



Annual Comprehensive **FINANCIAL REPORT** of the
ALLEGHENY COUNTY AIRPORT AUTHORITY
(a component unit of the County of Allegheny, Pennsylvania)
for the fiscal year ended **DECEMBER 31, 2025**

ABOUT US: Fast Facts

The Allegheny County Airport Authority (ACAA) manages Pittsburgh International Airport (PIT) and Allegheny County Airport (AGC).

PIT is the premier gateway to Western Pennsylvania. It is one of the largest airports by land mass in the U.S., at more than 8,800 acres. First constructed in 1952 as the Greater Pittsburgh Airport, the facility was completely rebuilt in 1992. The X-shaped terminal was a pioneering design for airports worldwide.

In the last decade, PIT has transformed into an origin and destination (O&D) airport. A new pre-security terminal opened in November 2025 to better serve O&D travelers. The project also included extensive renovations to the post-security (airside) terminal ,

PIT has continuously set industry standards. This includes a first-of-its-kind microgrid that completely powers its terminals and airfield and a unique advanced manufacturing campus. In February 2026, PIT made history as the first travel center to be awarded Universal Design Certification from the University at Buffalo's Center for Inclusive Design and Environmental Access (IDEA Center), underscoring its global leadership in accessibility, inclusivity, and human-centered design.

AGC is the busiest general aviation airport in Pennsylvania and consistently one of the top ten busiest general aviation airports in Pennsylvania. Located just east of Pittsburgh in West Mifflin, Pennsylvania, AGC opened in 1931 as the third-largest airport in the U.S. and one of the first with hard-surface runways and a lit airfield. Notable for its signature Art Deco terminal, AGC is home to several fixed-base operators, a flight school, an aviation mechanic school and more.





Sara Innamorato,
Allegheny County Executive



Christina Cassotis,
Chief Executive Officer, ACAA



David Minnotte,
Chairman



Matthew Smith,
Vice Chairman

Allegheny County Airport Authority

LEADERSHIP & BOARD MEMBERS

The ACAA is in its third decade of overseeing Pittsburgh International and Allegheny County airports. Under a lease with an initial term of 25 years and two additional 25-year option terms, the ACAA, governed by a board appointed by the Allegheny County Executive, operates the two premier airports that serve the Pittsburgh region.



Ashley Henry Shook,
Secretary



Jan Rea,
Treasurer



Dan Connolly



Rev. Dr. William H. Curtis



Thomas McIntyre



Cynthia Shapira



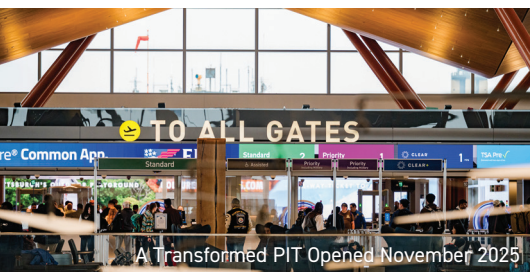
Randy Vulakovich

2025 Highlights

The ACAA continued to reimagine the roles of PIT and AGC as not only venues of air travel, but of connection, economic activity, advancement, safety, responsibility and innovation in 2025, driven by the same can-do spirit that has shaped the Pittsburgh region we are committed to serving.

KEY MILESTONES INCLUDED:

- In 2025, PIT opened its new landside terminal, parking structure and customer service building, concluding over four years of transformation and commencing a new era for the airport and Pittsburgh region;
- PIT ended the year with close to 10 million passengers – nearly equal to 2024's record traffic – supported by increases in nonstop air service to domestic and international locations, culminating with the late-year announcement of nonstop service via Aer Lingus to Dublin, Ireland, starting in 2026;
- PIT cargo continues to be a focus, with over 191,000,000 pounds of cargo moving through the airport;
- AGC realized nearly 56,000 total airport operations;
- PIT announced an 11,216-panel expansion of its solar field, more than doubling the size of its solar array; and
- PIT announced plans to pursue the development of the first on-airport sustainable aviation fuel (SAF) production facility, utilizing one of the first alcohol-to-jet pathways in the nation



A Transformed PIT Opened November 2025



Energy Innovation Remains Key Initiative



PIT Cargo Continues Volume Increase

Our **VISION**

To transform Pittsburgh's airports to reflect and serve the community, inspire the industry and advance the region's role as a world leader.

Our **Mission**

A global aviation leader driving innovation, regional growth and prosperity by investing in our employees, customers, airlines and partners.

Our **DUAL IMPERATIVES**

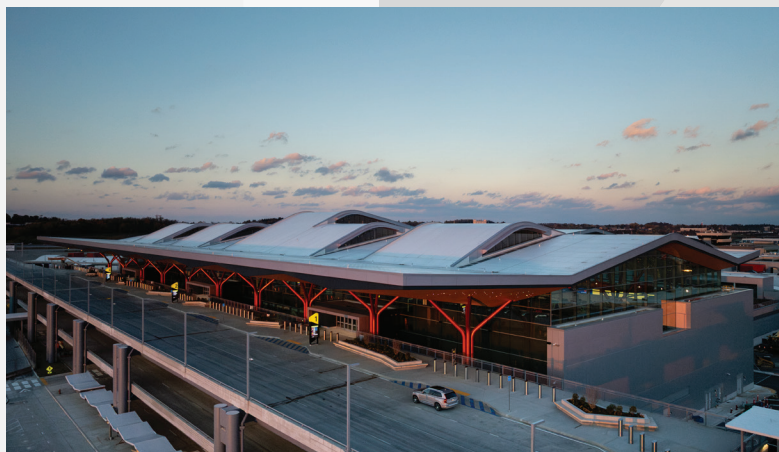
1 Safety, Security & Public Health

2 Air Service Development

STRATEGIC Initiatives

THE TRANSFORMED PIT

The ACAA has transformed travel through PIT's ambitious, airport-wide modernization that better meets the needs of our community and provides the Pittsburgh region with an elevated platform for exploration, development and innovation. The transformed PIT has been designed to deliver a more welcoming, intuitive and carefully crafted environment – from curb to gate and back again. Our aim has been simple: to shape an easier, more enriching experience at a more modern, more efficient airport.



ECONOMIC DEVELOPMENT

Our impact extends far beyond our airport campuses and the aviation industry — we serve as an economic jet engine that drives an entire region. The ACAA creates thousands of jobs, generates billions of dollars in economic impact and serves as a gateway welcoming millions of business, leisure and academic passengers every year. We connect Pittsburgh's industry, people and ideas with the world, encouraging opportunity and helping to further innovation.



ENERGY

The ACAA is pioneering a path in energy innovation. We are leading the way, solving some of aviation's most critical energy, environmental and operational issues to reduce our impact and contribute to smarter, more efficient air travel. Through our energy efforts at PIT, including the world's first airport microgrid and our commitment to sustainable aviation fuel, we are earning our right to better serve our community, our industry and our world.



INNOVATION

Innovation is more than a strategic priority at the ACAA – it is an organizational value that defines everything we do; it is our culture. This culture of innovation begins with CEO Christina Cassotis and her leadership team. Christina's focus on innovation places the ACAA at the forefront of aviation industry trends and developments; it is creating a novel approach throughout the aviation industry and our community – that is how we lead, that is how we serve.



PERFORMANCE CULTURE

The ACAA aims to cultivate a culture of performance that elevates every team member's role and fosters an environment of trust, feedback and engagement. This allows team members to work efficiently across departments and toward a common goal: increasing the impact our airports have and helping us lead within the aviation industry. This initiative is supported through teamwork, training and a dedication to serving our passengers, partners and community.



SERVICE DESIGN

The ACAA is shaping a people-first air travel experience, because we believe everyone has the right to feel welcome in our airports. That means delivering a more cohesive, intuitive, more universally accessible experience. We are going beyond what is expected from a typical airport by incorporating a sense of community that considers everyone. Service design infuses care and ease into the airport experience, meeting the needs of our passengers, partners and team members.



WORKFORCE DEVELOPMENT

The ACAA is creating opportunities for continued success and reinventing what airports can do for the community we serve. We are breaking down barriers to enter into and remain in the workforce through industry-leading programs like PIT2Work, PIT's on-site childcare center, Ready for Takeoff and Getting Ready for Takeoff. We generate thousands of jobs through our airport operations, through partnerships and through special projects like PIT's transformation.



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Introductory Section



April 21, 2026

To the Board of the Allegheny County Airport Authority and Residents and Stakeholders of the Surrounding Region:

This Annual Comprehensive Financial Report of the Allegheny County Airport Authority (the “Authority”) is hereby submitted for the fiscal year that ended on December 31, 2025.

Responsibility for the accuracy of the data, completeness, and fairness of the presentation, including all disclosures, rests with the Finance Department of the Authority. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of the operations of the Authority. This Letter should be read in conjunction with the accompanying Management Discussion and Analysis to gain a more complete financial and business understanding of the Authority.

REPORTING ENTITY

The Authority was created on June 17, 1999, and exists pursuant to the Pennsylvania Municipality Authorities Act of May 2, 1945, P.L. 382, as amended. The Authority is governed by a nine-member Board of Directors appointed by the County Executive of Allegheny County.

The Authority manages and operates two airports, Pittsburgh International Airport (“PIT”) and Allegheny County Airport (“AGC”). Pittsburgh International Airport is a commercial passenger facility located 16 miles west of downtown Pittsburgh. Allegheny County Airport is a general aviation airport located in West Mifflin, approximately 10 miles southeast of downtown Pittsburgh.

ECONOMIC CONDITIONS

In 2025, leisure and business travel demand remained consistent, falling just behind 2024’s levels. PIT had the second-best year since before US Airways de-hubbed in 2007. Demand is

expected to increase in 2026 with the launch of new routes, including a new international route to Dublin via Aer Lingus. AGC's overall flight operations fell behind 2024 mostly due to the closure of the ATP flight school, but it saw a notable increase in charter operations around major events like the U.S. Open and the Energy and Innovation Summit hosted in Pittsburgh.

ORGANIZATIONAL PROGRESS

In 2025, the Authority progressed and launched strategic projects in addition to finalizing the \$1.7b transformation of Pittsburgh International Airport. The Authority has demonstrated yet again that airports can be more than transportation hubs; they are economic engines and catalysts for social mobility in the regions they serve. The organization continued developing initiatives that support its ambitious vision, including new domestic and increased international air service, as well as global innovation and energy diversity projects that benefit the region and industry.

PIT's newly-transformed airport, designed to welcome all through universal access principles, opened on November 18, 2025. The airport went through significant trials and testing to familiarize staff, partners, and the community prior to opening day in order to minimize operational issues. The new airport project continued to act as an economic driver for the region, generating an ongoing \$2.5 billion in economic activity and creating 14,300 direct and indirect jobs, including 7,800 construction jobs.¹

On opening day, the goal of a seamless transition of airport operations from the day prior was achieved, thanks to the work of the Authority's Operational Readiness team and Day One team. These teams worked cross-functionally to ensure that the project remained on schedule and staff, passengers, and airline partners were prepared and informed prior to opening day.

The Authority's commitment to workplace safety has maintained incidents at a lower rate than the industry standard throughout the entirety of the project. The Authority maintained a collaborate partnership with OSHA in addition to a well-being program for the construction team that provided resources and educational sessions to encourage mental and physical health. The project was completed with no loss of life, and injuries were below industry averages.

The terminal also served as hands-on training for the construction trades through the Authority's workforce development program, PIT2Work™, which saw its seventh cohort graduate in May 2025. This cohort brings the total program participants to 107, with a 90% completion rate, 82% placement rate, and average starting wages of \$23/hour for graduates. This is just one step the airport is taking to break down barriers to employment and strengthen the airport and region's workforce.

1. *Economic Impacts of the Pittsburgh International Airport Terminal Modernization Program In Southwest Pennsylvania*, EBP US, Inc., 2021

PIT connects Pittsburgh to the world and the world to Pittsburgh, serving as an opportunity portal. In 2025, enplanements were 1% less than in 2024, which was the busiest year at PIT since US Airways de-hubbed. This highlights PIT's successful transition into an origin-and-destination market that is not reliant on connecting flights. Airline capacity for 2025 was up 1.0%, meaning passenger totals were largely in line with the capacity change and the industry. In total, 9,848,602 passengers flew through PIT in 2025.

Nonstop service to Reykjavik, Iceland, on Icelandair resumed in April, alongside five new domestic routes on various airlines to key markets like New York and Los Angeles. Pittsburgh's British Airways nonstop flight to London Heathrow also announced an increase in service from six to seven days weekly, providing a connection to Europe every day during the summer. That route is worth more than \$50 million in annual economic impact to the region, according to a report by EBP US Inc.

In January, PIT announced the completion of its new cargo facility, Cargo 4, significantly increasing its capacity. PIT's short transition time from plane to truck and close proximity to highways and major U.S. cities provides a strong foundation for cargo operations with an estimated potential economic impact of \$229 million for the region according to a report by EBP US Inc.

The airport plays a key role in economic development in the Western Pennsylvania region. PIT hosts the world's first end-to-end additive manufacturing hub at an airport, Neighborhood 91, which entered its seventh year in 2025. This hub is intended to remove obstacles to the industrial transition of the growing additive manufacturing sector, co-locating the equipment and resources needed to expedite the creation and delivery of precise 3D-printed parts. The concept has gained industry recognition and entered partnerships with higher education, the military, and the government. It has produced new jobs, supply chain efficiencies, and cutting-edge equipment opportunities. Also in 2025, the Regional Industrial Development Corporation (RIDC) of Southwestern Pennsylvania took over development management of Neighborhood 91 to move the project ahead even more efficiently.

PIT, fueled by Pittsburgh's strong history of innovation, is creating scalable solutions for the industry's most pressing issues. As a globally renowned hub of robotics and artificial intelligence research and development, Pittsburgh is building the future of technology. In 2025, ACAA hosted the World Innovation Summit, an evolution of the previous Aviation & Robotics Summit in partnership with Future Travel Experience. The summit drew global leaders in aviation, robotics, technology, and energy to PIT for tours and workshops to encourage cross-collaboration and spark new ideas. The summit was born from PIT's xBridge program, which brings local robotics and AI start-ups' technology to the airport for testing. This program capitalizes on the thriving tech industry in the region and elevates new innovations.

In 2025, the Authority continued on its path toward resiliency and energy diversity. PIT announced an expansion of its solar field, nearly doubling the size, adjacent to its first-of-its-kind airport microgrid made up of natural gas-powered electric generators. The microgrid ensures the airport can stay open despite power interruptions on the traditional electric grid and saves the Authority and its partners more than \$1 million in electricity costs annually. Additionally, the Authority announced plans to build an on-site sustainable aviation fuel (SAF) production facility in partnership with Avina, with capacity for up to 100 million gallons.

AGC continued its strong post-pandemic performance in 2025. AGC announced a new flight school on its campus, Cloud 9 Aviation, and maintains a steady 95% hangar occupancy rate. Among AGC's most prominent tenants are the Pittsburgh Institute of Aeronautics, a nationally renowned training school for aviation mechanics. AGC maintains 20% of its flights as medical missions, facilitating the transport of 319 organs during the year. Additionally, AGC supports private flying in the region, especially during high-profile events like the U.S. Open, which Pittsburgh hosted in June.

The Authority continues to redefine the role of its airports and create a positive impact for its staff, airline partners, passengers, the Board of Directors, the Allegheny County Executive, regional elected officials, and the region's residents. The Authority is pleased to have recorded an outstanding and historic year.

FINANCIAL INFORMATION

The Authority's Finance Department is responsible for implementing and maintaining an internal control structure to ensure the integrity of the Authority's operations and to allow for the preparation of financial statements conforming to accounting principles generally accepted in the United States. The internal control structure is designed to provide reasonable assurance that the assets, resources, and operations of the Authority are handled in a manner that protects against waste, theft, neglect, and other irregularities that may hinder operations. This objective is met by adequate employee supervision, segregation of duties, and multiple levels of expenditure approvals.

BUDGETARY CONTROLS

The Authority's budget process is designed to ensure that the Authority will have adequate funding to meet its operational objectives. The passenger airline operating agreement specifies a residual rate-making methodology for the calculation of airline rates and charges, meaning that the aggregate of airport fees paid by the signatory airlines must be sufficient to cover the net cost

of operating, maintaining, and developing the airfield and terminals of PIT and AGC. The Authority's annual operating and capital budgets are reviewed and approved by its Board of Directors.

INDEPENDENT AUDIT

The Authority's independent auditor, Plante & Moran, PLLC, has performed the annual audit for the year that ended on December 31, 2025, and has rendered an unmodified opinion of the Authority's financial statements. The audit was conducted in accordance with auditing standards generally accepted in the United States. The audit report of Plante & Moran, PLLC, is contained herein.

INTERNAL CONTROLS

The Authority's management is responsible for the establishment and maintenance of internal accounting controls that ensure assets are safeguarded, and financial transactions are properly recorded and adequately documented. The Authority has established internal controls to fulfill these requirements. These controls are reviewed annually by an external audit firm for applicability, relevance, and effectiveness.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Allegheny County Airport Authority for its Annual Comprehensive Financial Report for the fiscal year that ended on December 31, 2024. This is the fifteenth consecutive year that the Authority achieved this prestigious award. In order to receive the Certificate of Achievement, a government entity must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must comply with accounting principles generally accepted in the United States and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. Management believes the current Annual Comprehensive Financial Report continues to meet the requirements of the Certificate of Achievement Program.

ACKNOWLEDGEMENTS

The completion of this report would not have been possible without the support of the Authority's Board of Directors and their commitment to the continuous improvement of corporate governance and financial reporting. In addition, members of the Finance Department played a significant role in compiling and completing this report.

