Companies
TNC's (Uber, Lyft)

Ground Handlers:

GAT Airline Ground Support
Piedmont Airlines
Trego-Dugan Aviation
Unifi Aviation
United Ground Express

Fixed Base Operator:

Cerulean Aviation

Source: Greenville-Spartanburg Airport District Records



Title	Source
<u>Life</u>	
#1 Friendliest City in the U.S.	Conde Nast Traveler
8 Best Places to Retire in South Carolina	Travel + Leisure
The 8 Best Bike Trails In The South To Explore This Summer And Beyond	Southern Living
The best riverwalks in the U.S. for scenic strolls	Time Out
<u>Travel</u>	
10 Best Fall Foliage Destinations to Avoid the Crowds	Men's Journal
12 Cozy Girls Trips to Take This Winter	Travel + Leisure
18 Top-Rated Attractions & Places to Visit in South Carolina	PlanetWare
30 Best Christmas Towns in the USA for a Magical Winter Getaway	House Beautiful
5 Epic Road Trips You Can Do Over a Long Weekend	People Magazine
5 Solo Vacations Perfect For Escaping Life	AARP Girlfriend
50 Best Vacations in the U.S. to Explore America's Adventure Capitals	Men's Journal
52 Unexpected Places to Go in the USA	AFAR
8 Art-Filled Festivals to Attend This Spring	Garden and Gun
8 Great Southern Towns For A Weekend Getaway	Fifty Grande
America's Best Urban Parks You Might Not Have Heard Of	Fifty Grande
Best Fall Getaways	Charleston Living Magazine
Best Mother-Daughter Vacations To Take This Summer	Southern Living
Best Small Towns in South Carolina	Travel Curator
Family Travel Awards	Good Housekeeping
Magical Places for Meeting Santa Claus	Club Alliance
Must See Cities	Good Housekeeping
Summer Getaways: 10 Places to Go This Season	SouthPark Magazine The
The 10 best places to visit in May	Points Guy
The 12 Best Places to Visit in May	Kayak
The 30 Most Magical Christmas Towns in the U.S.	Country Living
Top 10 Family Spring Break Vacations	HGTV

Source: Visit Greenville SC www.visitgreenvillesc.com

GREENVILLE-SPARTANBURG AIRPORT DISTRICT UNEMPLOYMENT ANALYSIS



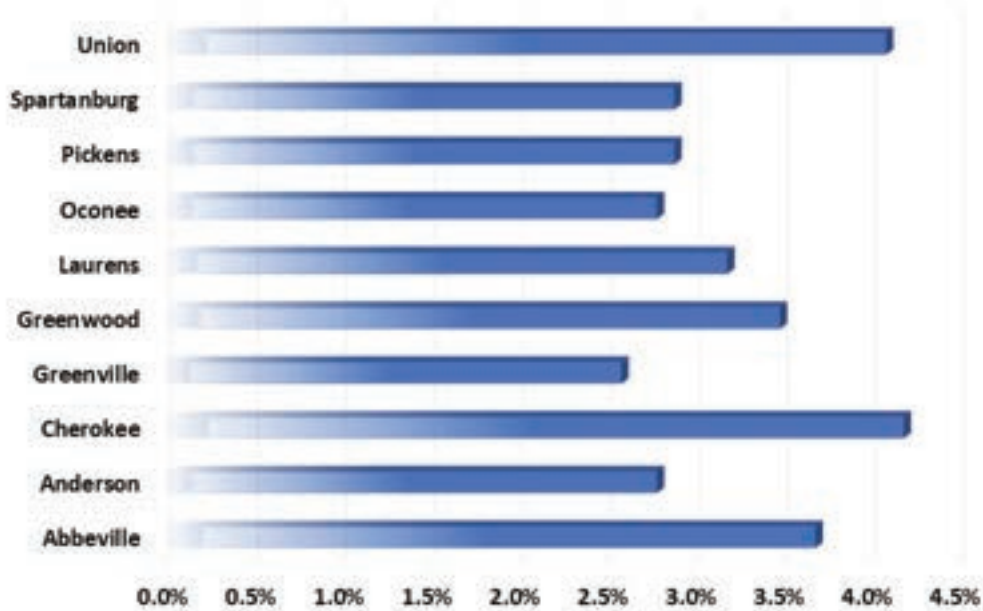
JUNE 30, 2024



Annual Average Unemployment Rate, 2015-2023
Upstate SC Counties / Upstate SC Region / US

