DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

(A COMPONENT UNIT OF DUPAGE COUNTY, ILLINOIS)

ANNUAL FINANCIAL REPORT

For the Year Ended
December 31, 2013

PREPARED BY THE FINANCE DEPARTMENT
Patrick Hoard, Director of Finance

Sikich.

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WEST CHICAGO, ILLINOIS
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INTRODUCTORY SECTION

DUPAGE AIRPORT AUTHORITY

PRINCIPAL OFFICIALS

DECEMBER 31, 2013

BOARD OF COMMISSIONERS

Stephen L. Davis, Chairman
Gerald M. Gorski, Vice Chairman
Peter H. Huizenga, Treasurer
Gina R. LaMantia, Secretary
Juan E. Chavez, Commissioner
Charles E. Donnelly, Commissioner
Gregory J. Posch, Commissioner
Daniel J. Wagner, Commissioner
Dayle Gillett, Commissioner

ADMINISTRATIVE

David Bird, Executive Director

FINANCIAL SECTION

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Certified Public Accountants & Advisors
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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
DuPage Airport Authority
West Chicago, Illinois

We have audited the accompanying basic financial statements of the DuPage Airport Authority, Illinois (the Authority) as of and for the year ended December 31, 2013, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of December 31, 2013, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The introductory section, supplemental data, and other data are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplemental data is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental data is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and other data has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Sikich LLP

Naperville, Illinois
April 1, 2014

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

DuPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

Management's Discussion and Analysis

As management of the DuPage Airport Authority ("Authority"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended December 31, 2013.

Basic Financial Statements

The Authority uses fund accounting to report on its financial position and the results of its operations. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a separate accounting entity with a self-balancing set of accounts.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. The Authority uses one enterprise fund to account for those activities which include providing goods and services to outside parties. The Authority currently has three divisions within a single enterprise fund in order to appropriately account for its daily activities.

Under this method of accounting, revenue is recorded when earned and expenses are recorded when incurred. The basic financial statements include a statement of net position, a statement of revenues, expenses, and changes in net position, and a statement of cash flows.

The *Statement of Net Position* reports information on all of the Authority's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with assets plus deferred outflows of resources less liabilities and deferred inflows of resources reported as net position . Over time, increases or decreases in net position may serve as a useful indicator of the Authority's financial position.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the Authority's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future periods.

The *Statement of Cash Flows* relates to the flows of cash and cash equivalents. Consequently, only transactions that affect the Authority's cash accounts are recorded in this statement. A reconciliation is provided at the bottom of the Statement of Cash Flows to assist in the understanding of the difference between cash flows from operating activities and operating income.

Financial Highlights

- The Authority's Total Net Position was $169 million at December 31, 2013, a decrease of more than $3.4 million from 2012.

- Operating loss before depreciation and amortization was $640,655. This compares to an operating income of $646,865 the year prior. The main causes of this decrease were:

  - Operating revenues decreased over 5.6 percent from $19.9 million to $18.8 million. This decrease was driven by a 6.4% decrease in Fueling Revenues (Line Service), an 8.75% decrease in Leases, Commission, and fees revenue, and a 5.3% decrease in Golf operations revenue. Aircraft Storage Revenue was up 4.4%

  - Operating expenses increased by 0.8 percent from $19.2 million to $19.4 million.

- Net loss was $2.6 million compared to a $2.6 million gain the year prior. The largest factors relating to the decrease were:

  - A reduction in the Gain on Disposal of Assets which was $109 thousand in 2013 vs $4.3 million in 2012. The majority of the 2012 gain was land sales to CenterPoint Properties Trust and the Illinois Department of Transportation.