Christina A. Cassotis

Christina A. Cassotis

Chief Executive Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Allegheny County Airport Authority
Pennsylvania**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO

**Allegheny County Airport Authority
Board of Directors
2026**

Officers

- **David Minnotte:** Chairman
- **Matthew Smith:** Vice Chairman
- **Ashley Henry-Shook:** Secretary
- **Jan Rea:** Treasurer

Operations Facilities

- Chair: Randy Vulakovich

Business and Communications

- Chair: Ashley Henry-Shook

Finance and Administration

- Chair: Matthew Smith

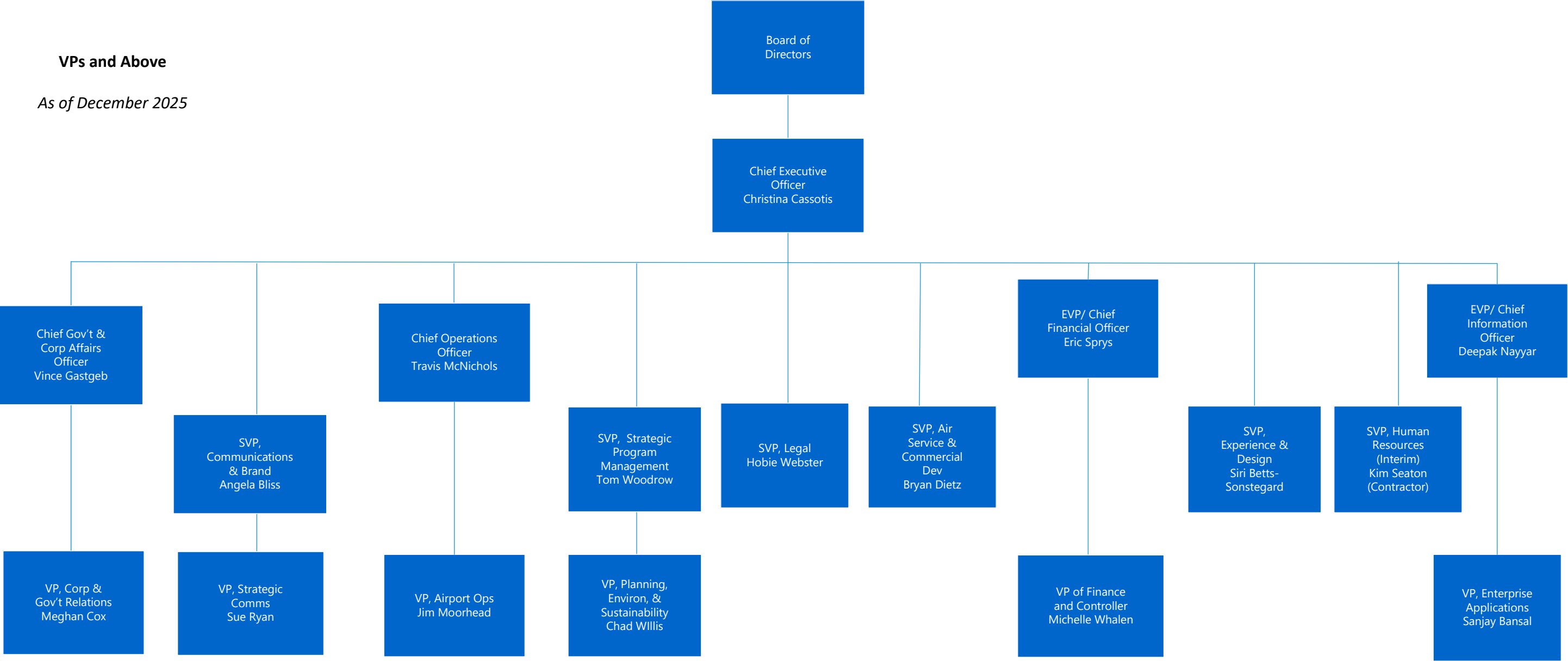
Members

- Thomas McIntyre
- Cynthia Shapira
- Dr. William H. Curtis
- Randy Vulakovich
- Dan Connolly



VPs and Above

As of December 2025



Financial Section

Independent Auditor's Report

To the Board of Directors
Allegheny County Airport Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Allegheny County Airport Authority (the "Authority"), a component unit of the County of Allegheny, Pennsylvania, as of and for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Allegheny County Airport Authority as of December 31, 2025 and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for 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. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the 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.

To the Board of Directors
Allegheny County Airport Authority

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our 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.

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 whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

To the Board of Directors
Allegheny County Airport Authority

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 21, 2026 on our consideration of Allegheny County Airport Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Allegheny County Airport Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Allegheny County Airport Authority's internal control over financial reporting and compliance.

Plante & Moran, PLLC

April 21, 2026

Allegheny County Airport Authority

Management's Discussion and Analysis

The Allegheny County Airport Authority's (the "Authority") discussion and analysis are presented to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the Authority's financial activity, and (c) identify changes in the Authority's financial position. Management encourages the reader to consider this discussion and analysis in conjunction with the information contained in the Authority's financial statements.

Airline Operating Agreement

The Authority operates and manages Pittsburgh International Airport ("PIT" or the "Airport") and Allegheny County Airport ("AGC") (collectively, the "Airports") pursuant to the Airport Operation, Management and Transfer Agreement and Lease dated September 16, 1999, between Allegheny County, Pennsylvania (the "County") and the Authority. Under this agreement, the County transferred and leased the Airports to the Authority for a 25-year term, with two additional 25-year extension options. The Authority exercised the first extension option in 2024.

Passenger airline operations are governed by the Airline Operating Agreement and Terminal Building Lease (the "AOA"), which expires on December 31, 2028, and may be extended for an additional three years with mutual consent. The AOA has been executed by Air Canada, Alaska Airlines, Allegiant Air, American Airlines, British Airways, Delta Air Lines, Frontier Airlines, JetBlue Airways, Southwest Airlines, Spirit Airlines, and United Airlines (collectively, the "Signatory Airlines").

Under the AOA, airline revenue at PIT is determined using a residual rate-setting methodology, whereby the Signatory Airlines collectively assume responsibility for the Airport's residual costs after application of non-airline revenues and charges to other users.

Overview of the Financial Statements

The Authority's financial statements provide users with an overview of its financial position and operating activities. The statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP), as promulgated by the Governmental Accounting Standards Board (GASB). The accompanying Notes are an integral part of the financial statements; Notes 1 and 2 summarize the Authority's organization and significant accounting policies.

The Statement of Net Position presents the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Changes in net position over time may serve as an indicator of financial condition.

The Statement of Revenue, Expenses, and Changes in Net Position reports the Authority's operating results for the fiscal year. Revenues are recognized when earned and expenses when incurred, regardless of cash timing; certain amounts reported in this statement will result in cash flows in future periods.

The Statement of Cash Flows presents inflows and outflows of cash and cash equivalents, reporting only transactions involving cash. A reconciliation is included to explain the differences between operating income (loss) and net cash used in operating activities.

Significant Events and Financial Highlights

Total passengers arriving and departing at PIT were 9.8 million in 2025. Enplaned passengers decreased 1.0% from 2024, following an 8.1% increase in the prior year. The Airport's diversified carrier mix, including network carriers, low-cost carriers, and ultra-low-cost carriers, supported 63 direct destinations and more than 164 peak-day nonstop departures. Southwest Airlines was the largest carrier by passenger volume, followed by American Airlines.

PIT handled 191.5 million pounds of mail and freight in 2025. UPS remained the largest cargo operator, complemented by FedEx, Amazon Air, and various cargo charter operators. Passenger airlines also provide cargo

Allegheny County Airport Authority

Management's Discussion and Analysis (Continued)

capacity via their aircraft's cargo holds. British Airways' nonstop service to London Heathrow continues to support international cargo flows.

Several airlines announced or launched new routes in 2025, including JetBlue (Fort Lauderdale, New York Kennedy), American Airlines (Los Angeles, Punta Cana), Breeze Airways (Greenville-Spartanburg), and Allegiant Air (Phoenix). Aer Lingus announced new nonstop service to Dublin beginning in May 2026, expanding PIT's transatlantic connectivity.

The Authority continues to receive annual funding under the Pennsylvania Racehorse Development and Gaming Act and its amendments, including the Pennsylvania Gaming Economic Development and Tourism Fund Capital Budget. These statutory provisions provide an annual payment of \$12.4 million, which the Authority expects to continue receiving subject to ongoing eligibility.

Parking operations remained the Airport's largest nonaeronautical revenue source, generating \$67.6 million in 2025, a 2.0% decrease from 2024. The decline reflects the 1.0% reduction in passenger volume and increased competition from off-site parking providers.

The Authority's natural gas program continued to generate nonaeronautical revenue. CNX Gas Company LLC (CNX) holds a lease awarded in 2013, with wells added at PIT as recently as 2025. CNX, in partnership with Range Resources, is developing lateral drilling from adjacent properties, with new laterals expected to begin production in 2026. Net revenues from the gas program are applied toward reducing airline rates and charges and funding capital expenditures. Drilling revenues totaled \$11.1 million in 2025 and \$11.3 million in 2024.

Construction of PIT's new landside terminal, part of the Terminal Modernization Program (TMP), began in 2021, and the terminal opened in November 2025. Financing for the TMP included multiple revenue bond issuances and the use of a subordinate revolving line of credit with PNC Bank (the "PNC Line of Credit"). From 2021 through 2023, revenue bonds generated \$1.2 billion in construction funds as described in Note 6 – Long-term Debt.

In February 2025, the Signatory Airlines agreed to increase the TMP budget by \$82.3 million. A \$410.5 million issuance was completed in April 2025, consisting of:

- Series 2025A AMT Bonds (Par: \$361,675,000)
- Series 2025B Federally Taxable Bonds (Par: \$48,840,000)

Bond proceeds were used, or are expected to be used, to fund costs associated with the Terminal Modernization Program, airside terminal renovations, complete airline fit-outs in newly constructed space, and repay a portion of the outstanding balance under the PNC Line of Credit. Proceeds also fund capitalized interest, the Common Debt Service Reserve Account within the Debt Service Reserve Fund, and costs of issuance, including premiums for insured bonds.

The PNC Line of Credit was amended via the Fifth Amendment effective December 15, 2024, temporarily increasing availability from \$50.0 million to \$200.0 million through May 1, 2025. The facility accrued interest at 0.79% of the daily 1-month secured overnight financing rate ("SOFR"), a U.S. Treasury-backed overnight benchmark rate, plus an applicable spread, and was secured by a subordinate lien on net revenue. The balance outstanding at December 31, 2024, was \$6.6 million, and the facility was repaid in full on December 16, 2025.

On December 16, 2025, the Authority executed a new \$10.0 million loan agreement with PNC Bank to bridge the timing of capital expenditures and subsequent reimbursements from federal and state grants or other revenue sources. The loan bears interest at a daily SOFR plus 0.75% and matures on December 16, 2027.

Additional information regarding the Authority's debt obligations is presented in Note 6 – Long-term Debt.

Allegheny County Airport Authority

Management's Discussion and Analysis (Continued)

Results of Operations

A summary of the Authority's Statement of Revenue, Expenses, and Changes in Net Position for the years ended December 31, 2025, and 2024, is presented below (dollars in thousands).

	<u>2025</u>	<u>2024</u>	<u>% Change 2025 vs 2024</u>
Operating revenues			
Landing fees and airline rentals and fees	\$ 90,287	\$ 69,273	30.3%
Parking revenues	67,568	68,970	-2.0%
Rental car revenues	19,349	16,680	16.0%
Other revenues	<u>37,002</u>	<u>31,360</u>	<u>18.0%</u>
Total operating revenues	214,206	186,283	15.0%
Nonoperating revenues			
Passenger and customer facility charges	34,333	31,078	10.5%
Gaming act revenues	12,400	12,400	0.0%
Gas drilling revenues	11,124	11,333	-1.8%
Non capital grants	-	2,474	-100.0%
Net increase in fair value of investments	2,218	7,049	-68.5%
Other revenues	<u>33,570</u>	<u>37,729</u>	<u>-11.0%</u>
Total nonoperating revenues	<u>93,645</u>	<u>102,062</u>	<u>-8.2%</u>
Total revenues	\$ 307,851	\$ 288,345	6.8%
Operating expenses			
Salaries, wages, and benefits	\$ 85,903	\$ 84,770	1.3%
Utilities, cleaning, and maintenance	34,657	31,214	11.0%
Depreciation	50,264	40,380	24.5%
Other expenses	<u>73,462</u>	<u>55,085</u>	<u>33.4%</u>
Total operating expenses	244,286	211,450	15.5%
Nonoperating expenses			
Interest expense	65,935	53,293	23.7%
Other expenses	<u>11,055</u>	<u>-</u>	<u>-</u>
Total nonoperating expenses	<u>76,990</u>	<u>53,293</u>	<u>44.5%</u>
Total expenses	<u>321,276</u>	<u>264,743</u>	<u>21.4%</u>
Income before capital contributions and grants	(13,425)	23,601	-156.9%
Capital contributions and grants	<u>48,322</u>	<u>44,932</u>	<u>7.5%</u>
Increase (decrease) in net position	34,897	68,534	-49.1%
Net Position – beginning of year	<u>819,748</u>	<u>751,215</u>	<u>9.1%</u>
Net Position – end of year	<u>\$ 854,645</u>	<u>\$ 819,748</u>	<u>4.3%</u>

Allegheny County Airport Authority

Management's Discussion and Analysis (Continued)

Total operating revenues increased approximately \$27.9 million, or 15.0%, compared to 2024. Terminal rental rates increased from \$183.35 per square foot in 2024 to \$287.64 per square foot in 2025. This increase reflects, in part, the adoption of a blended rate used to meet debt payments related to bonds issued for the construction of the new landside terminal. In addition, a one-time catch-up fee of \$2.1 million related to fuel surcharges was recovered from rental car operators, contributing to an increase of \$2.7 million, or 16.0%, in rental car revenues.

Total operating expenses, including depreciation, increased by \$32.8 million, or 15.5%, in 2025 compared to 2024. Utilities increased in 2025 as the Authority operated both the new TMP facility and the legacy terminal during the transition period amid rising gas prices. Janitorial and maintenance costs also rose with the additional TMP square footage. In total, utilities, cleaning, and maintenance increased by approximately \$3.4 million.

The category called Other Expenses includes professional services, supplies, fuel, and winter chemicals. This category increased by \$18.4 million. The application of Governmental Accounting Standards Board Statement Number 68, Accounting and Financial Reporting for Pensions, resulted in the recognition of additional pension expenses of \$18.8 million in 2025 and \$21.9 million in 2024.

Nonoperating revenues decreased \$8.4 million, primarily because the fair value of investments decreased \$4.8 million and other revenues decreased \$4.2 million.

Nonoperating expenses increased \$23.7 million due to higher interest payments on the 2023 and 2021 bonds and a one-time donation to the Transportation Security Administration of \$11.1 million for new equipment.

Significant Capital Project: Terminal Modernization Program

In 2017, the Authority approved a master plan for the Airport that identified the need to right-size and modernize the terminal facilities. The existing terminal buildings constructed in the late nineteen eighties and early nineteen nineties were designed in coordination with the former US Airways to support its hub operations and were therefore sized for heavy connecting flight volumes.

The Airport no longer serves as a major connecting hub following the end of US Airways operations in 2004. Passenger traffic now consists of approximately 97% origination and destination activity supported by a diversified airline portfolio. As a result, portions of the former landside terminal exceeded current activity levels, while other functional areas were undersized for a strong origination and destination (O&D) market. For example, the Transportation Security Administration screening area was not designed to meet evolving passenger needs, leading to congestion. In addition, building systems such as elevators, escalators, mechanical systems, electrical systems, and communication systems placed into service in 1992 had reached the end of their useful lives and required significant maintenance or replacement. These conditions demonstrated the need for a new modern landside terminal tailored to O&D activity, along with renovations to the existing airside terminal. The Terminal Modernization Program addressed this need.

A new landside terminal was constructed to meet the needs of current passengers and to align the facility size with demand. The terminal opened on November 18, 2025, and includes ticketing, the Transportation Security Administration checkpoint, and baggage claim. New roadways, parking facilities, and rental car facilities were constructed adjacent to the terminal. The new landside terminal connects directly to the existing airside terminal, eliminating the need for a train connection between the buildings. The design incorporates evolving customer expectations, technology, sustainability, and health standards, and reflects extensive collaboration between the Authority and its airline partners. The new terminal balances landside and airside functions, accommodates projected passenger demand, improves building system performance, and reduces long-term operating costs.

The Terminal Modernization Program and the Airside Renovation Program total \$1.9 billion, including design, construction, and related costs beginning in 2019 and continuing through final landscaping and completion work

Allegheny County Airport Authority

Management's Discussion and Analysis (Continued)

scheduled for 2026. Major components include the new terminal, the multimodal complex, airside renovations, and indirect project costs.

Public Law 117-58, called the Infrastructure Investment and Jobs Act and referred to as the Bipartisan Infrastructure Law (BIL), was enacted by Congress in November 2021. The law includes \$5.0 billion in competitive Airport Terminal Program (ATP) grants, awarded at \$1.0 billion annually for Federal Fiscal Years 22-26. It also provides \$15.0 billion under the entitlement Airport Infrastructure Grants (AIG) program for airports in the United States. These funds may be used for runways, taxiways, safety and sustainability projects, terminals, transit connections, and roadway projects across a period of five years.

The Authority applied for funding during the first four years of the Airport Terminal Program competitive cycle and received awards totaling \$34.8 million. These funds supported Terminal Modernization Program work, including structural steel, decking, escalators and elevators, terminal terraces, and certain airside concourse improvements outside the scope of the Terminal Modernization Program and Airside Renovation Program. The Authority has applied for the final year of the program for the Federal Fiscal Year 2026 to support continued airside concourse improvements, and this request is pending a decision.

The Authority is eligible to receive an estimated \$53.8 million under the Airport Infrastructure Grants program for Pittsburgh International Airport through 2026 and intends to apply these funds to the Terminal Modernization Program, the Airside Renovation Program, and airfield upgrades. In addition, approximately \$3.8 million in Airport Infrastructure Grants funding is available for Allegheny County Airport over the five-year life of the program to support eligible airfield improvements.

Allegheny County Airport Authority

Management's Discussion and Analysis (Continued)

Financial Position

A summary of the Authority's Statement of Net Position for the years ended December 31, 2025, and 2024, is presented below (dollars in thousands).

	<u>2025</u>	<u>2024</u>	<u>% Change 2025 vs 2024</u>
Assets and Deferred Outflows of Resources			
Assets			
Current assets - Unrestricted	\$ 200,292	\$ 165,774	20.8%
Current assets - Restricted	110,425	116,653	-5.3%
Net property and equipment	2,391,117	1,992,214	20.0%
Other non current assets - Unrestricted	290,813	278,236	4.5%
Other non current assets - Restricted	302,862	230,379	31.5%
Total assets	3,295,510	2,783,255	18.4%
Deferred Outflows of Resources			
	31,899	51,422	-38.0%
Total assets and deferred outflows of resources	\$ 3,327,409	\$ 2,834,677	17.38%
Liabilities and Deferred Inflows of Resources			
Liabilities			
Current payables from unrestricted assets	\$ 55,639	\$ 41,723	33.4%
Current payables from restricted assets	109,484	113,756	-3.8%
Long-term liabilities	2,031,300	1,628,528	24.7%
Total liabilities	2,196,423	1,784,007	23.1%
Deferred Inflows of Resources			
	276,341	230,922	19.7%
Total liabilities and deferred inflows of resources	2,472,764	2,014,929	22.7%
Net Position			
Net investment in capital assets	789,197	726,502	8.6%
Restricted	67,600	69,434	-2.6%
Unrestricted	(2,153)	23,812	-109.0%
Total net position	\$ 854,645	\$ 819,748	4.26%

Net Position

The Authority's total net position increased by \$34.9 million from 2024 due to changes in net investment in capital assets, restricted net position, and unrestricted net position. Net investment in capital assets increased by \$62.7 million as a result of additional capital investment, as described in the following section. Restricted net position decreased by \$1.8 million, primarily due to the use of restricted resources for capital project expenditures and other restricted purposes during 2025. Unrestricted net position decreased by \$26.0 million during 2025, reflecting the overall change in operating and nonoperating results for the year, including higher interest expense associated with the Authority's outstanding debt.

Allegheny County Airport Authority

Management's Discussion and Analysis (Continued)

The Authority applies Governmental Accounting Standards Board Statement Number 87, *Leases*, in its financial statements. Additional information regarding the Authority's leases is presented in Note 12 to the financial statements.

Capital Assets

Capital assets are recorded in land, building, and equipment accounts and are depreciated over their estimated useful lives, except for land, which is not depreciated. The Authority's capital assets, net of depreciation, totaled \$2.4 billion and \$2.0 billion as of December 31, 2025, and 2024, respectively. Capital assets include land and land improvements, runways and taxiways, buildings and building improvements, equipment, furniture and fixtures, and construction in progress. The total increase in capital assets before accumulated depreciation in 2025 was 11.2%.