COUNTY/REGION	2023	2022	2021	2020	2019	2018	2017	2016	2015
Abbeville	3.7%	3.9%	4.5%	6.6%	3.4%	4.0%	4.6%	5.5%	6.9%
Anderson	2.8%	3.0%	3.7%	5.9%	2.7%	3.4%	3.9%	4.6%	5.4%
Cherokee	4.2%	4.1%	5.1%	8.1%	3.1%	4.0%	4.9%	5.9%	7.1%
Greenville	2.6%	2.8%	3.4%	5.7%	2.4%	3.1%	3.7%	4.2%	4.9%
Greenwood	3.5%	3.7%	4.5%	6.4%	3.1%	3.6%	4.5%	5.2%	6.3%
Laurens	3.2%	3.4%	4.3%	6.9%	3.0%	3.6%	4.4%	5.2%	6.6%
Oconee	2.8%	3.1%	3.6%	5.4%	2.8%	3.5%	4.4%	5.1%	5.8%
Pickens	2.9%	3.1%	3.5%	5.3%	2.8%	3.5%	4.1%	5.0%	5.8%
Spartanburg	2.9%	3.1%	4.0%	6.6%	2.6%	3.3%	4.0%	4.7%	5.7%
Union	4.1%	4.7%	6.5%	9.0%	3.5%	4.1%	5.4%	6.2%	7.9%
Upstate Region	2.9%	3.1%	3.9%	6.1%	2.6%	3.3%	4.0%	4.7%	5.6%
South Carolina	3.0%	3.2%	4.0%	6.2%	2.9%	3.8%	4.3%	5.0%	6.0%
United States	3.6%	3.6%	5.3%	8.1%	3.7%	3.9%	4.3%	4.9%	5.3%

2023 UPSTATE UNEMPLOYMENT



Source: Upstate SC Alliance Online Data Center; U.S. Bureau of Labor Statistics

GREENVILLE-SPARTANBURG AIRPORT DISTRICT POPULATION ANALYSIS



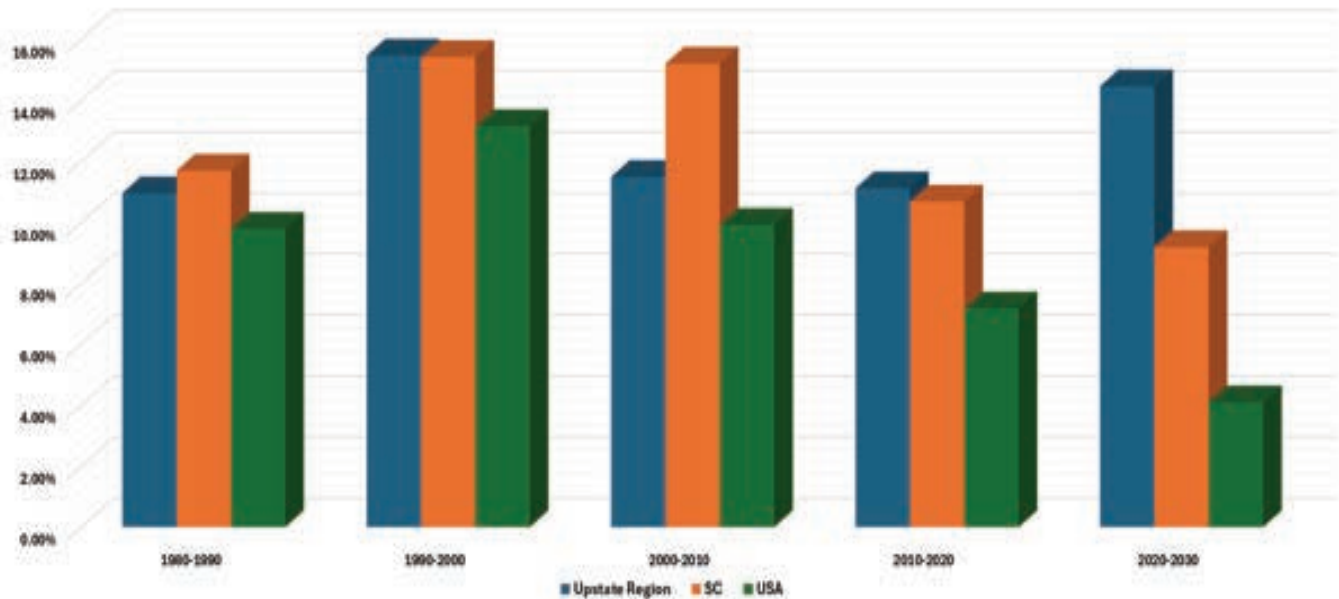
JUNE 30, 2024



Census Population Trends and Projections, 1980-2035
County / Upstate Region / State / US