Major capital projects in progress and expenditures for 2025 included:

- Terminal Modernization Program, \$401.2 million
- Development area projects, \$0.8 million
- Airfield projects, \$17.5 million
- Snow removal equipment, \$2.1 million

Major capital projects in progress and expenditures for 2024 included:

- Terminal Modernization Program, \$506.8 million
- Development area projects, \$1.3 million
- Airfield projects, \$3.3 million

Capital asset acquisitions are recorded at cost and depreciated using the straight-line method. Acquisitions are funded through a variety of sources, including federal and state grants, passenger facility charges, debt issuance, and cost recovery through airline rates and charges. Major outstanding commitments include \$50.4 million for the Terminal Modernization Program and \$68.8 million for other projects. Additional information regarding the Authority's capital assets is provided in Note 5 to the financial statements.

Debt Administration

As of December 31, 2025, and 2024, the Authority's long-term outstanding debt totaled \$1,836.6 million and \$1,428.0 million, respectively. The 2025 balance consists primarily of the 2025, 2023, and 2021 bond issues. In April 2025, the Authority's credit ratings were confirmed in connection with the anticipated 2025 bond sale: Fitch affirmed its 'A' rating with a Stable Outlook, Moody's affirmed its 'A2' rating with a Stable Outlook, and Kroll affirmed its 'A+' rating. Detailed information regarding the Authority's long-term debt is provided in Note 6 to the financial statements.

Requests for Information

This financial report is intended to provide an overview of the Authority's financial position and to demonstrate accountability for the resources entrusted to it.

Questions concerning the information presented in this report, or requests for additional financial information, should be directed in writing to the Chief Financial Officer, Pittsburgh International Airport, 1305 Cherrington Parkway, Suite 100, Moon Township, Pennsylvania 15108, or through the Contact Us section of the Authority's website at www.flypittsburgh.com.

Allegheny County Airport Authority

Statement of Net Position

December 31, 2025

Assets

Current assets:

Cash and cash equivalents (Note 3)	\$ 102,199,753
Investments (Note 3)	43,804,064
Receivables:	
Trade receivables	11,064,392
Due from County of Allegheny, Pennsylvania (Note 11)	762,960
Accrued interest receivable	1,254,349
Leases receivable	12,050,578
Due from other governments	19,108,624
Gas drilling receivable	2,149,792
Inventory	2,506,667
Restricted assets: (Note 4)	
Cash and cash equivalents (Note 3)	107,377,477
Accrued interest receivable	514,673
Passenger and customer facility charge receivable	2,533,300
Other assets	5,390,452

Total current assets 310,717,081

Noncurrent assets:

Restricted assets: (Note 4)	
Restricted cash and cash equivalents	75,966,059
Restricted investment securities	226,895,869
Investments (Note 3)	36,076,148
Capital assets: (Note 5)	
Assets not subject to depreciation	169,536,717
Assets subject to depreciation - Net	2,221,580,530
Lease receivable - Net of current portion	253,745,414
Prepaid bond insurance premium	991,885

Total noncurrent assets 2,984,792,622

Total assets 3,295,509,703

Deferred Outflows of Resources - Deferred pension costs (Note 8) 31,899,197

Liabilities

Current liabilities:

Accounts payable	16,022,916
Due to County of Allegheny, Pennsylvania (Note 11)	2,237,296
Payables from restricted assets:	
Accounts payable	13,379,041
Accrued liabilities	43,059,021
Retainage payable	51,337,148
Other liabilities	1,708,336
Unearned revenue	7,826,884
Accrued liabilities and other	11,633,421
Current portion of long-term debt (Note 6)	17,918,487

Total current liabilities 165,122,550

Noncurrent liabilities:

Long-term debt - Net of current portion (Note 6)	1,818,725,537
Net pension liability (Note 8)	208,818,678
Unearned revenue	2,979,172
Other noncurrent liabilities	776,983

Total noncurrent liabilities 2,031,300,370

Total liabilities 2,196,422,920

Allegheny County Airport Authority

Statement of Net Position (Continued)

December 31, 2025

Deferred Inflows of Resources

Deferred pension cost reductions (Note 8)	\$ 28,693,957
Leases	<u>247,646,992</u>
Total deferred inflows of resources	<u>276,340,949</u>

Net Position

Net investment in capital assets	789,197,417
Restricted:	
Capital projects	41,046,122
Operations and maintenance	26,039,671
Debt service	514,673
Unrestricted	<u>(2,152,852)</u>
Total net position	<u><u>\$ 854,645,031</u></u>

Allegheny County Airport Authority

Statement of Revenue, Expenses, and Changes in Net Position

Year Ended December 31, 2025

Operating Revenue

Landing fees	\$ 28,179,199
Terminal area airline rentals and fees	62,107,289
Other aeronautical revenue	6,656,446
Parking revenue	67,567,715
Rental car revenue	19,349,306
Terminal concessions	18,061,181
Other nonaeronautical revenue	9,640,318
Allegheny County Airport revenue	2,644,180

Total operating revenue 214,205,634

Operating Expenses

Salaries, wages, and benefits	85,902,603
Utilities	12,627,528
Cleaning and maintenance services	22,029,520
Professional services	51,594,004
Other operating expenses	17,937,131
Allegheny County Airport expenses	3,931,606
Depreciation	50,263,843

Total operating expenses 244,286,235

Operating Loss (30,080,601)

Nonoperating Revenue (Expense)

Interest income	24,480,716
Customer facility charges	15,181,474
Passenger facility charges	19,151,316
Gaming Act revenue	12,400,000
Gas drilling revenue	11,123,674
Interest expense	(65,934,482)
Net increase in fair value of investments	2,218,113
Lease interest revenue	8,682,033
Other nonoperating income	407,439
Capital donations	(11,055,384)

Total nonoperating revenue 16,654,899

Income - Before capital contributions (13,425,702)

Capital Contributions - Capital grants 48,322,403

Change in Net Position 34,896,701

Net Position - Beginning of year 819,748,330

Net Position - End of year \$ 854,645,031

Allegheny County Airport Authority

Statement of Cash Flows

Year Ended December 31, 2025

Cash Flows from Operating Activities

Receipts from customers and users	\$ 202,303,022
Payments to suppliers for goods and services	(129,668,845)
Payments to employees and fringes	(67,874,268)
Other receipts	407,439

Net cash and cash equivalents provided by operating activities 5,167,348

Cash Flows from Noncapital Financing Activities

Gaming Act receipts	12,400,000
Gas drilling rent and royalty receipts	10,509,267

Net cash and cash equivalents provided by noncapital financing activities 22,909,267

Cash Flows from Capital and Related Financing Activities

Draws on line of credit and issuance of debt obligations	475,565,962
Receipt of capital grants and contributions	47,311,897
Proceeds from sale of capital assets	106,708
Payments for construction in progress and purchase of capital assets	(447,337,680)
Payments on line of credit, bonds, interest, and other debt-related charges	(124,376,451)
Passenger facility charges collected	19,141,316
Customer facility charges collected	15,181,474
Lease interest revenue collected	8,682,033

Net cash and cash equivalents used in capital and related financing activities (5,724,741)

Cash Flows from Investing Activities

Interest received on investments	26,765,282
Proceeds from sale and maturities of investment securities	51,610,494

Net cash and cash equivalents provided by investing activities 78,375,776

Net Increase in Cash and Cash Equivalents

100,727,650

Cash and Cash Equivalents - Beginning of year

184,815,639

Cash and Cash Equivalents - End of year

\$ 285,543,289

Classification of Cash and Cash Equivalents

Cash and cash equivalents	\$ 102,199,753
Restricted cash and cash equivalents - Current	107,377,477
Restricted cash and cash equivalents - Noncurrent	75,966,059

Total cash and cash equivalents **\$ 285,543,289**

Allegheny County Airport Authority

Statement of Cash Flows (Continued)

Year Ended December 31, 2025

Reconciliation of Operating Loss to Net Cash and Cash Equivalents from Operating

Activities

Operating loss	\$ (30,080,601)
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Adjustments to reconcile operating loss to net cash and cash equivalents from operating activities:

Depreciation	50,263,843
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Changes in assets and liabilities:

Receivables	(11,505,173)
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Inventories	63,320
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Accounts payable	(24,045,234)
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Net pension liability	5,682,511
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Deferrals related to pension	13,165,572
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Accrued and other liabilities	1,623,110
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Total adjustments	35,247,949
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Net cash and cash equivalents provided by operating activities	<u><u>\$ 5,167,348</u></u>
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Significant Noncash Transactions

Noncash donation of capital assets to the TSA	\$ (11,055,384)
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Capital assets acquired through accounts payable	10,292,901
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Capital assets acquired through installment purchase financing	1,255,886
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December 31, 2025

Note 1 - Nature of Business

Allegheny County Airport Authority (the "Authority") presently leases and operates the Pittsburgh International Airport (PIT or the "Airport") and the Allegheny County Airport (AGC) (collectively, the "Airport System"). The Authority's activities are commercial in nature and are intended to be self-sustaining. The Authority is a corporate body existing under the laws of the Commonwealth of Pennsylvania pursuant to the Municipality Authorities Act of 1945, approved on May 2, 1945, P.L. 382, and subsequently amended by the Municipal Authority Act, Act 22 of 2001. The Authority was organized by the County of Allegheny, Pennsylvania (the "County") on June 17, 1999. On September 16, 1999, pursuant to the Airport Operation, Management and Transfer Agreement and Lease between the County and the Authority (the "Transfer Agreement"), as amended, the County transferred and leased the Airport System to the Authority for an initial term of 25 years with two 25-year extension options exercisable at the option of the Authority. In connection with the Transfer Agreement, the County transferred to the Authority all of the County's rights, title, and interest in the property utilized by the County in connection with the Airport System. In addition, all contractual rights, obligations, and liabilities pertaining to the Airport System, including revenue and general obligation bonds issued by the County to finance construction and development of PIT, were transferred to the Authority by the County. Prior to the organization of the Authority, the operations were included in the County's Department of Aviation.

Board members of the Authority are appointed by the county executive, subject to confirmation by a majority of the County Council. The Authority's financial statements are presented as a component unit in the County's general purpose financial statements and Annual Comprehensive Financial Report. Given the relationship of the parties to the Transfer Agreement, no adjustments were made to the historical carrying values of the Airport System's assets and liabilities and net position. The accompanying financial statements reflect the financial position and results of operations of the Authority as of and for the year ended December 31, 2025.

Note 2 - Significant Accounting Policies

Accounting and Reporting Principles

The Governmental Accounting Standards Board (GASB) establishes standards for external financial reporting for state and local governments and components thereof. The Authority's net position is classified into three categories according to external restrictions or availability of assets for satisfaction of authority obligations. The Authority's net position is classified as follows:

- **Net Investment in Capital Assets** - This represents the Authority's total investment in capital assets - net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.
- **Restricted Net Position** - This includes resources for which the Authority is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.
- **Unrestricted Net Position** - Unrestricted net position represents resources derived from operations that may be used at the discretion of the board of directors for any purpose.

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

Basis of Accounting

The Authority 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 Authority's financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

December 31, 2025**Note 2 - Significant Accounting Policies (Continued)*****Revenue and Expenses***

Revenue from airlines, concessionaires, lessees, and parking is reported as operating revenue. Operating expenses include the cost of administering the Airport System, plus depreciation and amortization of capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses or capital contributions and grants.

Revenue Recognition and Unearned Revenue**Airline Operating Agreement**

Landing fees and terminal building lease rental revenue include amounts computed in accordance with the Airline Operating Agreement (AOA) between the Authority and the airlines serving PIT that sign this agreement (the "Signatory Airlines"). The AOA provides that the aggregate of airline fees and charges, together with other revenue, including nonairline revenue, for each fiscal year should be sufficient to pay the operating expenses of the cost centers included in the AOA and to make all deposits and payments under the bond indentures issued in connection with financings of capital projects for the Authority. In 2021, the AOA was extended to expire on December 31, 2028.

American Airlines, together with its affiliated commuter airlines, accounted for approximately 23 percent of total enplaned passengers at PIT in 2025. Southwest Airlines accounted for approximately 25 percent of total enplaned passengers at PIT in 2025. Revenue from American Airlines represents approximately 11.79 percent of PIT operating revenue in 2025. No other airline represents more than 10 percent of operating revenue or 20 percent of total enplaned passengers.

Concession and Rental Car Revenue

Concession and rental car revenue is generally based on a fixed percentage of tenant revenue subject to certain minimum monthly fees.

Parking Revenue

Parking revenue is derived from a third-party operator and is based on a fixed percentage of net revenue, as defined in the associated management agreement.

Gas Drilling Revenue

On February 8, 2013, the Authority's board awarded the bid to drill natural gas at the Airports to CNX Gas Company LLC (CNX). Its lease has continued from year to year. In addition to ground rent, the Authority earns ongoing royalties on the natural gas production. Net revenue from the natural gas lease has been used to reduce airline rates and charges and for capital expenditures, including economic development, at the Airport. In addition, CNX has partnered with Range Resources to further develop the gas lease by adding laterals to its contiguous drilling pads. CNX began to frac the wells in April 2023 and commenced production in May 2023, with the Authority receiving royalties on the same basis as if CNX drilled the acres itself. During 2025, drilling revenue was \$11.1 million.

Passenger Facility Charges (PFCs)

On October 1, 2001, the airlines began collecting PFCs on qualifying enplaning passengers at PIT on behalf of the Authority. 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, debt service payments. Both the fee imposed and the intended uses must be reviewed and approved by the FAA.

December 31, 2025

Note 2 - Significant Accounting Policies (Continued)

Effective December 1, 2004, the FAA approved an increase to the PFC, allowing the Authority to collect at the current maximum rate of \$4.50. The project summary was approved by the FAA in its Record of Decision, dated July 2001, and subsequently amended through April 21, 2023, as follows:

Reimbursement for preapplication projects (to be applied to debt service)	\$ 195,055,143
Safety and security-related projects	132,466,775
Environmental-related projects	82,427,857
Terminal development projects	<u>711,995,800</u>
Total	<u>\$1,121,945,575</u>

The Authority has expended \$419,097,107 on these projects through December 31, 2025.

PFC revenue is classified as nonoperating in the statement of revenue, expenses, and changes in net position and is restricted for capital improvements, debt service, and certain other uses approved by the FAA.

Customer Facility Charges (CFCs)

Beginning on June 1, 2011, the Authority began collecting CFCs from all rental car concessionaires that operate at PIT. CFC revenue is classified as nonoperating in the statement of revenue, expenses, and changes in net position. Such amounts are restricted for operating and maintenance expense, capital improvements, and debt service related to the rental car operation at the Airport or for any rental car-related purpose the Authority determines is a reasonable use of such funds.

The CFC fee is charged to each on-airport rental car concessionaire customer on a per transaction day basis. The CFC rate was increased from \$6.00 to \$8.00 effective January 1, 2025. At the request of the rental car companies, the Authority also increased the cap on the number of days subject to the charge from 7 to 30 in April 2020.

Federal and State Grants

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

Tenant-financed Improvements

Unearned revenue also includes amounts funded by tenants of the Authority for certain capital assets. These unearned revenue amounts are being amortized to contribution revenue using the straight-line method over the depreciable lives of the related assets through credits to current rents payable.

Specific Balances and Transactions**Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

Investments

Investments are reported at fair value or estimated fair value. Short-term investments are reported at cost, which approximates fair value. Changes in the fair value of investments are reported as nonoperating revenue in the statement of revenue, expenses, and changes in net position.

December 31, 2025

Note 2 - Significant Accounting Policies (Continued)**Inventories and Prepaid Items**

Inventories are valued at cost, which is determined using the weighted-average method of accounting. Inventories are composed of construction-related materials and parts used for maintenance of facilities and equipment.

Prepaid bond insurance premiums represent costs applicable to future years and are recorded as prepaid items.

Capital Assets

Capital assets are defined by the Authority as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Costs incurred for major improvements are carried in construction in progress until the assets are placed in service or are available for use, whichever occurs first.

Capital assets are depreciated using the straight-line method over the following useful lives:

	Depreciable Life - Years
Terminal buildings	10-30
Airfield (runways/taxiways/deicing)	20
Site development	30-50
Parking garage/lots/etc.	15-40
Hangars	5-30
Roadways	10-20
Mobile and other equipment	10-20
Computer/Security equipment and systems	5-20
Utilities	10-40
Other assets	10-30
Other structures	10-30
Landing area - Non sub	20-50

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then.

The Authority reports deferred outflows related to pension. See Note 8 for further details on pension deferred outflows.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

The Authority reports deferred inflows related to pension and deferred lease revenue. See Notes 8 and 12 for further details on pension inflows and deferred lease revenue, respectively.

December 31, 2025**Note 2 - Significant Accounting Policies (Continued)****Pension**

The Authority participates in a single-employer defined benefit pension plan sponsored by the County, known as the Allegheny County Employees' Retirement System (the "Retirement System"). For reporting and accounting purposes, the Retirement System is treated as a cost-sharing multiple-employer defined-benefit plan, as the Retirement System covers both the Authority's and the County's employees. The Authority records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Allegheny County Employees' Retirement System pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Compensated Absences (Vacation and Sick Leave)

It is the Authority's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. Certain firefighters employed by the Authority earn vested sick benefits that are accrued for based on the estimated amount that the Authority will pay upon employment termination (current rates of compensation plus appropriate taxes); vacation pay is accrued based on assumptions concerning the probability that certain employees will become eligible to receive these benefits in the future. A leave liability is recognized due to the leave attributable to services already rendered, leave that accumulates, and leave that is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Use of Estimates

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

Leases

The Authority is a lessee for a noncancelable lease related to the Authority's office building. The Authority recognizes a lease liability and an intangible right-of-use lease asset on the statement of net position in accordance with GASB Statement No. 87.

At the commencement of a lease, the Authority initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Authority determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Authority uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Authority generally uses its estimated incremental borrowing rate as the discount rate for leases.

December 31, 2025**Note 2 - Significant Accounting Policies (Continued)**

- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Authority is reasonably certain to exercise.

The Authority monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

The Authority is a lessor for noncancelable leases of certain assets, including airport facilities, surrounding property, and locations within the airport. The Authority recognizes a lease receivable and a deferred inflow of resources in the financial statements.

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

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

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

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

Lessor lease activity is further described in Note 12.

Upcoming Accounting Pronouncements

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

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

December 31, 2025

Note 2 - Significant Accounting Policies (Continued)

In December 2025, the Governmental Accounting Standards Board issued Statement No. 105, *Subsequent Events*, which defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2027.

Note 3 - Deposits and Investments

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

Cash and cash equivalents	\$ 102,199,753
Investments - Current	43,804,064
Investments - Noncurrent	36,076,148
Restricted cash and cash equivalents - Current	107,377,477
Restricted cash and cash equivalents - Noncurrent	75,966,059
Restricted investments - Noncurrent	226,895,869
Total deposits and investments	<u>\$ 592,319,370</u>

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

Deposits with financial institutions	\$ 41,928,653
Investments - Reported at fair value:	
Commercial paper	84,518,906
Treasury notes	115,920,860
Investment pool - Federated government obligations fund	241,815,495
Investment pool - Dreyfus government cash management fund	59,282,425
Government agency bonds	48,853,031
Total	<u>\$ 592,319,370</u>

The Authority's investment policy is to follow Section 5611 of the Commonwealth of Pennsylvania Municipality Authorities Act and Act 131 of 2014 (Section 2) (collectively, the "Acts"). In accordance with the Acts, the Authority is authorized to invest in (1) U.S. Treasury bills; (2) short-term obligations of the U.S. government or its agencies or instrumentalities; (3) obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America, the Commonwealth of Pennsylvania (the "Commonwealth") or any of its agencies or instrumentalities backed by the full faith and credit of the Commonwealth, or any political subdivision of the Commonwealth or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision; (4) commercial paper rated in the highest rating category, without reference to a subcategory, by a rating agency; and (5) shares of an investment company registered under the Investment Company Act of 1940 whose shares are registered under the Securities Act of 1933 if the only investments of that company are in the authorized investments for authority funds listed (1) through (4) above.

Commonwealth of Pennsylvania law requires that the Authority's deposits be placed in savings accounts, time deposits, or share accounts of institutions insured by the Federal Deposit Insurance Corporation (FDIC), the Federal Savings and Loan Insurance Corporation, or the National Credit Union Insurance Fund. To the extent that such accounts are so insured, and for any amounts above the insured maximum, the approved collateral, as provided by law, shall be pledged by the depository.

The Authority has designated four banks for the deposit of its funds. The Authority's deposits and investments are in accordance with statutory authority and the adopted investment policy.

There are no limitations or restrictions on participant withdrawals for the investment pools that are recorded at amortized cost.

December 31, 2025

Note 3 - Deposits and Investments (Continued)

The Authority's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority'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 limits are uninsured and collateralized by financial institutions via single collateral pool arrangements, as permitted by Act No. 72 of the 1971 session of the Pennsylvania General Assembly, for the protection of public depositors. At December 31, 2025, the Authority had bank deposits of \$41,390,756 that were uninsured but collateralized.

Custodial Credit Risk of Investments

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2025, the Authority's investments were not exposed to custodial credit risk. The Authority's investments are held by the pledging financial institution's trust department or agent in the Authority's name. The Authority's investment policy does not address how investment securities and securities underlying repurchase agreements are to be held.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Authority does not have an investment policy that manages exposure to fair value losses arising from rising interest rates.

At December 31, 2025, the Authority had the following investments and maturities:

Type of Investment	Carrying Value	Less Than 1 Year	1-5 Years
Investment pool - Federated government obligations fund	\$ 241,815,495	\$ 241,815,495	\$ -
Investment pool - Dreyfus government cash management fund	59,282,425	59,282,425	-
Commercial paper	84,518,906	58,446,872	26,072,034
Treasury notes	115,920,860	111,695,041	4,225,819
Government agency bonds	48,853,031	48,506,316	346,715
Total	<u>\$ 550,390,717</u>	<u>\$ 519,746,149</u>	<u>\$ 30,644,568</u>

December 31, 2025

Note 3 - Deposits and Investments (Continued)***Credit Risk***

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Acts provide for investment of governmental funds into certain authorized investment types. Statutes do not prescribe regulations related to demand deposits; however, they do allow pooling of governmental funds for investment. The Authority has no investment policy that would further limit its investment choices. The deposit and investment policy of the Authority adheres to state statutes, related trust indentures, and prudent business practices. As of December 31, 2025, the credit quality ratings of investments are as follows:

Investment	Carrying Value	Standard & Poor's	Moody's
Investment pool - Federated government obligations fund*	\$ 241,815,495	AAAm	Aaa-mf
Investment pool - Dreyfus government cash management fund*	59,282,425	AAAm	Aaa-mf
Treasury notes	115,920,860	N/A	N/A
Government agency bonds	48,853,031	N/A	N/A
Commercial paper	50,096,459	A-1+	P-1
Commercial paper	8,350,413	A-1	P-1
Commercial paper	26,072,034	A+	Aa2
Total	<u>\$ 550,390,717</u>		

*Investment is valued at amortized cost rather than fair value. There is no limitation on redemption frequency, no redemption notice period required, and no unfunded commitments.

Concentration of Credit Risk

The Authority's investment policy places no limit on the amount the Authority may invest in any one issuer. At December 31, 2025, the Authority does not have any investments subject to concentration of credit risk.

Foreign Currency Risk

Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value as a result of changes in foreign currency exchange rates. The Authority's exposure to foreign currency risk derives from its investments in commercial paper issued by Canadian, Asian, and other foreign corporations. The Authority's investment policy permits it to hold commercial paper rated in the highest rating category, without reference to a subcategory, by a rating agency. At December 31, 2025, the Authority's investment in commercial paper of foreign currencies matured in less than one year and had a fair value of \$8,758,460.

Fair Value Measurements

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

December 31, 2025

Note 3 - Deposits and Investments (Continued)

The Authority has the following recurring fair value measurements as of December 31, 2025:

Assets Measured at Carrying Value on a Recurring Basis at December 31, 2025				
Investments by Fair Value Level	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2025
U.S. Treasury securities	\$ 115,920,860	\$ -	\$ -	\$ 115,920,860
Commercial paper	-	84,518,906	-	84,518,906
Government agency bonds	-	48,853,031	-	48,853,031
Total investments by fair value level	<u>\$ 115,920,860</u>	<u>\$ 133,371,937</u>	<u>\$ -</u>	<u>\$ 249,292,797</u>

Securities classified in Level 1 are valued using prices quoted in active markets for those securities.

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.

The fair value of commercial paper and government agency bonds at December 31, 2025 was determined primarily using Level 2 inputs. The Authority estimates the fair value of these investments using other inputs, such as top-tier third-party pricing sources, including Interactive Data Corporation.

Note 4 - Restricted Assets

At December 31, 2025, restricted assets are composed of the following:

Passenger facility charge funds	\$ 4,770,525
Construction funds (unspent bond proceeds)	150,121,376
Capitalized interest	41,313,330
Debt service reserve	112,514,182
Operations and maintenance reserve	35,735,220
Airport system capital fund	46,800,168
Equipment and capital outlay fund	8,529,262
Prefunded grant proceeds	6,574,921
Customer facility charges fund	5,095,426
Other	1,832,968
Total	<u>\$ 413,287,378</u>

Under the AOA, the Authority must also maintain certain funds and accounts (as therein defined). The AOA further requires the use of a cost-center structure. In general, revenue from all cost centers is pledged to the payment of the Authority's revenue bonds. However, debt service on the TMP will be charged to the terminal cost center exclusively.

The passenger facility charge fund provides for the segregation of PFC receipts, as required by the FAA. Such revenue is to be expended only for allowable capital projects or to repay debt issued for allowable capital projects under a record of decision granted by the FAA.

December 31, 2025
Note 4 - Restricted Assets (Continued)

All other restricted funds and accounts (including those established under the AOA) of the Authority represent amounts held for customer facility charge fund expenditures, specific grants and capital projects, or deposits held on behalf of others.

Note 5 - Capital Assets

Capital asset activity of the year ended December 31, 2025 is as follows:

	Balance January 1, 2025	Additions	Disposals and Donations	Transfers	Balance December 31, 2025
Capital assets not being depreciated:					
Land	\$ 112,630,772	\$ -	\$ -	\$ -	\$ 112,630,772
Construction in progress	1,532,526,312	458,227,120	(13,003,664)	(1,920,843,823)	56,905,945
Subtotal	1,645,157,084	458,227,120	(13,003,664)	(1,920,843,823)	169,536,717
Capital assets being depreciated:					
Terminal buildings	740,844,835	-	-	1,316,467,180	2,057,312,015
Airfield (runways, taxiways, and deicing)	227,217,159	-	-	14,512,840	241,729,999
Site development	115,823,736	-	-	1,641,746	117,465,482
Parking garage and lots	123,896,410	-	-	241,679,409	365,575,819
Hangars	49,470,287	-	-	690,878	50,161,165
Other structures	224,811,891	-	-	38,483,541	263,295,432
Roadways	76,526,301	-	-	201,712,405	278,238,706
Mobile and other equipment	61,179,069	1,255,886	(1,126,614)	5,206,565	66,514,906
Computer and security equipment/systems	76,772,600	-	-	57,708,597	134,481,197
Utilities	52,719,158	-	-	4,658,758	57,377,916
Other assets	52,637,803	-	-	38,081,904	90,719,707
Landing area (non sub)	303,979,846	-	(28,336,502)	-	275,643,344
Lease assets	-	2,698,412	-	-	2,698,412
Subtotal	2,105,879,095	3,954,298	(29,463,116)	1,920,843,823	4,001,214,100
Accumulated depreciation:					
Terminal buildings	699,262,460	11,165,969	-	-	710,428,429
Airfield (runways, taxiways, and deicing)	150,388,548	10,633,598	-	-	161,022,146
Site development	56,811,645	2,714,285	-	-	59,525,930
Parking garage and lots	103,090,975	3,567,149	-	-	106,658,124
Hangars	44,698,264	552,313	-	-	45,250,577
Other structures	156,889,364	6,232,982	(6,655)	-	163,115,691
Roadways	67,521,428	2,379,309	-	-	69,900,737
Mobile and other equipment	47,743,265	2,489,460	(1,109,106)	-	49,123,619
Computer and security equipment/systems	58,582,569	4,041,775	-	-	62,624,344
Utilities	48,398,095	515,613	-	-	48,913,708
Other assets	30,928,918	4,613,360	-	-	35,542,278
Landing area (non sub)	294,506,459	1,358,030	(28,336,502)	-	267,527,987
Subtotal	1,758,821,990	50,263,843	(29,452,263)	-	1,779,633,570
Net capital assets being depreciated	347,057,105	(46,309,545)	(10,853)	1,920,843,823	2,221,580,530
Net capital assets	\$ 1,992,214,189	\$ 411,917,575	\$ (13,014,517)	\$ -	\$ 2,391,117,247

December 31, 2025

Note 5 - Capital Assets (Continued)***Construction Commitments***

Construction in progress related to runway and taxiway rehabilitation, garage and parking lots, terminal enhancements, nonairfield property development, and the Terminal Modernization Program. As of December 31, 2025, the Authority's equipment purchases and construction commitments are as follows:

	Spent to Date	Remaining Commitment
Terminal Modernization Program	\$ 1,448,334,646	\$ 50,393,302
Development area projects	38,399,575	753,610
Snow removal equipment	1,289,204	870,712
Other projects	543,813,958	67,219,659
Total	<u>\$ 2,031,837,383</u>	<u>\$ 119,237,283</u>

Inexhaustible Assets

The Authority maintains various collections of inexhaustible assets to which no value can be determined. Such collections could include contributed works of art, historical treasures, literature, etc. that are held for exhibition and public service. These collections are neither disposed of for financial gain nor encumbered in any means. Accordingly, such collections are not capitalized or recognized for financial statement purposes.

Donated Assets

During 2025, the Authority donated assets with an aggregate cost of approximately \$11.1 million to support the Transportation Security Administration's (TSA) security screening operations in the Authority's Terminal Modernization Program (new terminal), including checkpoint and screening-related equipment and system components. Under the applicable agreements, the TSA owns and controls the screening equipment and related technology and is responsible for operating the checkpoint. The Authority does not retain ownership or control of these assets and has accordingly recorded the donation of TSA screening equipment as a nonoperating expense.

December 31, 2025

Note 6 - Long-term Debt

Long-term debt activity for the year ended December 31, 2025 can be summarized as follows:

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable:							
Direct borrowings and direct placements:							
Line of credit	Variable	N/A	\$ 6,580,913	\$ 54,490,290	\$ (57,043,263)	\$ 4,027,940	\$ -
Business in Our Sites program (BIOS) Loan 1	2.00%	\$290,754 - \$451,657	6,000,000	-	(200,332)	5,799,668	319,564
Business in Our Sites program Loan 2	2.00%	\$30,923 - \$47,742	450,940	-	-	450,940	-
Tax Increment Financing note, Series 2022 (McClaren Road Tax Increment Financing District)	5.00%	\$213,505 - \$1,239,389	2,897,009	-	(203,203)	2,693,806	213,505
Total direct borrowings and direct placements principal outstanding			15,928,862	54,490,290	(57,446,798)	12,972,354	533,069
Other debt:							
Series 2021A and 2021B bonds	4.00% - 5.00%	\$12,560,000 - \$48,395,000	832,670,000	-	-	832,670,000	12,560,000
Series 2023A, 2023B, and 2023C bonds	5.00% - 6.22%	\$3,280,000 - \$28,020,000	415,025,000	-	-	415,025,000	3,280,000
Series 2025A and 2025B bonds	5.00% - 6.01%	\$6,790,000 - \$31,565,000	-	410,515,000	-	410,515,000	-
Total other debt principal outstanding			1,247,695,000	410,515,000	-	1,658,210,000	15,840,000
Unamortized bond premiums -							
Series 2021A and 2021B bonds			149,646,703	-	(11,007,323)	138,639,380	-
Series 2023A, 2021B, and 2023C bonds			12,548,561	-	(864,311)	11,684,250	-
Series 2025A and 2025B bonds			-	10,560,672	(255,033)	10,305,639	-
Total long-term debt			1,425,819,126	475,565,962	(69,573,465)	1,831,811,623	16,373,069
Other liabilities - Installment purchases:							
2025 installment purchase - Parking operations buses	10.00%	\$377,288 - \$461,155	-	1,255,886	-	1,255,886	417,443
2022 installment purchase - 3D printer	1.99%	\$20,724 - \$24,632	1,148,668	-	(270,565)	878,103	276,840
Installment purchase - Powder facility	6.25%	\$1,459 - \$6,895	984,239	-	(984,239)	-	-
Total installment purchases			2,132,907	1,255,886	(1,254,804)	2,133,989	694,283
Leases			-	2,698,412	-	2,698,412	851,135
Total long-term debt, leases, and installment purchase obligations			\$ 1,427,952,033	\$ 479,520,260	\$ (70,828,269)	\$ 1,836,644,024	\$ 17,918,487

December 31, 2025**Note 6 - Long-term Debt (Continued)*****Lines of Credit - Direct Borrowings***

On December 16, 2025, the Authority entered into a committed, unsecured revolving line of credit for a maximum amount of \$10,000,000, intended to bridge the timing of receipts of federal and state grants and oil and gas royalties. The loan bears interest at a rate equal to (i) the daily Secured Overnight Financing Rate (SOFR) plus (ii) 75 basis points (0.75 percent). This will mature on December 16, 2027. The agreement also includes customary covenants and events of default, including cross-default to the Authority's Master Trust Indenture (December 1, 2019) and a revenue bond credit rating trigger (default if revenue bond ratings fall below Baa3/BBB-/BBB- or are withdrawn/suspended for credit reasons). The Authority's prior revolving line of credit agreement was fully settled and closed during 2025, with no amounts outstanding at year end.

Interest paid in 2025 on the line of credit was \$221,283. The balance of the line of credit was \$4,027,940 at December 31, 2025.

BIOS Loans - Direct Borrowings

On June 20, 2020, the Authority entered into an agreement with the PA Department of Community & Economic Development for a Business in Our Sites loan in the amount of \$6 million. This loan will be used to advance land development at the Neighborhood 91 site. The Authority has drawn down \$6,000,000 as of December 31, 2025. Per modified payment terms of the note, upon the earlier of the leasing of 30 percent of the site or the fifth anniversary of the effective date, the borrower will begin to make monthly principal and interest payments in an amount to fully amortize the loan by the maturity date. Payback on this loan began in July 2025. As of December 31, 2025, the balance due on the loan is \$5,799,668 with interest paid in 2025 of \$69,001. A second BIOS loan was entered into agreement on December 13, 2022 for an additional \$1.8 million. The Authority has drawn down \$450,940 as of December 31, 2025. Payment terms on this note were modified to agree with the same modifications as the first note. Payback on this loan will not begin until 2028.

Series 2021A and 2021B Bonds

On August 26, 2021, the Authority issued its Airport Revenue Bonds: Series 2021A (AMT) and Series 2021B (Non-AMT) (the "2021 Bonds") in the amounts of \$719,850,000 and \$112,820,000, respectively. The proceeds of the 2021 Bonds will be used to pay (1) a portion of the costs of the Authority's Terminal Modernization Program, (2) the costs of funding interest on and a debt service reserve account for the 2021 Bonds, and (3) the costs of issuing the 2021 Bonds.

The principal of, interest on, and premium on the 2021 Bonds are payable by the Authority only out of net revenue (as defined under the provisions of the Master Trust Indenture and Supplemental Indentures) and from such other moneys as may be available for such purpose. Neither the general credit of the Authority nor the credit or taxing power of the County of Allegheny, Pennsylvania; the Commonwealth of Pennsylvania; or any political subdivision thereof is pledged for the payment of the 2021 Bonds. The 2021 Bonds shall not be or be deemed a general obligation of the Authority or an obligation of the County, the Commonwealth of Pennsylvania, or any political subdivision thereof. The scheduled payments of principal and interest on the 2021 Bonds when due are guaranteed by third-party insurers. The ultimate ability of such insurers and guarantors to meet their obligations with respect to the Authority's 2021 Bonds will be predicated on their future financial condition.

Series 2023A, 2023B, and 2023C Bonds

On October 12, 2023, the Authority issued its Airport Revenue Bonds: Series 2023A (AMT), Series 2023B (Non-AMT), and Series 2023C (Federally Taxable) (the "2023 Bonds") in the amounts of \$346,960,000, \$27,065,000, and \$41,000,000, respectively. The proceeds of the 2023 Bonds will be used to pay (1) a portion of the costs of the Authority's Terminal Modernization Program, (2) the costs of funding capitalized interest on and a common debt service reserve account deposit for the 2023 Bonds, and (3) the costs of issuing the 2023 Bonds.

December 31, 2025**Note 6 - Long-term Debt (Continued)**

The principal of, interest on, and premium on the 2023 Bonds are payable by the Authority only out of net revenue (as defined under the provisions of the Master Trust Indenture and Supplemental Indentures) and from such other moneys as may be available for such purpose. Neither the general credit of the Authority nor the credit or taxing power of the County of Allegheny, Pennsylvania; the Commonwealth of Pennsylvania; or any political subdivision thereof is pledged for the payment of the 2023 Bonds. The 2023 Bonds shall not be or be deemed a general obligation of the Authority or an obligation of the County, the Commonwealth of Pennsylvania, or any political subdivision thereof. The scheduled payments of principal and interest on the 2023 Bonds when due are guaranteed by third-party insurers. The ultimate ability of such insurers and guarantors to meet their obligations with respect to the Authority's 2023 Bonds will be predicated on their future financial condition.

Series 2025A and 2025B Bonds

On April 22, 2025, the Authority issued its Airport Revenue Bonds: Series 2025A (AMT) and Series 2025B (Non-AMT) (collectively, the "2025 Bonds") in the amounts of \$361,675,000 and \$48,840,000, respectively. The proceeds of the 2025 Bonds will be used to (1) pay a portion of the costs of the Authority's Terminal Modernization Program and its Airside Renovation Program, including repayment of a portion of the outstanding principal balance under the PNC line of credit; (2) fund capitalized interest on the 2025 Bonds; (3) fund the common debt service reserve account; and (4) pay the costs of issuing the 2025 Bonds.