COUNTY/REGION	1980	1990	2000	2005	2010	2015	2020	2025 Projections Total	2030 Projections Total	2035 Projections Total
Abbeville	22,627	23,862	26,229	25,995	25,338	24,783	24,334	24,293	24,143	23,887
Anderson	133,235	145,196	166,304	175,467	187,095	193,825	204,437	216,715	228,790	241,189
Cherokee	40,983	44,506	52,649	53,772	55,534	56,531	56,378	55,561	54,449	53,048
Greenville	287,913	320,167	380,949	405,608	452,688	491,012	528,119	572,901	614,849	657,390
Greenwood	57,847	59,567	66,303	67,630	69,759	69,998	69,627	68,624	67,502	66,269
Laurens	52,214	58,092	69,428	67,629	66,519	66,510	67,603	68,597	69,476	70,088
Oconee	48,611	57,494	66,434	70,581	74,349	75,929	78,987	81,780	84,224	86,224
Pickens	79,292	93,894	111,062	114,344	119,344	121,845	130,581	140,014	150,983	162,305
Spartanburg	201,861	226,800	254,443	264,481	284,769	297,099	328,676	370,685	414,932	464,101
Union	30,751	30,337	29,971	29,241	28,914	27,760	27,138	26,368	25,642	24,789
Upstate Region	955,334	1,059,915	1,223,772	1,274,748	1,364,309	1,425,294	1,515,881	1,625,537	1,734,990	1,849,291
South Carolina	3,121,820	3,486,703	4,024,223	4,270,150	4,635,846	4,896,006	5,130,729	5,366,452	5,601,742	5,827,845
United States	226,545,805	248,709,873	281,421,906	295,516,599	309,321,666	320,635,163	331,501,080	338,016,000	345,074,000	350,861,000

POPULATION PERCENT CHANGE BY DECADE



Sources: For years prior to 2000, Decennial Census Population; Population estimates for 2000 and 2018 were calculated using the Bridged-race Intercensal Population Estimates for July 1, 2000 -July 1, 2009 and the Vintage 2018 Bridged-Race Postcensal Estimates for July 1, 2010 -July 1, 2018. These estimates were produced by the Population Estimates Program of the U.S. Census Bureau in collaboration with National Center for Health Statistics. Estimates for 2000 through 2018 from previous or future releases of the postcensal estimates will vary slightly from the 2000 through 2018 data in this table. For all years, the population is estimated for July 1st of that year. Estimates for 2000 and 2010 will not be equivalent to the April 1st decennial census count from Census 2000 and Census 2010. Population Projections for 2019 through 2035 were calculated by the S.C. Revenue and Fiscal Affairs Health and Demographics Section. Births and deaths data used in the population projections calculations was supplied by the SC DHEC Division of Biostatistics. Note: The projections included in this report were calculated using the cohort-component model of demographic change. This model uses a base population at a beginning date, applies assumed survival rates, fertility rates, and net migration to calculate population projections.