The principal of, interest on, and premium on the 2025 Bonds are payable by the Authority only out of net revenue (as defined under the provisions of the Master Trust Indenture and Supplemental Indentures) and from such other moneys as may be available for such purpose. Neither the general credit of the Authority nor the credit or taxing power of the County of Allegheny, Pennsylvania; the Commonwealth of Pennsylvania; or any political subdivision thereof is pledged for the payment of the 2025 Bonds. The 2025 Bonds shall not be or be deemed a general obligation of the Authority or an obligation of the County, the Commonwealth of Pennsylvania, or any political subdivision thereof. The scheduled payments of principal and interest on the 2025 Bonds when due are guaranteed by third-party insurers. The ultimate ability of such insurers and guarantors to meet their obligations with respect to the Authority's 2025 Bonds will be predicated on their future financial condition.

Tax Increment Financing Loan - Direct Borrowing

In 2022, the Authority entered into a series of agreements surrounding the development and financing of certain land owned by the Authority to be known as the McClaren Site. As part of the project, the Authority performed certain improvements, including grading, wetlands mitigation, and the extension of utilities required to accommodate future development. The McClaren Site will provide an additional 52 acres for development, composed of logistic/warehouse and tech/flexspace, which will be leased to tenants through the third-party developer for further construction and development.

The Authority's development of this site project will be partially financed through a tax increment financing. The Authority issued Tax Increment Financing (TIF) note, Series 2022 (McClaren Road Tax Increment Financing District) in the principal amount of \$3,090,000 to finance the project. As of December 31, 2025, the Authority has received \$3,090,000 in proceeds under the TIF note. The TIF note is a limited obligation of the Authority. Payments on the TIF note will be made in accordance with the McClaren Road Tax Increment Financing Plan, which includes a tax increment financing agreement entered into by and among the Redevelopment Authority of Allegheny County and local taxing authorities. Pursuant to the TIF agreement, 70 percent of the tax increment revenue will be pledged by the local taxing authorities for the payment of debt service on the TIF note. Additionally, the Authority has pledged all lease revenue from the McClaren Site as security for the TIF note. The Authority is not required to contribute revenue on a current basis toward the TIF note.

December 31, 2025

Note 6 - Long-term Debt (Continued)

As of December 31, 2025, the project is still in the development phase. The Authority has incurred \$12,770,376 in development costs, which have been capitalized as construction in progress. Of this amount, \$3,090,000 has been funded through the TIF note. The remaining costs will be funded out of authority funds and other grant programs.

Debt Service Requirements to Maturity

Annual debt service requirements to maturity for the BIOS loan 1 and 2 and Series 2021, 2023, and 2025 bonds, excluding any premiums and discounts, are as follows:

Years Ending December 31	Direct - BIOS Loans and TIF Note		Other Than Direct - Series 2021, Series 2023, and Series 2025 Bonds		Total
	Principal	Interest	Principal	Interest	
2026	\$ 533,069	\$ 240,234	\$ 15,840,000	\$ 75,324,701	\$ 91,938,004
2027	579,686	232,094	20,435,000	81,833,086	103,079,866
2028	622,448	226,598	28,260,000	80,809,666	109,918,712
2029	642,294	206,752	29,675,000	79,401,530	109,925,576
2030	663,067	185,978	31,160,000	77,918,558	109,927,603
2031-2035	3,656,677	453,671	180,845,000	364,507,823	549,463,171
2036-2040	2,173,749	118,510	229,990,000	315,340,211	547,622,470
2041-2045	73,424	2,353	289,900,000	255,419,910	545,395,687
2046-2050	-	-	368,770,000	176,537,507	545,307,507
2051-2055	-	-	414,940,000	71,219,539	486,159,539
2056	-	-	48,395,000	2,210,050	50,605,050
Total	\$ 8,944,414	\$ 1,666,190	\$ 1,658,210,000	\$ 1,580,522,581	\$ 3,249,343,185

Pledged Revenue from Airport Operations

The principal, interest, and redemption premiums, if any, related to bonds authorized and issued under the provisions of the Master Trust Indenture and Supplemental Indentures are payable by the Authority only out of net revenue (as defined) and from such other moneys as may be available for such purpose. Bonds authorized and issued do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any of the Authority's properties, including PIT, or upon any of its income or receipts of revenue except as noted above. The holders of the revenue bonds have no claim upon the taxing power or tax revenue of the County.

As required by the Master Trust Indenture, the Authority must attain a debt service coverage ratio of 1.25 and meet other nonfinancial covenants. As of December 31, 2025, amounts available to pay debt service charges were approximately \$25 million. There was no required principal and interest debt service per the terms of the Master Trust Indenture for the year ended December 31, 2025.

The Authority's ability to derive net revenue from operations depends upon various factors, many of which are not within the control of the Authority. The primary source of net revenue is the Airline Operating Agreement between the Authority and the Signatory Airlines. The AOA provides for the landing fees, terminal rentals, and ramp fees to be charged to the airlines. In addition, the Signatory Airlines are obligated to pay costs associated with aircraft support systems and tenant improvements.

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

December 31, 2025

Note 6 - Long-term Debt (Continued)***Installment Purchase Obligations***

The Authority reports installment purchase obligations related to three asset purchases - one agreement related to 3D printing equipment, one for a powder facility located in Neighborhood 91, and one for parking operation buses. As of December 31, 2025, assets recorded under these installment purchase obligations were \$1,900,333, \$1,050,723, and \$1,255,886, respectively, and accumulated depreciation associated with the assets was \$1,108,961, \$175,140, and \$0, respectively.

The Authority entered into an installment purchase arrangement for the powder facility that commenced on August 1, 2021 and provided for repayment over a 25-year term through monthly payments of \$6,931, including interest at 6.25 percent. The agreement allowed the Authority to obtain ownership of the facility upon repayment of the outstanding balance. During 2025, the Authority paid the remaining balance in full and obtained ownership of the facility.

In January 2022, the Authority entered into an installment purchase arrangement for 3D printer equipment with a seven-year repayment term. The agreement requires monthly payments of \$24,684, which include interest at 1.99 percent. Upon completion of the payment term, ownership of the equipment transfers to the Authority for a purchase price of \$1.

In 2025, the Authority entered into a contract amendment for the acquisition of buses to be used for airport shuttle and parking operations. Under the amendment, the buses were purchased on the Authority's behalf, and the Authority will effectively finance the total cost through 36 fixed monthly payments of approximately \$43,687, which include interest at an approximate rate of 10 percent. Ownership of the buses transfers to the Authority upon completion of the payment term.

Based on the structure of these agreements, these assets are accounted for as installment purchases. Annual debt service requirements to maturity for the installment purchase agreements are as follows:

Fiscal Years Ending December 31	2022 3D Printer		Parking Operations Buses		
	Principal	Interest	Principal	Interest	Total
2026	\$ 276,840	\$ 18,788	\$ 417,443	\$ 106,800	\$ 819,871
2027	284,432	11,723	461,155	63,088	820,398
2028	291,625	4,580	377,288	15,894	689,387
2029	25,206	51	-	-	25,257
Total	<u>\$ 878,103</u>	<u>\$ 35,142</u>	<u>\$ 1,255,886</u>	<u>\$ 185,782</u>	<u>\$ 2,354,913</u>

December 31, 2025**Note 6 - Long-term Debt (Continued)*****Other Pledges of Revenue***

In 2008, the Authority entered into a series of agreements surrounding the development and financing of certain land owned by the Authority to be known as the Northfield Site, Phase I. As part of this endeavor, a funding and development agreement was signed with the RAAC to provide tax increment financing for the project. The RAAC originally issued TIF notes in the amount of \$5,000,000 (the "2008 TIF Notes") to a single lender, and, in December 2015, the lender refinanced the notes. The refinanced notes totaled \$4,577,000 and carry an annual interest rate of 4.5 percent, with a maturity date of December 1, 2028. These notes are a limited obligation of the RAAC and are generally payable from two sources. The first source is 75 percent of the tax increment revenue pledged by the local taxing authorities. The second source is the Authority's pledge of 75 percent of gross revenue from the leasing of the property. All amounts pledged in this agreement are maintained in separate trust accounts under the direction of the trustee, Wells Fargo Bank, National Association. As principal payments are due to the lender, the trustee makes the payments from the trust accounts. At December 31, 2025, the TIF notes' balance was \$1,408,131, and the corresponding trust accounts contained \$1,639,834. As additional security and credit enhancement, the Commonwealth Financing Authority has agreed to guarantee the payment of the TIF notes. While the Authority has pledged to assign certain of its revenue to the trustee for the satisfaction of the TIF notes, the Authority is not party to the respective trust indentures and is under no obligation to repay the TIF notes; therefore, the TIF notes are not reflected as liabilities of the Authority in these financial statements. Revenue from the leasing of the property is reported net of any pledged amounts remitted according to this agreement.

Note 7 - Risk Management

The Authority is exposed to various risks of loss related to property loss, torts, errors and omissions, natural disasters, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Authority carries commercial insurance to cover these risks of loss. The commercial insurance coverage is on a guaranteed-cost basis covering any expense of the Authority. Settled claims have not exceeded this commercial coverage in any of the past three years. The range of deductibles is from \$0 on aviation liability to a maximum of \$100,000 on employees and officers and property insurance.

Note 8 - Pension Plan***Plan Description***

The County sponsors the Allegheny County Employees' Retirement System (the "Retirement System"), a single-employer defined benefit pension plan that covers substantially all authority employees. As a component unit of the County, the Authority applies the cost-sharing pension plan accounting and reporting requirements for its stand-alone financial reports, as required by the GASB.

Benefit and contribution provisions for the Retirement System are determined under statutes enacted by the General Assembly of the Commonwealth of Pennsylvania. The Retirement System Board (the "Board") administers the Retirement System and consists of seven members: the county executive, the county controller, the county treasurer, two members elected by the county employees and retirees, one member appointed by the county executive, and one member appointed by the County Council. The Board, pursuant to express statutory authority, has the right to increase the employee contributions in the event it is actuarially determined that a contribution increase is required in order for the Retirement System to meet its funding requirements. Also, the obligation of the Retirement System to pay retirement benefits is further secured by a statutory obligation imposed upon the County to utilize its taxing authority to meet such obligation.

The Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the plan. A copy of the report may be obtained by writing to Allegheny County Employees' Retirement System, 106 County Office Building, 542 Forbes Avenue, Pittsburgh, PA 15219 or online at www.alleghenycounty.us/retirement.

December 31, 2025**Note 8 - Pension Plan (Continued)*****Benefits Provided***

Monthly benefit payments are determined for each individual member according to the retirement option selected and the age and length of service at retirement. Under normal retirement, employees hired prior to February 21, 2014 (generally, attainment of age 60 with 20 years of service for nonuniformed employees), the retirement benefit is equal to 50 percent of final average salary plus 1 percent of final average salary for each full year of service between 20 and 40 years. Final average salary is the monthly average of the 24 highest months of compensation in the last 48 months of employment preceding retirement.

Act 125, signed into law on December 23, 2013, became effective 60 days later and applies to participating employees hired or rehired on or after February 21, 2014. Act 125 revises the Retirement System's vesting requirement from 8 to 10 years and the service requirement from 20 to 25 years. The determination of final average salary is changed to equal the monthly average of the highest 48 months of compensation out of the last 8 years of service. Additionally, overtime compensation is limited to 10 percent of base pay.

In addition to retirement benefits, the Retirement System also provides disability and survivor benefits. Any eligible employee who has completed at least 12 years of service and who was employed prior to attaining age 55 who becomes mentally incapacitated or totally and permanently disabled is eligible to receive a disability retirement benefit. There is no age requirement to receive this benefit. Additionally, any eligible employee may elect the spouse's benefit at any time prior to retirement. The election is irrevocable after attaining age 50. If this election is made, the surviving spouse shall be eligible to receive certain benefits, depending on the type of coverage selected.

Contributions

Beginning in 2014, authority employees were required to contribute 9.0 percent of covered compensation effective December 28, 2014 through December 31, 2017. Effective January 1, 2018, the contribution rate increased to 9.5 percent of covered compensation, and the contribution rate increased again to 10.0 percent of covered compensation effective January 1, 2019 and to 10.5 percent effective January 1, 2021. Employee contributions are matched equally by the County, as prescribed by the Second Class County Code of the Commonwealth of Pennsylvania and deposited in the Pension Trust Fund. The Board, pursuant to express statutory authority, has the right to increase or decrease the contribution rate in the event it is actuarially determined that a contribution change is required in order for the Board to meet its funding requirements. Employees with at least 24 months of service who terminate prior to satisfying the minimum service requirements for a retirement benefit are entitled to refunds of their contributions, plus interest thereon. Employees with less than 24 months of service who terminate prior to satisfying the minimum service requirements for a retirement benefit are entitled to refunds of their contributions only.

The annual required contribution for the current year was determined as part of an actuarial valuation as of January 1, 2025 and is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. For the year ended December 31, 2025, contributions to the pension plan from the Authority were \$5,160,117 (or 11 percent of covered payroll). The Authority contributed all required amounts for the year ended December 31, 2025.

December 31, 2025

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

At December 31, 2025, the Authority reported a liability of \$208,818,678 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2025, which used update procedures to roll forward the estimated liability to December 31, 2025. The Authority's proportion of the net pension liability was based on the wages reported by the Authority and the County relative to the collective wages of the Retirement System. This basis of allocation is consistent with the manner in which contributions to the pension plan are determined. At December 31, 2025, the Authority's proportion was 10.1272 percent, which was an increase of 0.5455 percentage points from its proportion measured as of December 31, 2024.

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

For the year ended December 31, 2025, the Authority recognized pension expense of \$24,406,656.

At December 31, 2025, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 6,089,061	\$ 6,866,957
Changes in assumptions	9,857,067	21,827,000
Net difference between projected and actual earnings on pension plan investments	889,989	-
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	15,063,080	-
Total	<u>\$ 31,899,197</u>	<u>\$ 28,693,957</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending December 31	Amount
2026	\$ 3,885,637
2027	2,997,998
2028	(3,649,721)
2029	(28,674)
Total	<u>\$ 3,205,240</u>

Actuarial Assumptions

The total pension liability in the January 1, 2025 actuarial valuation was determined using an inflation assumption of 2.50 percent, assumed salary increases (including inflation) of 3.25 - 5.75 percent for five or less years of service and 5.00 - 6.75 for greater than five years of service, and an investment rate of return (net of investment expenses) of 7.00 percent. Mortality rates were based on the PubG-2016 Healthy Retiree Total Dataset with Pub-2016 Contingent Survivor Total Dataset table for spouses for all healthy employees except police/fire employees who use PubS-2016(A) Healthy Retiree Amount-Weighted, Above Median table for Public Safety Employees; Pub-2016(A) Contingent Survivor Amount-Weighted, Above Median table for spouses; PubG2016 Disabled Retiree table for Non-Safety Employees for disabled Non-Uniformed Employees; and PubS2016 Disabled Retiree table for all other disabled employees.

December 31, 2025

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

The discount rate used to measure the total pension liability was 4.91 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that authority contributions will be made at contractually required rates, actuarially determined (11.0 percent effective January 1, 2025). Based on those assumptions, in the January 1, 2025 valuation, the pension plan's fiduciary net position was projected to reach a depletion date in 2039. Therefore, in the determination of the discount rate, the long-term expected rate of return was applied through 2039 to projected benefit payments, and a municipal bond rate of 4.43 percent was applied to projected benefit payments thereafter to determine the total pension liability. For this purpose, the index used was the S&P Municipal Bond 20 Year High Grade Index as of December 31, 2025.

Investment Rate of Return

Best estimates of geometric real rates of return as of the December 31, 2025 measurement date for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment note, are summarized in the following tables:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
U.S. equity	25.50 %	7.50 %
Non-U.S. equity	17.50	8.50
Domestic bonds	30.50	2.50
Real estate	12.50	4.50
Alternative assets	14.00	5.49

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

The following presents the net pension liability of the Authority, calculated using the discount rate of 4.91 percent, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (3.91%)	Current Discount Rate (4.91%)	1 Percentage Point Increase (5.91%)
Authority's proportionate share of the net pension liability	\$ 248,908,560	\$ 208,818,678	\$ 175,558,851

Pension Plan Fiduciary Net Position

Detailed information about the Retirement System's fiduciary net position is available in the separately issued financial report. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Retirement System's fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the Retirement System. The Retirement System uses the economic resources measurement focus and the full accrual basis of accounting. Investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

Assumption Changes

The discount rate changed from 4.98 percent to 4.91 percent, mortality tables were updated from Pub-2010 to Pub-2016, and salary scales were revised.

December 31, 2025**Note 9 - Other Postemployment Benefit Plan**

The Authority provides OPEB for all employees who meet eligibility requirements. The benefits are provided through the Authority's Postemployment Medical Benefits Plan (the "OPEB Plan"), a single-employer plan administered by the Authority. The OPEB Plan provides reimbursement for medical benefits to eligible firefighter retirees hired before May 1, 2005 and their spouses. Benefits are provided upon the retiree's date of retirement. The retiree is responsible for any premium cost in excess of the defined benefit. Payments to the retirees are made on a reimbursement basis.

The OPEB Plan provides medical benefits for eligible firefighter retirees who were hired before May 1, 2005 and their spouses. Benefits are provided through a third-party insurer, and the cost of the benefits is split between the OPEB Plan and the retiree. The Authority covers 62.0 percent of the premiums at age 50, which increases by 3.00 percent each year until the age of 65 when the retiree becomes eligible for Medicare and the benefits are terminated.

Based on management's evaluation of OPEB Plan provisions, participant demographics, and historical benefit payments, the Authority concluded that the net OPEB liability and related deferred outflows and inflows of resources are not material to the Authority's financial statements as of and for the year ended December 31, 2025.

Note 10 - Contingent Liabilities

The Authority is subject to various legal proceedings and claims that arise in the ordinary course of its business. The Authority believes that the amount, if any, of ultimate liability with respect to legal actions will be insignificant or will be covered by insurance.

In January 1998, the Pennsylvania Department of Environmental Protection (DEP) issued an Administrative Order to the County alleging violations of a January 1994 Consent Order and Adjudication (the "Consent Order") and violations of the Pennsylvania Clean Streams Law at the Airport. The alleged violations were resolved, including issues relating to stormwater containing deicing chemicals (deicing and anti-icing chemical-impacted water or DIW). Throughout 2023, the Authority legal and technical teams met with DEP and discussed the possibility of undertaking an adaptive environmental assessment and management or similar concept to achieve compliance with the Consent Order. On December 5, 2024, a Consent Order and Agreement (COA) was executed between the Authority and the DEP, which requires efforts to mitigate any discharges of spent aircraft deicing and anti-icing fluids to streams (SADF) and achieve compliance related to four outfalls with historical discharges of high pH and white calcium carbonate precipitate at Pittsburgh International Airport. The Authority has an extensive capital project supported by authority capital funds and Pennsylvania Department of Transportation grant funds to implement these efforts called the Deicing Stormwater Improvement and Stream Mitigation Program. The Capital Improvement Plan includes an allowance of \$1,000,000 for this plan.

The COA requires several key documents to outline ACAA's efforts to maintain compliance. The Enhanced Glycol Recovery Plan (EGRP) includes detailed requirements to enhance overall source control and conduct glycol recovery operations with a target glycol recovery rate of approximately 70 percent of the total propylene glycol applied. The Outfalls 016, 021, 022, 037 Compliance Plan (OCP) addresses the white calcium carbonate precipitate that has been historically discharged to the aforementioned outfalls and the proposed plan to achieve compliance with the National Pollutant Discharge Elimination System (NPDES) permit. The OCP includes a plan to mitigate stream impacts due to the outfalls contributing alkaline waters to the West Fork of McClarens Runs and the East Fork of Enlow Run. The Stream Remediation Plan (SRP) outlines key steps and methodologies for the assessment, evaluation, and remediation of defined areas also along the West Fork of McClarens Runs and the East Fork of Enlow Run. The OCP and SRP will be designed separately but constructed concurrently. Detailed schedules have been included in both documents, all which have been approved by DEP.

December 31, 2025**Note 11 - Related Party Transactions**

The Authority has entered into intergovernmental agreements with the County that provide for, among other things, contractual services for county police services, 911 services, and certain accounting and professional services. The Authority contracts with Allegheny County Police for public safety services at the Airport. During 2025, the Authority recognized expenses of \$12,721,228 paid to the Allegheny County Police for public safety services at the Airport.

In June 2017, the Authority entered into a 20-year lease agreement with the County for the 67,390-square-foot property located at 150 Hookstown Grade Road, Coraopolis, PA 15108. The County repurposed the facility to become the Allegheny County Emergency Operations and 911 Center. The lease agreement requires the County to make monthly rental payments of \$87,832 (after the application of rent credits) to the Authority upon occupancy. Rent credits will be granted to the County as a result of the following:

- Improvements made to the facility and funded by the County. All improvements to the facility will accrue to the benefit of the Authority and will be funded as follows:
 - \$2,445,000 - Funded by the County
 - \$1,550,000 - Funded by the Authority
 - All remaining - Funded by the County
- Certain operating expenses typically paid by lessors but paid by the County in this case. In the base year of the lease, these costs are estimated to be \$76,825.

The Authority will pay for certain operating expenses of the facility, and these costs include utilities, janitorial costs, refuse collection, facility manager, routine building and parking lot maintenance, and landscaping costs. The Authority estimates that, in the base year of the lease, these costs will total \$450,165. In 2025, actual costs were \$1,213,126. The lease provides that any increase in the actual operating expense over the base year estimated total will be paid by the County. In subsequent years, if the actual operating costs paid by the Authority are less than the base year amount, the Authority will issue a rent credit to the County in the amount of the difference.

The lease provides for a refurbishment allowance of \$673,390 to be paid by the Authority after year 10 of the lease.

In August 2018, the Authority signed an intergovernmental agreement designed to coincide with the 20-year term of the lease for the Allegheny County Emergency Operations and 911 Center. This agreement requires the Authority to pay the County for certain emergency response services totaling an estimated \$514,910 in the base year and for the 19 following years. Furthermore, this agreement provides that the Authority will reimburse the County for certain capital equipment costs already incurred on behalf of the Authority totaling \$1,187,744. These amounts will be reimbursed via monthly payments of \$4,949 over the 20-year term of the agreement.

Both the lease and the intergovernmental agreement commenced on the first day of the month following the day that the County occupied the facility, which was February 1, 2019.

Note 12 - Leases

The Authority leases a building from a third party. Payments are generally fixed monthly with no variable payments.

Lease asset activity of the Authority is included in Note 5.

December 31, 2025

Note 12 - Leases (Continued)

Future principal and interest payment requirements related to the Authority's lease liability at December 31, 2025 are as follows:

Years Ending	Principal	Interest	Total
2026	\$ 851,135	\$ 32,609	\$ 883,744
2027	886,498	88,522	975,020
2028	960,779	144,516	1,105,295
Total	<u>\$ 2,698,412</u>	<u>\$ 265,647</u>	<u>\$ 2,964,059</u>

The Authority leases certain assets to various third parties. The assets leased include airport facilities, surrounding property, and locations within the Airport. The discount rates applicable to these leasing arrangements range from 1.2 percent to 5.9 percent. Payments are generally fixed annually or monthly, with certain variable payments based on airport usage or concession sales, which are not included in the measurement of the lease receivable.

During the year ended December 31, 2025, the Authority recognized the following related to its lessor agreements:

Lease revenue	\$ 10,161,432
Interest income related to its leases	8,682,033
Revenue from variable payments not previously included in the measurement of the lease receivable	<u>15,250,066</u>
Total revenue from leases	<u>\$ 34,093,531</u>

In addition, the Authority received amounts recorded as revenue in 2025 that related to common area maintenance, work orders, utilities, and other operating charges under the leases. These amounts are considered nonlease components and are not included in the calculation of the lease receivable.

Future principal and interest payment requirements related to the Authority's lease receivable at December 31, 2025 are as follows:

Years Ending	Principal	Interest	Total
2026	\$ 12,050,578	\$ 10,580,325	\$ 22,630,903
2027	11,303,322	10,108,518	21,411,840
2028	11,204,205	9,648,259	20,852,464
2029	10,942,948	9,188,213	20,131,161
2030	8,451,495	8,765,790	17,217,285
2031-2035	33,688,280	39,105,037	72,793,317
2036-2040	28,407,589	32,724,260	61,131,849
2041-2045	28,371,643	26,500,236	54,871,879
2046-2050	13,795,515	21,631,898	35,427,413
2051-2055	14,426,990	18,938,676	33,365,666
2056-2060	17,859,309	15,929,513	33,788,822
2061-2065	24,331,669	11,923,556	36,255,225
2066-2070	20,480,396	7,225,827	27,706,223
2071-2075	11,366,434	4,144,169	15,510,603
2076-2080	9,362,829	2,228,803	11,591,632
2081-2085	9,752,790	244,685	9,997,475
Total	<u>\$ 265,795,992</u>	<u>\$ 228,887,765</u>	<u>\$ 494,683,757</u>

December 31, 2025

Note 12 - Leases (Continued)***Regulated Leases***

The Authority is party to certain regulated leases, as defined by GASB Statement No. 87. The leased assets include contracts with airlines and are regulated under the Federal Aviation Administration. Certain gates, baggage claim areas, passenger hold areas, and ticket counter and office space are subject to preferential or exclusive use by the airlines and represent 9.2 percent of the square feet of the airport. In addition, airlines have preferential use of 34.4 percent of aircraft parking position and 49.1 percent of jet bridges.

During the year ended December 31, 2025, the Authority recognized the following from regulated leases:

Lease revenue	\$ 3,484,835
Revenue from variable payments excluded from the schedule of expected future minimum payments	<u>86,262,226</u>
Total revenue from regulated leases	<u><u>\$ 89,747,061</u></u>

Future expected minimum payments related to the Authority's regulated leases at December 31, 2025 are as follows:

Years Ending	Future Minimum Lease Payments
2026	\$ 495,038
2027	495,038
2028	<u>123,760</u>
Total	<u><u>\$ 1,113,836</u></u>

Required Supplementary Information

Allegheny County Airport Authority

Required Supplementary Information Schedule of the Authority's Proportionate Share of the Net Pension Liability Allegheny County Employees' Retirement System

	Last Ten Plan Years Years Ended December 31									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Authority's proportion of the net pension liability	10.12720 %	9.58170 %	10.45690 %	9.02480 %	7.45600 %	7.18430 %	7.61670 %	7.70030 %	7.49320 %	7.48040 %
Authority's proportionate share of the net pension liability	\$ 208,818,678	\$ 203,136,167	\$ 220,116,474	\$ 169,562,428	\$ 170,587,105	\$ 127,357,162	\$ 98,796,640	\$ 98,817,359	\$ 81,391,583	\$ 83,549,481
Authority's covered payroll	\$ 46,910,155	\$ 44,997,555	\$ 45,368,743	\$ 36,548,314	\$ 30,305,981	\$ 29,466,640	\$ 31,042,463	\$ 30,916,747	\$ 29,243,194	\$ 28,239,219
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	445.15 %	451.44 %	485.17 %	463.94 %	562.88 %	432.21 %	318.26 %	319.62 %	278.33 %	295.86 %
Plan fiduciary net position as a percentage of total pension liability	32.65 %	30.89 %	31.02 %	33.26 %	32.44 %	36.14 %	42.75 %	40.56 %	46.41 %	43.44 %

Notes to Schedule

Benefit Changes

None noted

Change of Assumptions

2025 - Decrease in discount rate from 4.98 percent at December 31, 2024 to 4.91 percent at December 31, 2025

Mortality tables updated from Pub-2010 to Pub-2016 and salary scale revised

2024 - Increase in discount rate from 4.71 percent at December 31, 2023 to 4.98 percent at December 31, 2024

2023 - Decrease in discount rate from 5.08 percent at December 31, 2022 to 4.71 percent at December 31, 2023

2022 - Increase in discount rate from 3.46 percent at December 31, 2021 to 5.08 percent at December 31, 2022

2021 - Decrease in discount rate from 3.80 percent at December 31, 2020 to 3.46 percent at December 31, 2021

Mortality rates updated from RP-2000 basis to Society of Actuaries study (Pub-2010) of public retirement plans published in 2019

Active participant load - A 10 percent load was added to the active participants to account for the difference between calculating final average salary based on annual compensation for valuation purposes and the monthly formula used for calculating actual retirement benefits.

2020 - Decrease in discount rate from 5.22 percent at December 31, 2019 to 3.80 percent at December 31, 2020

2019 - Decrease in discount rate from 5.31 percent at December 31, 2018 to 5.22 percent at December 31, 2019

Other Notes

The amounts presented for each fiscal year were determined as of December 31 (measurement date).

10 years of information is required to be disclosed and will be added as the information becomes available.

Allegheny County Airport Authority

Required Supplementary Information Schedule of Pension Contributions Allegheny County Employees' Retirement System

	Last Ten Fiscal Years									
	Years Ended December 31									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	\$ 5,160,117	\$ 4,949,731	\$ 4,763,718	\$ 3,837,573	\$ 3,182,128	\$ 2,946,664	\$ 3,104,246	\$ 2,937,091	\$ 2,631,887	\$ 2,541,530
Contributions in relation to the statutorily required contribution	5,160,117	4,949,731	4,763,718	3,837,573	3,182,128	2,946,664	3,104,246	2,937,091	2,631,887	2,541,530
Contribution Excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's Covered Payroll	\$ 46,910,155	\$ 44,997,555	\$ 45,368,743	\$ 36,548,314	\$ 30,305,981	\$ 29,466,640	\$ 31,042,463	\$ 30,916,747	\$ 29,243,194	\$ 28,239,219
Contributions as a Percentage of Covered Payroll	11.00 %	11.00 %	10.50 %	10.50 %	10.50 %	10.00 %	10.00 %	9.50 %	9.00 %	9.00 %

The amounts presented for each fiscal year were determined as of December 31 (the Authority's most recent fiscal year end).

Statistical Section

This part of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health.

The statistical section is organized into the following main categories:

Financial trends

These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time. (Tables I through II)

Revenue capacity

These schedules contain information to help the reader assess the Authority's most significant local revenue sources. (Tables III through V)

Debt capacity

These schedules present information to help the reader assess the affordability of the Authority's current level of outstanding debt and the Authority's ability to issue additional debt in the future. (Tables VI through VII)

Operating information

These schedules are intended to provide contextual information about the Authority's operations and resources in order for readers to understand and assess its economic condition. (Tables VIII through X and narrative section entitled *Capital Asset and Other Airport Information*)

Demographic and economic information

These schedules help the reader understand the environment within which the Authority's financial activities take place. (Table XI through XII)

Table I

Statements of Revenues, Expenses, and Changes in Net Position Information

Last Ten Fiscal Years
December 31, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Operating Revenues										
Landing fees	\$ 28,179,199	\$ 26,521,986	\$ 22,315,870	\$ 19,764,353	\$ 15,407,701	\$ 11,842,189	\$ 17,279,723	\$ 15,251,639	\$ 14,365,250	\$ 13,470,508
Terminal area airline rentals and fees	62,107,289	42,750,637	41,105,317	34,416,329	33,760,990	35,314,364	41,775,380	45,229,579	59,801,919	57,810,845
Other aeronautical revenue	6,656,446	6,149,557	7,260,118	7,896,013	8,561,005	8,797,493	8,908,660	11,164,643	8,820,789	8,633,244
Parking revenues	67,567,715	68,969,805	60,254,253	43,337,837	28,847,944	13,711,988	41,631,005	36,925,829	33,895,240	31,417,166
Rental car revenues	19,349,306	16,680,208	15,044,458	13,941,324	11,906,074	7,933,045	12,510,219	12,714,616	11,891,053	11,460,088
Terminal concessions	18,061,181	14,655,192	9,535,277	11,033,171	10,208,269	8,281,487	10,707,375	10,577,565	8,028,157	7,890,938
Other nonaeronautical revenue	9,640,318	7,767,861	8,702,604	8,233,096	9,489,811	9,088,397	8,938,623	8,194,466	7,166,081	6,203,074
Pittsburgh International Airport revenues	211,561,454	183,495,246	164,217,897	138,622,123	118,181,794	94,968,963	141,750,985	140,058,337	143,968,489	136,885,863
Allegheny County Airport revenues	2,644,180	2,787,433	2,532,940	2,596,417	2,666,777	2,542,728	2,811,510	3,025,549	3,049,570	2,995,960
Total operating revenues	214,205,634	186,282,679	166,750,837	141,218,540	120,848,571	97,511,691	144,562,495	143,083,886	147,018,059	139,881,823
Operating Expenses										
Salaries, wages, and benefits	85,902,603	84,770,372	83,817,913	70,378,920	63,302,220	54,764,544	53,700,238	54,194,079	48,904,569	47,003,628
Utilities	12,627,528	11,490,808	11,025,254	11,392,806	10,887,662	9,086,233	10,860,849	11,006,346	10,216,075	10,355,357
Cleaning and maintenance services	22,029,520	19,723,513	18,340,538	17,635,063	16,870,532	18,171,130	18,917,978	18,358,894	16,807,122	17,143,416
Professional services	51,594,004	39,828,143	47,976,843	33,834,076	28,876,231	24,662,534	23,445,358	23,374,131	20,818,792	18,949,222
Other	17,937,131	11,858,132	14,408,537	16,458,412	7,995,308	11,218,139	13,291,357	15,701,447	9,802,286	9,627,834
Pittsburgh International Airport expenses	190,090,786	167,670,968	175,569,085	149,699,277	127,931,953	117,902,580	120,215,780	122,634,897	106,548,844	103,079,457
Allegheny County Airport expenses	3,931,606	3,398,717	3,131,525	3,542,971	2,496,366	2,504,576	2,594,279	3,060,064	3,281,416	2,808,271
Depreciation	50,263,843	40,380,311	39,147,510	52,943,562	59,119,359	60,417,786	56,981,022	55,786,882	55,642,763	56,805,124
Total operating expenses	244,286,235	211,449,996	217,848,120	206,185,810	189,547,678	180,824,942	179,791,081	181,481,843	165,473,023	162,692,852
Income (Loss) From Operations	(30,080,601)	(25,167,317)	(51,097,283)	(64,967,270)	(68,699,107)	(83,313,251)	(35,228,586)	(38,397,957)	(18,454,964)	(22,811,029)

Table I

Statements of Revenues, Expenses, and Changes in Net Position Information (Continued)

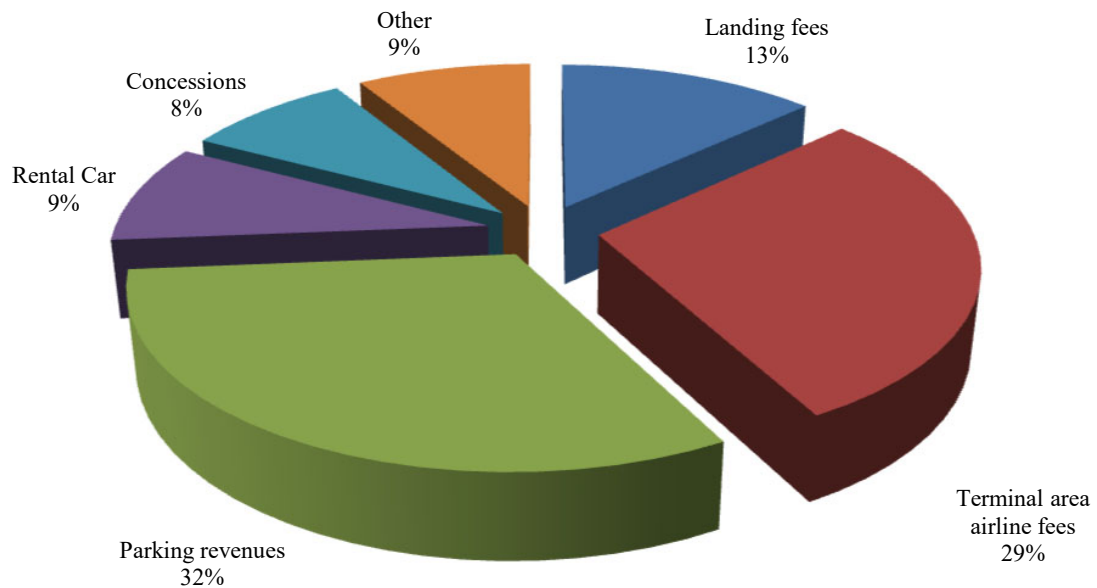
Last Ten Fiscal Years
December 31, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Nonoperating Revenue (Expense)										
Interest expense	\$ (65,934,482)	\$ (53,293,118)	\$ (27,826,826)	\$ (28,085,474)	\$ (10,558,701)	(881,263)	(3,537,841)	(4,320,322)	(7,100,150)	(9,901,627)
Investment income	24,480,716	29,318,081	19,971,001	7,139,253	449,723	725,293	4,641,026	2,667,551	1,869,435	841,899
Customer facility charges	15,181,474	11,559,328	10,902,348	9,573,786	7,706,289	4,585,923	9,536,624	5,928,821	4,893,987	4,990,737
Passenger facility charges	19,151,316	19,518,237	18,037,523	15,867,688	13,145,575	6,945,191	18,979,556	19,023,229	17,794,862	16,176,674
Gain (loss) on disposal of capital assets	-	-	(86,600)	(41,682)	(2,072)	1,550,691	(7,732)	(12,504)	-	(1,088,113)
Lease interest revenue - GASB 87	8,682,033	7,835,541	7,288,986	6,788,935	-	-	-	-	-	-
Gaming act revenues	12,400,000	12,400,000	12,400,000	12,400,000	12,400,000	12,400,003	12,400,000	8,000,000	8,000,000	12,400,000
Gas drilling revenues	11,123,674	11,332,666	9,191,352	12,205,005	8,509,477	5,559,879	10,121,571	19,266,592	25,983,025	13,918,971
Grant revenues	-	2,473,770	20,293,746	13,310,283	19,580,305	13,091,912	-	-	-	-
Miscellaneous revenue	407,439	575,189	-	204,712	207,231	263,582	203,669	322,646	2,498,496	894,399
Miscellaneous expense	-	-	-	-	-	(318,579)	-	-	-	-
Capital donations	(11,055,384)	-	-	-	-	(318,579)	-	-	-	-
Bond issuance costs	-	-	(2,929,942)	-	(3,903,044)	-	-	-	-	-
Loss on in-substance debt defeasance	-	-	-	-	-	-	(3,635,528)	-	-	-
Net increase (decrease) in fair value of investments	2,218,113	7,049,028	17,150,723	(6,029,257)	(418,261)	(113,508)	386,528	203,976	(483,433)	(49,040)
Total nonoperating income (expense)	16,654,899	48,768,722	84,392,311	43,333,249	47,116,522	43,809,124	49,087,873	51,079,989	53,456,222	38,183,900
Income (Loss) Before Capital Contributions and Grants	(13,425,702)	23,601,405	33,295,028	(21,634,021)	(21,582,585)	(39,504,127)	13,859,287	12,682,032	35,001,258	15,372,871
Capital Contributions and Grants	48,322,403	44,932,258	54,621,747	30,838,294	39,813,845	19,962,114	8,175,418	29,836,954	9,349,376	23,400,937
Increase (Decrease) in Net Position	34,896,701	68,533,663	87,916,775	9,204,273	18,231,260	(19,542,013)	22,034,705	42,518,986	44,350,634	38,773,808
Net Position, Beginning of Year, As Previously Reported	819,748,330	751,214,667	663,297,892	654,093,619	635,862,359	655,404,372	633,369,667	592,061,788	547,711,154	508,937,346
Change in Accounting Principle and Restatement (1)	-	-	-	-	-	-	-	(1,211,107)	-	-
Net Position, Beginning of Year, As Restated	819,748,330	751,214,667	663,297,892	654,093,619	635,862,359	655,404,372	633,369,667	590,850,681	547,711,154	508,937,346
Net Position, End of Year	\$ 854,645,031	\$ 819,748,330	\$ 751,214,667	\$ 663,297,892	\$ 654,093,619	\$ 635,862,359	\$ 655,404,372	\$ 633,369,667	\$ 592,061,788	\$ 547,711,154

(1) - Note that only 2018 amounts have been restated for these items.