GREENVILLE-SPARTANBURG AIRPORT DISTRICT TOP EMPLOYERS AND TOP PUBLIC COMPANIES

JUNE 30, 2024

Top Employers

2024 Employer	Employees*	Product or Service	U.S. Headquarters
1 Prisma Health - Upstate	29,309	Healthcare System	Greenville, SC
2 State of South Carolina	12,596	State Government	Columbia, SC
3 BMW Manufacturing Co. LLC	11,000	Automobile Manufacturer	Greer, SC
4 Greenville County Schools	11,000	Public Education School District	Greenville, SC
5 Spartanburg Regional Healthcare System	10,000	Healthcare System	Spartanburg, SC
6 United States Government	9,762	Federal Government	Washington, DC
7 Wal-Mart Stores, Inc.	9,000	Retail Stores & Distribution Facilities	Bentonville, AR
8 Michelin North America, Inc.	7,099	Tire Manufacturing Facility	Greenville, SC
9 Clemson University	6,281	Public Research University	Clemson, SC
10 Milliken & Company	4,735	Textiles Manufacturing, Floor Covering, & Specialty Chemicals	Spartanburg, SC
11 Bon Secours St. Francis Health System	4,493	General Medical & Surgical Hospitals	Greenville, SC
12 AnMed Health System	3,624	General Medical & Surgical Hospitals	Anderson, SC
13 Self Regional Healthcare	3,182	Healthcare System	Greenwood, SC
14 Ingles Markets	2,700	Grocery Stores	Black Mountain, NC
15 GE Vernova	2,650	Power Generation, Energy Delivery & Water Process Technologies	Boston, MA
16 ZF	2,530	Manufactures Automatic Transmissions	Northville, MI
17 Robert Bosch, LLC	2,470	Manufactures Automotive Components	Farmington Hills, MI
18 School District of Pickens County	2,457	Public Education School District	Pickens, SC
19 Food Lion	2,400	Grocery Stores	Salsbury, NC
20 Publix Super Markets, Inc.	2,400	Grocery Stores	Lakeland, FL
21 Magna International	2,400	Automotive Manufacturer	Troy, MI

* Ranked by Number of Employees in the Upstate area

Source: Upstate SC Alliance (www.upstatealliance.com) and Partner Organizations

Top Public Companies

Company	Revenues (000s)	U.S. Headquarters
ScanSource	\$ 3,259,809	Greenville, SC
World Acceptance Corp.	\$ 573,213	Greenville, SC
Regional Management Corp.	\$ 551,399	Greer, SC
Denny's Corp.	\$ 463,922	Spartanburg, SC
Southern First Bancshares Inc.	\$ 127,242	Greenville, SC

Source: Upstate SC Alliance research; SEC.gov from most recently available Annual Report

**GREENVILLE-SPARTANBURG AIRPORT DISTRICT
HIGHER EDUCATION FALL ENROLLMENT**

JUNE 30, 2024

Institution	Enrollment
Four Year	
Anderson University	4,121
Bob Jones University	3,095
Clemson University	28,466
Converse College	1,284
Erskine College	956
Furman University	2,443
Lander University	4,167
Limestone College	1,786
North Greenville University	2,125
Presbyterian College	1,199
Sherman College of Straight Chiropractic	375
Southern Wesleyan University	1,175
Strayer University - South Carolina	1,841
USC - Upstate	4,913
Wofford College	1,823
Two Year	
Greenville Technical College	11,380
Piedmont Technical College	5,315
Spartanburg Community College	6,224
Spartanburg Methodist College	1,064
Tri-County Technical College	5,629
University of South Carolina - Union	1,098
Total Enrollment	90,479

Source: SC Commission on Higher Education

COMPLIANCE SECTION

This section contains the following subsections:

Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Report of Independent Auditor on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance

Schedule of Expenditures of Federal Awards

Notes to the Schedule of Expenditures of Federal Awards

Schedule of Findings and Questioned Costs

Schedule of Status of Prior Year Findings and Questioned Costs

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

To the Commissioners of
Greenville Spartanburg Airport District
Greer, South Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of Greenville-Spartanburg Airport District (Airport), which comprise the Airport's statement of financial position as of June 30, 2024 and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 5, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Airport's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control. Accordingly, we do not express an opinion on the effectiveness of the Airport's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Airport's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Airport's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Airport's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

**Indianapolis, Indiana
November 5, 2024**

Report on Compliance for the Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

To the Commissioners of
Greenville-Spartanburg Airport District
Greer, South Carolina

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Greenville-Spartanburg Airport District's (Airport) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Airport's major federal program for the year ended June 24, 2024. The Airport's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Airport complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal programs for the year ended June 30, 2024.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the Airport and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Airport's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Airport's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Airport's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Airport's compliance with the requirements of the major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Airport's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Airport's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Airport's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the “Auditor’s Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Forvis Mazars, LLP