Operating Revenue by Category

For the Year Ended December 31, 2025



Operating Expenses by Business Unit

For the Year Ended December 31, 2025

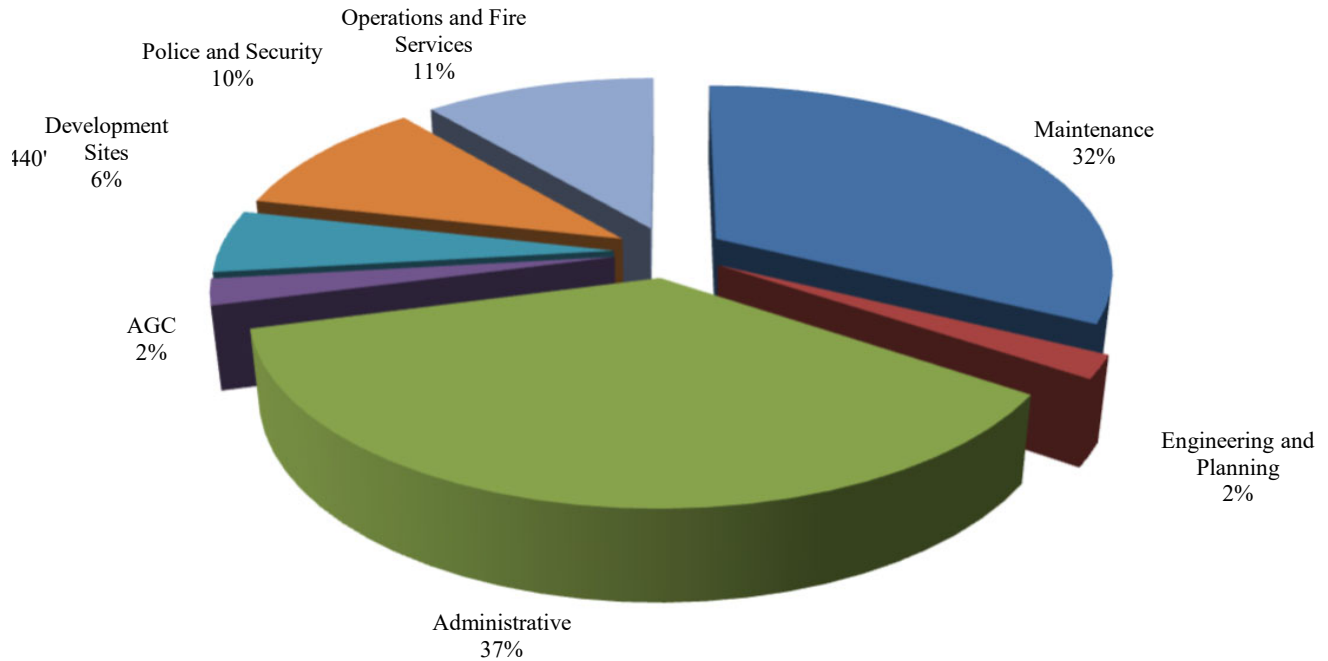


Table II
Net Position by Component

Last Ten Fiscal Years
December 31, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net investment in capital assets	\$ 789,197,417	\$ 726,502,214	\$ 638,807,282	\$ 602,987,861	\$ 558,844,307	\$ 595,209,963	\$ 600,732,387	\$ 537,519,690	\$ 523,445,000	\$ 492,846,022
Restricted net position										
Capital	41,046,122	41,674,802	51,454,815	12,666,688	47,146,954	32,852,772	39,871,240	53,764,257	47,545,824	44,539,284
Debt service, Operations and Maintenance	26,554,344	27,759,281	24,708,342	20,418,556	17,817,421	7,393	208,207	17,261,196	19,718,004	19,458,747
Total restricted net position (expendable)	67,600,466	69,434,083	76,163,157	33,085,244	64,964,375	32,860,165	40,079,447	71,025,453	67,263,828	63,998,031
Unrestricted (deficit) net position	(2,152,852)	23,812,033	36,244,228	27,224,787	30,284,937	7,792,231	14,592,538	24,824,524	1,352,960	(9,132,899)
Total net position	\$ 854,645,031	\$ 819,748,330	\$ 751,214,667	\$ 663,297,892	\$ 654,093,619	\$ 635,862,359	\$ 655,404,372	\$ 633,369,667	\$ 592,061,788	\$ 547,711,154

Note: 2018 reflects the impact of adoption of GASB Statement 75. 2016 and forward reflects the impact of adoption of GASB Statement 68.

Table III
Summary of Airline Rate Base Fees

**Last Ten Fiscal Years
December 31, 2025**

Airline Group	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
American	\$ 21,869,501	\$ 14,803,338	\$ 13,771,122	\$ 11,799,220	\$ 10,663,933	\$ 10,886,918	\$ 13,218,040	\$ 18,294,407	\$ 26,777,240	\$ 25,787,789
Southwest	17,256,530	11,468,672	10,122,656	8,193,783	7,823,839	7,596,123	9,153,211	7,528,484	7,243,540	6,978,846
Delta	12,597,148	8,900,503	8,333,598	7,082,417	6,578,882	6,129,846	8,329,580	7,311,514	7,739,515	7,524,428
United	13,832,392	9,413,295	8,924,428	7,357,237	6,803,779	6,445,602	8,157,134	7,280,370	7,825,091	7,523,024
Other signatories	14,795,893	11,516,622	9,383,245	7,109,649	5,984,768	5,244,541	7,224,379	5,944,189	5,119,148	3,252,934
Total signatory airlines	80,351,464	56,102,430	50,535,049	41,542,306	37,855,201	36,303,030	46,082,344	46,358,964	54,704,534	51,067,021
Other passenger carriers	3,316,519	2,335,010	1,663,971	1,347,964	1,195,429	914,338	1,609,264	3,434,097	2,657,432	2,325,699
Total rate base fees <A>	<u>\$ 83,667,983</u>	<u>\$ 58,437,440</u>	<u>\$ 52,199,020</u>	<u>\$ 42,890,270</u>	<u>\$ 39,050,630</u>	<u>\$ 37,217,368</u>	<u>\$ 47,691,608</u>	<u>\$ 49,793,061</u>	<u>\$ 57,361,966</u>	<u>\$ 53,392,720</u>
Total rate base fees	\$ 83,667,983	\$ 58,437,440	\$ 52,199,020	\$ 42,890,270	\$ 39,050,630	\$ 37,217,368	\$ 47,691,608	\$ 49,793,061	\$ 57,361,966	\$ 53,392,720
Cargo landings and rents	4,520,616	3,202,543	2,884,166	3,366,530	3,446,961	2,357,515	1,983,312	1,785,438	1,648,031	1,612,284
Other terminal and hangar fees	9,895,726	16,812,295	18,075,954	16,043,938	14,055,047	15,378,934	16,316,709	20,067,362	23,977,962	24,909,592
Concession revenues	105,214,929	98,675,876	83,461,466	67,130,488	49,790,928	28,787,311	63,604,379	63,619,256	52,293,056	49,345,717
Other operating revenues	11,687,301	9,761,723	10,442,648	11,277,813	11,838,232	11,227,833	12,154,977	9,293,999	8,687,474	7,625,550
Total PIT operating revenues 	<u>\$ 214,986,556</u>	<u>\$ 186,889,877</u>	<u>\$ 167,063,254</u>	<u>\$ 140,709,039</u>	<u>\$ 118,181,798</u>	<u>\$ 94,968,961</u>	<u>\$ 141,750,985</u>	<u>\$ 144,559,116</u>	<u>\$ 143,968,489</u>	<u>\$ 136,885,863</u>

<A> Includes both signatory and nonsignatory landing, terminal, and ramp fees, as well as gate usage fees for all fiscal years.

 PIT is Pittsburgh International Airport.

Note: Excludes GASB 87 revenue adjustments

Note: United includes Continental and Southwest includes Airtran for all years due to mergers between these airlines, which were fully effective for fiscal year 2014. American includes USAirways for all years due to merger effective for fiscal year 2015.

Airline Revenue Derived by Carrier

For the Year Ended December 31, 2025

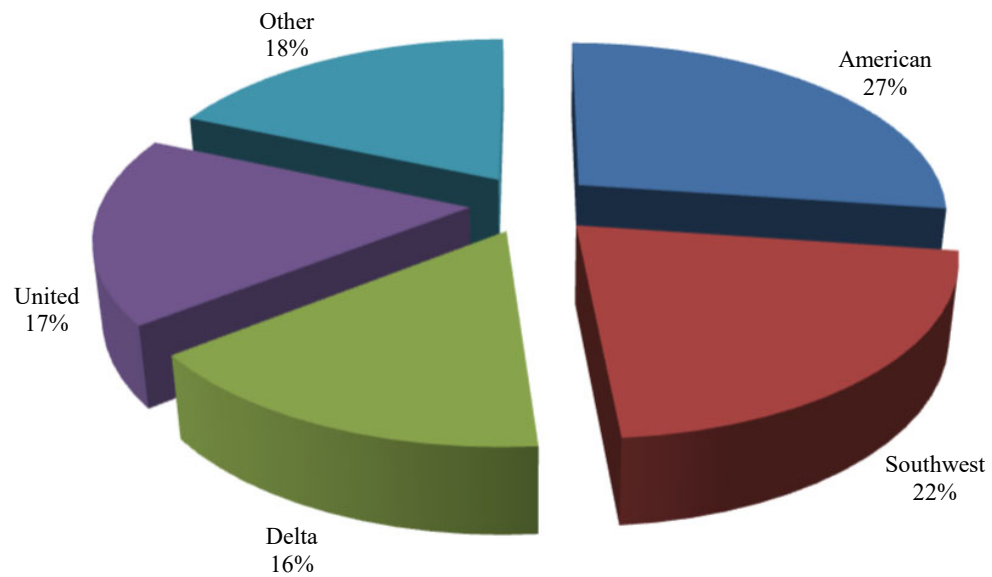


Table IV
Rates and Cost Per Enplaned Passenger

Last Ten Fiscal Years
December 31, 2025

	2025 Actual	2024 Actual	2023 Actual	2022 Actual	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual	2016 Actual
Landing fee rate	\$ 4.0700	\$ 3.8700	\$ 3.4800	\$ 3.4000	\$ 3.0621	\$ 3.0100	\$ 2.6055	\$ 2.3030	\$ 2.3971	\$ 2.4240
Terminal fee rate	287.64	183.35	178.33	147.84	158.29	161.67	179.61	145.67	139.90	133.42
Ramp fee rate	n/a	n/a	n/a	n/a	n/a	n/a	266.17	204.24	192.25	192.80
Operating expenses	154,976,242	136,663,999	135,577,566	123,732,357	103,080,417	98,523,291	107,045,661	109,461,863	99,934,480	96,447,247
ACAA Contribution	(8,713,396)	-	-	-	-	-	-	-	-	-
Debt service	54,413,945	-	-	-	-	-	21,190,890	24,812,266	58,580,713	66,040,592
Nonrate base revenues	(143,003,192)	(120,509,364)	(112,774,411)	(90,322,659)	(71,561,210)	(51,083,457)	(87,317,539)	(87,182,388)	(83,539,654)	(86,202,047)
Debt service and operating expense offset	-	-	(3,029,132)	(12,957,283)	(18,183,300)	(12,934,912)	(5,545,000)	(9,200,000)	(27,402,477)	(32,964,368)
Airline capital fund deposits	24,725,840	21,775,159	34,153,639	23,755,272	28,709,094	4,758,828	13,799,380	13,038,513	10,529,788	11,009,655
Other, primarily cargo landing fees	(2,073,697)	(1,484,989)	(1,057,398)	(1,317,417)	(2,994,371)	(2,046,382)	(1,481,784)	(1,137,193)	(740,884)	(938,359)
Total rate base costs	<u>\$ 80,325,742</u>	<u>\$ 36,444,805</u>	<u>\$ 52,870,264</u>	<u>\$ 42,890,270</u>	<u>\$ 39,050,630</u>	<u>\$ 37,217,368</u>	<u>\$ 47,691,608</u>	<u>\$ 49,793,061</u>	<u>\$ 57,361,966</u>	<u>\$ 53,392,720</u>
Total enplaned passengers	<u>4,918,899</u>	<u>4,964,361</u>	<u>4,598,890</u>	<u>4,053,690</u>	<u>3,168,029</u>	<u>1,815,361</u>	<u>4,881,951</u>	<u>4,834,085</u>	<u>4,495,180</u>	<u>4,151,628</u>
Cost per enplaned passenger	<u>\$ 16.33</u>	<u>\$ 7.34</u>	<u>\$ 11.50</u>	<u>\$ 10.58</u>	<u>\$ 12.33</u>	<u>\$ 20.50</u>	<u>\$ 9.77</u>	<u>\$ 10.30</u>	<u>\$ 12.76</u>	<u>\$ 12.86</u>

Table V
History of Total Concessions Per Enplanement

Last Ten Fiscal Years
December 31, 2025

	2025 Actual	2024 Actual	2023 Actual	2022 Actual	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual	2016 Actual
Parking	\$ 67,567,715	\$ 68,969,805	\$ 60,254,253	\$ 43,337,837	\$ 28,847,944	\$ 13,711,988	\$ 41,631,005	\$ 36,925,829	\$ 33,895,240	\$ 31,417,166
Rent-A-Car	\$ 19,349,306	16,680,208	15,044,458	13,941,324	11,906,074	7,933,045	12,510,219	12,714,616	11,891,053	11,460,088
AirMall Concessions	13,854,139	12,013,153	11,167,296	8,889,248	7,836,435	5,804,834	7,925,137	8,901,724	5,957,342	5,926,912
Hotel/ConvCenter	588,112	435,980	436,497	526,046	556,928	534,024	616,152	576,308	549,420	541,551
Total passenger concessions	<u>\$ 101,359,272</u>	<u>\$ 98,099,146</u>	<u>\$ 86,902,504</u>	<u>\$ 66,694,455</u>	<u>\$ 49,147,381</u>	<u>\$ 27,983,891</u>	<u>\$ 62,682,513</u>	<u>\$ 59,118,477</u>	<u>\$ 52,293,055</u>	<u>\$ 49,345,717</u>
Total enplaned passengers	<u>4,918,899</u>	<u>4,970,599</u>	<u>4,598,890</u>	<u>4,053,690</u>	<u>3,168,029</u>	<u>1,815,361</u>	<u>4,881,951</u>	<u>4,834,085</u>	<u>4,495,180</u>	<u>4,151,628</u>
Concessions per enplaned passenger	<u>\$ 20.61</u>	<u>\$ 19.74</u>	<u>\$ 18.90</u>	<u>\$ 15.51</u>	<u>\$ 15.51</u>	<u>\$ 15.42</u>	<u>\$ 12.84</u>	<u>\$ 12.23</u>	<u>\$ 11.63</u>	<u>\$ 11.89</u>

Table VI
Outstanding Debt by Type and Revenue Bond Debt Service Ratios

Last Ten Fiscal Years
December 31, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Outstanding Debts										
Revenue bonds	\$ 1,818,839,269	\$ 1,409,890,260	\$ 1,421,761,894	\$ 1,004,331,344	\$ 1,015,338,667	\$ -	\$ -	\$ 71,511,923	\$ 88,589,194	\$ 174,972,222
Loans and other credit facility agreements	12,972,354	15,928,862	9,816,750	37,365,505	4,011,552	76,822,324	43,148,234	-	-	3,050,178
Obligations under financed purchases	2,133,989	2,132,906	2,787,002	4,958,472	3,696,058			-	1,108,506	2,183,208
Total Outstanding Debt	\$ 1,833,945,612	\$ 1,427,952,028	\$ 1,434,365,646	\$ 1,046,655,321	\$ 1,023,046,277	\$ 76,822,324	\$ 43,148,234	\$ 71,511,923	\$ 89,697,700	\$ 180,205,608
Outstanding Debt Per Capita	\$ 1,484.78	\$ 1,170.91	\$ 1,172.16	\$ 833.31	\$ 843.00	\$ 63.24	\$ 35.48	\$ 58.69	\$ 73.34	\$ 146.47
Total Enplaned Passengers	4,923,827	4,970,599	4,599,144	4,057,550	3,173,664	1,822,219	4,894,337	4,834,085	4,495,180	4,151,628
Outstanding Debt/Enplaned Passenger	\$ 372.46	\$ 287.28	\$ 311.88	\$ 257.95	\$ 322.35	\$ 42.16	\$ 8.82	\$ 14.79	\$ 19.95	\$ 43.41
Outstanding Debt as % of Personal Income	Not Available	14.92%	15.48%	11.98%	11.71%	0.92%	0.05%	0.09%	0.13%	0.27%
Revenue Bond Debt Service										
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,024,760	\$ 16,860,000	\$ 85,520,000	\$ 53,990,000
Interest	73,332,717	53,262,222	27,826,827	10,326,956	10,326,956	-	3,635,528	4,090,908	8,274,802	10,923,357
Total Revenue Bond Debt Service	\$ 73,332,717	\$ 53,262,222	\$ 27,826,827	\$ 10,326,956	\$ 10,326,956	\$ -	\$ 22,660,288	\$ 20,950,908	\$ 93,794,802	\$ 64,913,357
Total Expenses (Less Depreciation)	\$ 194,022,392	\$ 171,069,685	\$ 178,700,610	\$ 120,407,156	\$ 130,428,319	\$ 120,407,156	\$ 122,810,059	\$ 122,810,059	\$ 125,694,961	\$ 109,830,260
Revenue Bond Debt Service/ Total Expenses	37.80%	31.13%	15.57%	8.58%	7.92%	0.00%	18.45%	17.06%	74.62%	59.10%
Revenue Bond Debt Service/ Enplaned Passenger	\$ 14.89	\$ 10.72	\$ 6.05	\$ 2.55	\$ 3.25	\$ -	\$ 4.63	\$ 4.33	\$ 20.87	\$ 15.64