**Indianapolis, Indiana
November 5, 2024**

**GREENVILLE-SPARTANBURG AIRPORT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

YEAR ENDED JUNE 30, 2024

Project Number and Description (Notes 1 and 2)	CFDA Number	Total Project Costs Incurred		Total Federal Expenditures	Grant Status - Grant Funds Received from Grantors		
		July 1, 2023 to June 30, 2024	Cumulative to June 30, 2024	July 1, 2023 to June 30, 2024	July 1, 2023 to June 30, 2024	Cumulative to June 30, 2024	Maximum Federal Participation
Department of Transportation - Federal Aviation Administration							
Grant No. 3-45-0028-56 Acquire ARFF Vehicle & Construct ARFF Building	20.106	\$ -	\$ 9,742,334	\$ -	\$ -	\$ 6,503,170	\$ 7,812,647
Grant No. 3-45-0028-57 Improve Runway & Taxiway, & Expand GA Development	20.106	-	4,421,135	-	141,285	4,159,248	4,159,248
Grant No. 3-45-0028-59 Rehab Taxiways & Reconstruct Taxiway Connectors	20.106	-	10,700,012	-	-	10,697,622	10,698,643
COVID-19: Grant No. 3-45-0028-60 ACRGP	20.106	1,842	4,883,070	1,842	1,842	4,883,070	4,883,070
COVID-19: Grant No. 3-45-0028-61 ACRGP Concessions Relief	20.106	-	273,431	-	-	182,934	273,431
COVID-19: Grant No. 3-45-0028-62 ARPA	20.106	-	11,121,484	-	1,000	11,121,484	11,121,484
COVID-19: Grant No. 3-45-0028-63 ACRGP Concessions Relief	20.106	-	1,093,725	-	1,093,725	1,093,725	1,093,725
Grant No. 3-45-0028-64 Taxiway Rehab; S Cargo, N Cargo & GA Apron Rehab; Taxilane Rehab	20.106	-	5,605,534	-	4,523,530	4,523,530	4,524,530
Grant No. 3-45-0028-65 Correct RGL MOS Design Phase	20.106	79,807	79,807	71,827	70,830	70,830	70,830
Grant No. 3-45-0028-66 Construction Cargo Apron (16,100 SY) Phase 2	20.106	9,695,036	9,695,036	6,007,548	-	-	6,007,548
Grant No. 3-45-0028-67 Improve Runway Guard Lights - Construction	20.106	704,864	704,864	634,377	-	-	720,958
Total Airport Improvement Program		10,481,549	58,320,432	6,715,594	5,832,212	43,235,613	51,366,114
Department of Commerce							
Economic Development Cluster Economic Adjustment Assistance Grant No. 04-79-07736 Apron and Roadway Expansion	11.307	4,912,166	8,591,226	2,991,696	3,764,240	3,764,240	5,232,611
Total Economic Development Cluster		4,912,166	8,591,226	2,991,696	3,764,240	3,764,240	5,232,611
Total Federal Expenditures		\$ 15,393,715	\$ 66,911,658	\$ 9,707,290	\$ 9,596,452	\$ 46,999,853	\$ 56,598,725

Note 1—Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of the Greenville-Spartanburg Airport District (Airport) under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Airport, it is not intended to and does not present the financial position, changes in net position or cash flows of the Airport.

Note 2—Grant Descriptions

The Greenville-Spartanburg Airport District (the “Airport”) and the Federal Aviation Administration (“FAA”) entered into the following agreements:

- a. Grant agreement dated September 20, 2019, (Project #3-45-0028-56) provides funds to acquire an aircraft rescue and fire fighting vehicle as well as constructing an aircraft rescue and fire fighting building. Under the provisions of the grant agreement, the FAA is to reimburse the Airport for 90% of the allowable costs not to exceed \$7,812,647.
- b. Grant agreement dated July 8, 2020, (Project #3-45-0028-57) provides funds to improve runway safety areas, expand GA development and rehab the taxiway. Under the provisions of the grant agreement, the FAA is to reimburse the Airport for 100% of the allowable costs not to exceed \$4,159,248.
- c. Grant agreement dated August 31, 2021 (Project #3-45-0028-59) provides funds to rehabilitate taxiways as well as reconstruct taxiway connectors. Under the provisions of the grant agreement, the FAA is to reimburse the Airport for 100% of the allowable costs not to exceed \$10,698,643.
- d. Grant agreement dated April 2, 2021 (Project #3-45-0028-60) provides funds for operational or maintenance expenses or debt service payments due to decreased operations from COVID-19. Under the provisions of the grant agreement, the FAA is to reimburse the Airport for 100% of the allowable costs not to exceed \$4,883,070.
- e. Grant agreement dated April 5, 2021 (Project #3-45-0028-61) provides relief from rent and minimum annual guarantees (MAG) obligations to each eligible airport concession. Under the provisions of the grant agreement, the FAA is to reimburse the Airport for 100% of the allowable costs not to exceed \$273,431.
- f. Grant agreement dated August 13, 2021 (Project #3-45-0028-62) provides funds for operational expenses or debt service payments due to decreased operations from COVID-19. Under the provisions of the grant agreement, the FAA is to reimburse the Airport for 100% of the allowable costs not to exceed \$11,121,484.
- g. Grant agreement dated December 2, 2021 (Project #3-45-0028-063) provides funds for relief from rent and minimum annual guarantees (MAG) obligations to each eligible airport concession. Under the provisions of the grant agreement, the FAA is to reimburse the Airport for 100% of the allowable costs not to exceed \$1,093,725.
- h. Grant agreement dated June 24, 2022 (Project #3-45-0028-064) provides funds to rehabilitate taxiways and general aviation aprons. Under the provisions of the grant agreement, the FAA is to reimburse the Airport for 90% of the allowable costs not to exceed \$4,524,530.