Table VII
Revenue Bond Debt Service Coverage

Last Ten Fiscal Years
December 31, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Pledged Revenues										
Landing fees	\$ 28,180	\$ 26,522	\$ 22,316	\$ 19,764	\$ 15,408	\$ 11,842	\$ 17,280	\$ 14,854	\$ 14,365	\$ 13,471
Terminal area airline fees	62,107	42,751	41,105	34,416	33,761	35,314	41,758	44,798	59,719	57,728
Other aeronautical revenue	7,798	6,991	7,674	8,216	8,561	8,798	8,297	8,770	7,818	7,691
Parking revenues	67,568	68,970	60,254	43,338	28,848	13,712	41,631	36,926	32,289	29,796
Rent-A-Car revenues	19,405	16,680	15,083	13,980	11,906	7,933	12,510	12,715	11,891	11,460
Terminal concessions	20,264	15,211	13,862	11,173	10,208	8,282	10,707	10,578	7,584	7,446
Other non-aeronautical revenue	14,767	11,511	12,613	9,594	28,266	21,748	12,821	22,519	34,433	44,742
AGC revenues	3,046	2,930	2,967	2,962	2,794	2,775				
Total pledged revenues	223,135	191,566	175,874	143,443	139,752	110,404	145,004	151,160	168,099	172,334
Operation and Maintenance Expenses										
Salaries, wages and related expenses	69,895	65,297	58,436	53,320	44,764	41,985	32,699	26,854	26,823	26,502
Cost allocations							44,664	51,471	43,540	40,697
Utilities	13,198	11,894	11,443	11,789	11,211	9,430	9,480	9,122	8,384	8,595
Cleaning and maintenance services	21,952	19,763	18,373	17,665	16,899	18,200	16,640	18,059	16,499	16,798
Professional services	51,735	40,157	41,672	35,135	28,954	24,719	187	340	553	236
Other	14,888	11,057	13,176	13,710	7,448	10,052	2,641	3,181	3,744	3,248
Total operation and maintenance expenses	171,668	148,168	143,100	131,619	109,276	104,386	106,311	109,027	99,543	96,076
Net Revenues	51,467	43,398	32,774	11,824	30,476	6,018	38,692	42,133	68,556	76,258
Plus: Other Available Funds	31,777	-	3,029	13,105	16,332	16,332	16,332	16,332	16,332	16,332
Total Net Revenues and Other Available Funds	\$ 83,244	\$ 43,398	\$ 35,803	\$ 24,929	\$ 46,808	\$ 22,350	\$ 55,024	\$ 58,465	\$ 84,888	\$ 92,590
Deposit Requirement Payments										
Deposits for debt service - Airport Revenue Bonds	\$ 53,831	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,161	\$ 16,686	\$ 57,453	\$ 64,914
Funding deposit requirement	-	-	-	-	385	198	429	410	174	598
Total deposit requirement payments	\$ 53,831	\$ -	\$ -	\$ -	\$ 385	\$ 198	\$ 15,590	\$ 17,096	\$ 57,627	\$ 65,512
Coverage Ratio	1.55	N/A	N/A	N/A	121.47	112.77	3.53	3.42	1.47	1.41

Table VIII
Enplaned Passengers by Airline Group

Last Ten Fiscal Years
December 31, 2025

Group	2025 Actual	2024 Actual	2023 Actual	2022 Actual	2021 Actual	2020 Actual	2019 Actual	2018 Actual	2017 Actual	2016 Actual
American	1,123,322	1,098,929	1,042,821	977,947	764,238	431,438	1,136,330	1,156,825	1,169,648	1,157,703
Southwest	1,226,202	1,257,127	1,146,018	995,256	865,760	478,707	1,231,855	1,257,464	1,211,828	1,134,880
Delta	823,717	794,186	758,776	683,146	534,738	279,350	921,353	848,698	768,660	750,335
United	725,270	693,939	682,290	594,498	396,612	243,810	763,085	713,564	650,645	624,348
Other signatories	878,850	1,002,294	950,623	727,470	564,008	358,437	626,942	692,307	508,889	304,687
Total signatory airlines	4,777,361	4,846,475	4,580,528	3,978,317	3,125,356	1,791,742	4,679,565	4,668,858	4,309,670	3,971,953
Scheduled nonsignatory	141,538	117,886	12,714	72,772	40,722	20,662	195,464	141,007	163,218	161,700
Nonscheduled	4,928	6,238	5,902	6,461	7,586	9,815	19,308	24,220	22,292	17,975
Total enplaned passengers	4,923,827	4,970,599	4,599,144	4,057,550	3,173,664	1,822,219	4,894,337	4,834,085	4,495,180	4,151,628

Note: United includes Continental, and Southwest includes Airtran for all years due to mergers between these airlines, which were fully effective for fiscal year 2014. American includes US Airways for all years due to merger effective for fiscal year 2015.

Source: Monthly Analysis of Scheduled Airline Traffic Report

Table IX
Activity Statistics

Last Ten Fiscal Years
December 31, 2025

Fiscal Year	Total Passengers	<A> Aircraft Operations	Landed Weight (1,000 Lbs.)	Cargo Volume (1,000 Lbs.)
2025	9,848,440	134,430	6,518,212	166,978
2024	9,945,601	132,756	6,467,460	179,966
2023	9,196,564	128,175	6,051,685	171,541
2022	8,114,028	121,650	5,411,732	185,725
2021	6,354,770	108,464	4,662,435	209,700
2020	3,649,270	91,803	3,703,501	157,603
2019	9,779,024	148,119	6,263,255	165,517
2018	9,658,897	151,414	6,196,005	156,219
2017	8,988,016	148,681	5,762,766	148,343
2016	8,309,754	141,630	5,387,059	150,239

<A> An operation is any aircraft landing or takeoff.

Sources: Federal Aviation Administration Tower Reports and Airline Self Reporting

Table X
Count of Employees by Department

Last Ten Fiscal Years
December 31, 2025

Bus Unit	Description	Year End 2025	Year End 2024	Year End 2023	Year End 2022	Year End 2021	Year End 2020	Year End 2019	Year End 2018	Year End 2017	Year End 2016
1100	Administration	16	17	17	13	14	8	7	8	8	4
1200	Human Resources	17	12	13	10	9	8	8	8	10	9
1250	Administrative Services	1	1	3							
1260	Experience and Design	5	6	5							
1300	Finance	18	23	17	16	14	14	15	17	16	15
1310	Legal	8	8	9	8	3	3	3	-	-	-
1400	Information Technology	30	28	11	14	16	14	13	12	7	4
1510	Workplace Safety	2	0	3							
1520	Environmental	6	4	5	2	5	3	4	6	10	6
1530	Engineering/Construction	9	9	10	11	11	9	8	12	7	7
1540	Planning	4	4	4	7	3	2	4	8	6	5
1550	Intelligent Infrastructure	0	0	5							
1700	Business Development	6	8	3	5	8	7	7	7	8	5
1850	Field Maintenance	103	87	87	83	91	84	107	110	114	116
1810	Facilities Maintenance	77	79	75	76	72	72	85	81	84	82
1860	Airfield Operatings	31	34	34	31	26	20	19	30	33	39
1870	Airport Security	9	8	9	10	7	7	8	11	12	10
1800	PSOM Admin	8	7	4	3	3	9	9	-	-	-
1830	Fire Services	48	51	51	52	46	50	39	53	49	42
2300	Air Service Development	4	5	5	4	4	4	3	4	5	2
2400	Marketing & Communications	19	21	12	15	20	19	25	28	21	18
1820	Airline Services	53	56	54	54	54	52	58	61	63	67
2410	Government and Community Affairs	7	7	6	4	3	3	-	-	-	-
2440	Customer Experience	12	12	9	10	-	-	-	-	7	5
1510	TMP	0	4	8	9	6	3	11	-	-	-
9100	Allegheny County Airport	16	17	15	13	13	9	19	14	21	20
	Totals	509	508	474	450	428	400	452	470	481	456

Source: Allegheny County Airport Authority Human Resources Executive Summary of Employment Transactions

Allegheny County Airport Authority

Capital Asset and Other Airport Information

Pittsburgh International Airport (PIT) is located in Southwestern Pennsylvania approximately 15 miles west of downtown Pittsburgh. PIT occupies approximately 8,800 acres and is situated in Moon and Findlay Townships in Allegheny County. Access to PIT is provided via Interstate 376. The volume, usage and nature of the Authority's most significant capital assets is discussed below and on the following five pages.

Airfield

PIT has four runways, consisting of one crosswind runway (oriented northwest to southeast) and three parallel runways (oriented east to west) of which one is immediately north of the passenger terminal complex and the other two are south of the terminal:

Runway 10R/28L	11,500 feet long, 200 feet wide
Runway 10C/28C	10,775 feet long, 150 feet wide
Runway 10L/28R	10,502 feet long, 150 feet wide
Runway 14/32	8,100 feet long, 150 feet wide

The separation between the runways permits the capability of conducting dual landings and dual takeoffs in all weather conditions. All of PIT's runways can accommodate air carrier aircraft and are equipped with instrument landing systems, lighting systems and other air navigation aids, permitting PIT to operate in virtually all-weather conditions. Precision instrument approach capability is provided to Runways 10R, 10L, 28R, 28L and 32. In addition, Runways 10R and 10L can handle Category II/III instrument landing systems (ILS).

Passenger Terminal

The Midfield Terminal opened on October 1, 1992 and consists of approximately 1.7 million square feet of enclosed space. The Midfield Terminal consists of a four-level landside terminal, a four-level airside terminal connected to the landside terminal by an automated underground people-mover system, a two-level central service building and a commuter terminal. The landside terminal houses pre-security and ground transportation operations (passenger drop-off, ticketing/check-in, baggage claim and the security checkpoint).

The "X-shaped" airside terminal has two major elements - a central "core" and four concourses. The Midfield Terminal with 75 gates was originally constructed to function as a major hub facility for the former US Airways to support a major connecting hub operation. As a result of de-hubbing in 2002, and in anticipation of future changes, the Authority removed gates from service. New common use technology and equipment also reduced the number of gates necessary for daily airline operations, so that 53 gates are currently available for use. The Midfield Terminal also originally included a commuter terminal. However, due to the reduction in connecting traffic and the discontinuation of service to many smaller communities, the commuter terminal was closed for operations and currently serves as an alternative security check point to help alleviate congestion during peak throughput times at the main security check point.

During the calendar year 2025 the landside terminal, the alternative security checkpoint, and existing garage were permanently closed to passenger traffic with opening of a newly constructed 811,000 square foot landside terminal. The new facilities include new parking facilities, a new 5-level garage with 3,300 spaces connecting to a new Customer Service Building for rental car customers, and new landside terminal. The new 3-level landside terminal provides a modern passenger experience with clear site lines and wayfinding; it includes 12 security lines and 8 baggage carousels.

In addition to the new facilities several airside concourse facilities were updated including, hold rooms, finishes, and the Federal Inspection Station (FIS)

Arriving international passengers clear immigration and customs through a Federal Inspection Services ("FIS") facility comprising approximately 60,000 square feet, which can accommodate roughly 800 passengers per hour.

Ground Access and Transportation

PIT can be accessed directly from the north or south via I-376, I-576, and Business I-376, which form a loop around the airport. The New Terminal is served by a four lane, three-level roadway. One roadway serves the ticketing level, one serves the baggage claim level, and the bottom roadway is for commercial vehicles and ground transportation services including taxis, TNCs, limousines, private and public buses, and hotel courtesy shuttles.

Allegheny County Airport Authority

Capital Asset and Other Airport Information (Continued)

Along with the new 5 story Parking Lot, additionally, the Airport has 11,450 surface public parking spaces in its terminal lot and shuttle parking lots.

Rental car ready/return stalls are located on level 1 of the garage. The companies perform stacking, cleaning, fueling, washing and staging cars prior to moving them into the ready car spaces in the garage on their leased space in the vicinity of the terminal as part of the service facilities. Currently, seven "companies" representing nine brands of rental car companies operate on-airport from the garage: (1) Avis, (2) Budget, (3) Dollar (Thrifty), (4) Enterprise, (5) Hertz, and (6) Vanguard (Alamo and National), (7) SIXT.

Hotel

A Hyatt Regency Hotel, which opened in June 2001, is located on Airport property and has access to the Airport thru shuttle service. The facility contains 331 hotel rooms and approximately 21,000 square feet of convention space. The hotel provides a restaurant, bar/lounge, and an indoor pool/health club facility.

Airline Support

The Authority leases land and buildings to airlines and others for activities supporting airline operations. An aboveground aircraft fuel farm supplies fuel to the aircraft hydrant fueling system, which serves all 53 jet gates and a fueling rack. An automotive fuel storage facility is located adjacent to the fuel farm.

American Airlines leases aircraft maintenance and parts facilities, which encompasses 473,529 square feet at PIT.

LSG Sky Chefs leases a catering/food preparation facility containing 80,000 square feet that also serves as its North American frozen food kitchen and freezing facility.

In addition, the Authority constructed a wide body deicing facility at PIT, which is being managed by a third-party company. That company also operates the Authority's main deicing pads, which are boom and truck operated, and utilize hot air technology.

Six cargo carriers, FedEx, UPS, Sun Country, Mas Air, Cathay Pacific, and Qatar Cargo, are signatories to the Airfield Use Agreement relating to the use and lease of the airfield for cargo operations.

The Authority is engaged in strategic planning to further increase cargo operations at the Airport. In September 2022, the Airport was awarded an \$24.49 million federal grant by the U.S. Department of Transportation ("USDOT") through the Better Utilizing Investments to Leverage Development program, to be used to build a 77,000 square foot cargo processing facility and an adjacent surface parking lot, which was completed in 2025. The new building will enable the Airport to serve additional cargo operations and expand cargo handling offerings and access for high volumes of trucks. The Authority is seeking a single tenant operator to occupy and invest additional capital in the facility.

Republic Airways operates aircraft maintenance facilities at PIT in two hangars containing 99,625 square feet. Atlantic Aviation operates a fixed base operation ("FBO"), containing a terminal building, two hangars, a fuel farm, and an equipment maintenance building.

The Authority also owns and leases three corporate hangars that contain 114,000 square feet. MPAir leases 153,331 square feet of land from the Authority, which consists of a hangar and flight facility. The Authority has leased to GE on Wing Support its jet engine test cell facility consisting of 14,985 square feet and prep room consisting of 12,400 square feet.

Also located at PIT is a full-service fixed base operator (FBO), Atlantic Aviation, which operates from the Business Aviation Center, and a limited FBO, Corporate Air, LLC, and L J Aviation which operates from corporate hangar facilities.

Commercial/Industrial Property Development

There are approximately 3,600 acres of land at the Airport available to the Authority for non-aviation development of which approximately 52% are developable. In addition, approximately 5,000 acres of land at the Airport are designated as a "Foreign Trade Zone".

Allegheny County Airport Authority

Capital Asset and Other Airport Information (Continued)

Significant development activities have been undertaken by the Authority to provide "pad ready" development sites, including the completion and continued development of infrastructure, including roadways and installation of utility services to develop further commercial office and industrial uses. Dick's Sporting Goods has located its corporate headquarters at the Airport; those facilities include one of the corporate hangars noted in the prior section. The Authority has entered numerous ground leases with major development companies for over 4,000,000 square feet of office park, flex space, distribution facilities and other similar uses. The Authority is also developing the Pittsburgh Airport Innovation Campus known as Neighborhood 91 to be a center for advanced manufacturing, particularly additive manufacturing and 3D-printing as mentioned in relation to the development of Neighborhood 91. The development has broken ground in 2020 and will add another 1,000,000 square feet among four new buildings. Revenues from the various developers and land tenants are utilized by the Authority for further investment in development activities.

In addition, the County relocated its emergency response and 911 call center to the Airport on property leased from the Authority. The call center provides centralized 911 emergency call and response services to the entire County.

Other Facilities

Aircraft rescue and firefighting (ARFF) services are provided from one fire station. The Authority also operates an aircraft rescue and firefighting training center at PIT, which includes a fire-training simulator as well as classrooms, a management center, a vehicle bay, trainee/equipment support areas and a visitor center.

PIT also accommodates airfield maintenance buildings, an FAA Airport traffic control tower, air navigation aids and guidance systems, and various other support facilities. It also serves as the home of the Pittsburgh Air Reserve Station and the Pennsylvania Air National Guard.

Sources: Planning Department of Allegheny County Airport Authority & Business Development

Table XI

Allegheny County - Demographic and Economic
Statistics

For the Year Ended December 31, 2025

Year	Population	Personal Income (millions)	Per Capita Personal Income	Annual Average Unemployment Rate
2025	1,235,166	Not Available	Not Available	3.6%
2024	1,217,045	95,693	80,878	3.3%
2023	1,221,061	92,436	76,488	2.8%
2022	1,256,024	87,360	71,973	3.4%
2021	1,213,573	87,385	68,874	3.7%
2020	1,214,810	83,313	64,236	6.6%
2019	1,216,040	79,996	64,871	4.5%
2018	1,218,452	76,711	59,899	5.3%
2017	1,223,048	68,316	55,263	4.7%
2016	1,230,360	67,145	54,357	5.2%

n/a = information is not available

Table XII

Allegheny County - Principal Employers

**For the Year Ended 2025 and 2016
December 31, 2025**

2025 (1)		
Employer	Employees	Percentage of Total County Employment
University of Pittsburgh Medical Center	63,000	9.72%
Highmark Health	25,973	4.01%
United States Government	19,697	3.04%
FedEx Corp	17,000	2.62%
Commonwealth of Pennsylvania	15,163	2.34%
University of Pittsburgh	14,491	2.24%
PNC Financial Services	11,240	1.74%
Giant Eagle, Inc.	11,007	1.70%
Wal-Mart Stores, Inc.	8,200	1.27%
BNY Mellon	7,000	1.08%
Total	192,771	29.76%
Total Employees in County	647,818	
2016 (2)		
Employer	Employees	Percentage of Total County Employment
University of Pittsburgh Medical Center	43,000	12.60%
Highmark Health	22,000	6.45%
United States Government	17,347	5.08%
Commonwealth of Pennsylvania	12,822	3.76%
University of Pittsburgh	12,386	3.63%
PNC Financial Services	11,432	3.35%
Giant Eagle, Inc.	10,742	3.15%
BNY Mellon	7,000	2.05%
Allegheny County	6,750	1.98%
Wal-Mart Stores Inc.	6,200	1.82%
Total	149,679	43.86%
Total Employees in County	341,252	

Sources:

(1) Allegheny County Accounting Department

(2) City of Pittsburgh Annual Comprehensive Financial Report 2015

(3) Allegheny County Accounting Department