- i. Grant agreement dated August 2, 2023 (Project #3-45-0028-065) provides funds for runway safety. Under the provisions of the grant agreement, the FAA is to reimburse the Airport for 90% of allowable costs not to exceed \$70,830.
- j. Grant agreement dated August 9, 2024 (Project #3-45-0028-066) provides funds for apron and roadway expansions. Under the provisions of the grant agreement, the FAA is to reimburse the Airport for 90% of allowable costs not to exceed \$6,007,548.
- k. Grant agreement dated August 16, 2024 (Project #3-45-0028-067) provides funds to improve runway safety. Under the provisions of the grant agreement, the FAA is to reimburse the Airport for 90% of allowable costs not to exceed \$720,958.
- l. The Greenville-Spartanburg Airport District (the "Airport") and the US Department of Commerce ("DoC") entered into an agreement dated March 22, 2021 (Project #4-79-07736) which provides funds for apron and roadway expansions. Under the provisions of the grant agreement, the DoC is to reimburse the Airport for 60.91% of the allowable costs not to exceed \$5,232,611.

Note 3—Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 4—Indirect Cost Rate

The Airport has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 5—Subrecipients

The Airport did not have any grant subrecipients during the fiscal year.

Note 6—Status of Projects

As of June 30, 2024, the following projects were open:

- Project #3-45-0028-56
- Project #3-45-0028-57
- Project #3-45-0028-59
- Project #3-45-0028-60
- Project #3-45-0028-61
- Project #3-45-0028-62
- Project #3-45-0028-63
- Project #3-45-0028-64
- Project #3-45-0028-65
- Project #3-45-0028-66
- Project #3-45-0028-67
- Project #4-79-07736

Section I – Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) was:

- Unmodified Qualified Adverse Disclaimed

2. Internal control over financial reporting:

- Material weakness(es) identified? Yes No
 Significant deficiency(ies) identified? Yes None Reported

3. Noncompliance material to the financial statements noted?

- Yes No

Federal Awards

4. Internal control over major federal award programs:

- Material weakness(es) identified? Yes No
 Significant deficiency(ies) identified? Yes None Reported

5. Type of auditor’s report issued on compliance for major federal award program(s):

- Unmodified Qualified Adverse Disclaimed

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

- Yes No

7. Identification of major federal programs:

Cluster/Program	CFDA Number
Airport Improvement Program	20.106

8. Dollar threshold used to distinguish between Type A and Type B programs was \$750,000.

9. Auditee qualified as a low-risk auditee?

- Yes No

Section II – Financial Statement Findings

Reference Number	Finding
	No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

**GREENVILLE-SPARTANBURG AIRPORT DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**



YEAR ENDED JUNE 30, 2024

**Reference
Number**

Summary of Finding

Status

No matters are reportable.



In 2024, the Greenville-Spartanburg International Airport (GSP) experienced significant growth in passenger air service accessibility. During the year, 10 new nonstop destinations were added by four airlines – Avelo, Breeze, Southwest and United. At the same time, new frequencies were added by Allegiant, American and Delta positioning the airport to set new activity records in 2025 and beyond. This growth is a testament to the strength of the Upstate South Carolina economy and the allure of the airport’s competitive business model.

Increased flight activity has resulted in higher passenger volume, which has in turn has driven growth in concession revenue, parking activity and fuel sales. In 2025, GSP is expected to reach new heights in air service, setting a new record for passengers and attracting additional air cargo activity to the region.



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