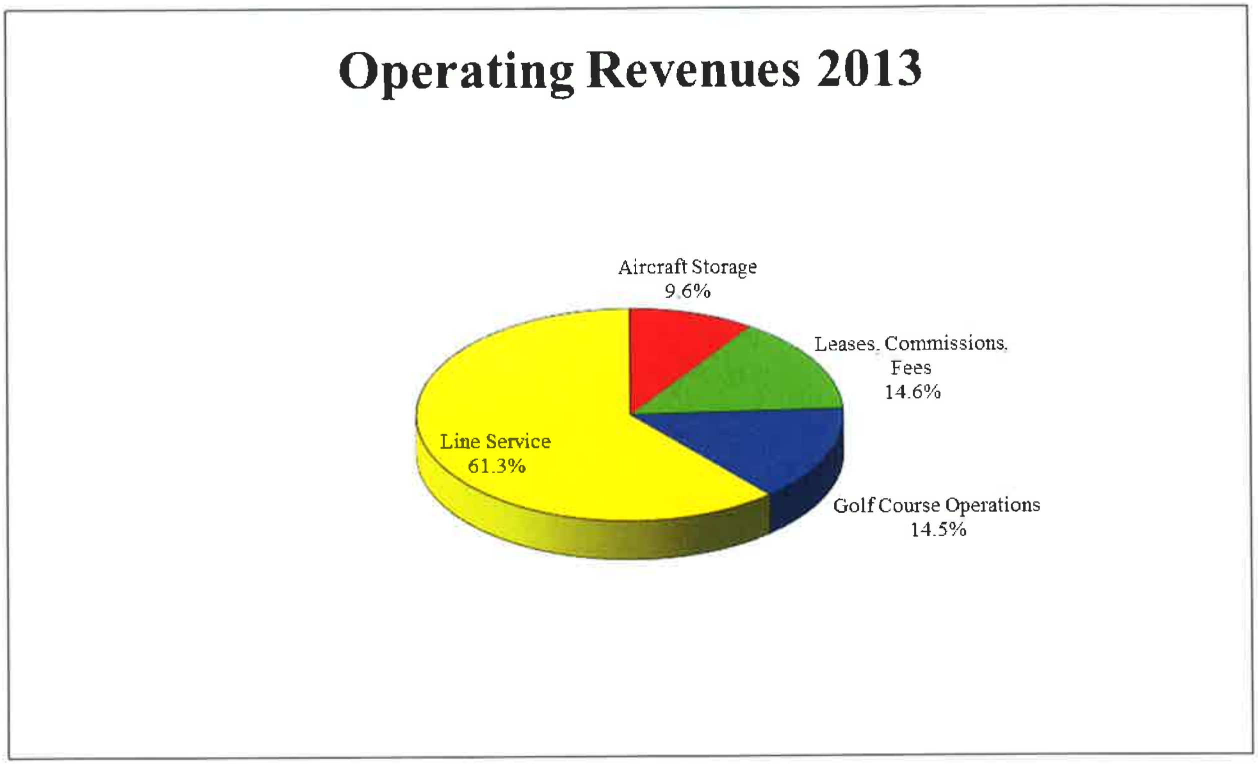
  - A decrease of operating revenue of $1.1 million from the prior year.

- The DuPage Airport Authority designates all property tax income to be used for capital and major maintenance projects. The Authority had $16.2 million designated for these purposes at the end of 2012. The balance increased to $16.3 million to end 2013. The Authority spent $5.4 million in 2013 on capital and major maintenance projects. New property tax revenues received were $5.5 million.

- The DuPage Airport Authority received $2.7 million in cash from land sales in 2012. These funds are restricted for aeronautical use per FAA grant assurance regulations.

Financial Information

Revenue - The following chart shows the major sources of operating revenue for the year ending December 31, 2013.



The following schedule is a summary of revenues for the fiscal years ended December 31, 2013 and 2012.

	2013	2012	Increase (Decrease)	% Increase -Decrease
Operating Revenues				
Aircraft Storage	1,792,977	1,717,254	75,723	4.41%
Leases, Commissions, Fees	2,742,047	3,005,073	(263,026)	-8.75%
Golf Course Operations	2,727,810	2,879,114	(151,304)	-5.26%
Line Service	11,504,702	12,287,012	(782,310)	-6.37%
Total Operating Revenue	18,767,536	19,888,453	(1,120,917)	-5.64%
Nonoperating Revenues				
Taxes - Property	5,497,104	6,039,877	(542,773)	-8.99%
Taxes - Other	57,442	51,815	5,627	10.86%
Federal & State Grants	238,347	393,682	(155,335)	-39.46%
Investment Income	(154,976)	28,458	(183,434)	-644.58%
Gain on Disposal of Assets	108,787	4,324,243	(4,215,456)	-97.48%
Other Income	76,450	217,933	(141,483)	-64.92%
Total Nonoperating Revenues	5,823,154	11,056,008	(5,232,854)	-47.33%
Total Revenues	24,590,690	30,944,461	(6,353,771)	-20.53%

Revenue (cont.) -

Revenues decreased 20.53% from the previous year. The biggest factor is related to gain on disposal of assets. In 2012 the Authority sold land to Centerpoint Properties Trust and the Illinois Department of Transportation. There were no land sales in 2013. Revenues excluding Gain on Disposal of assets were down 8% year over year. In 2012 the Authority permanently abated $500 thousand in property tax revenues. In 2013, the Authority abated an additional $500 thousand.

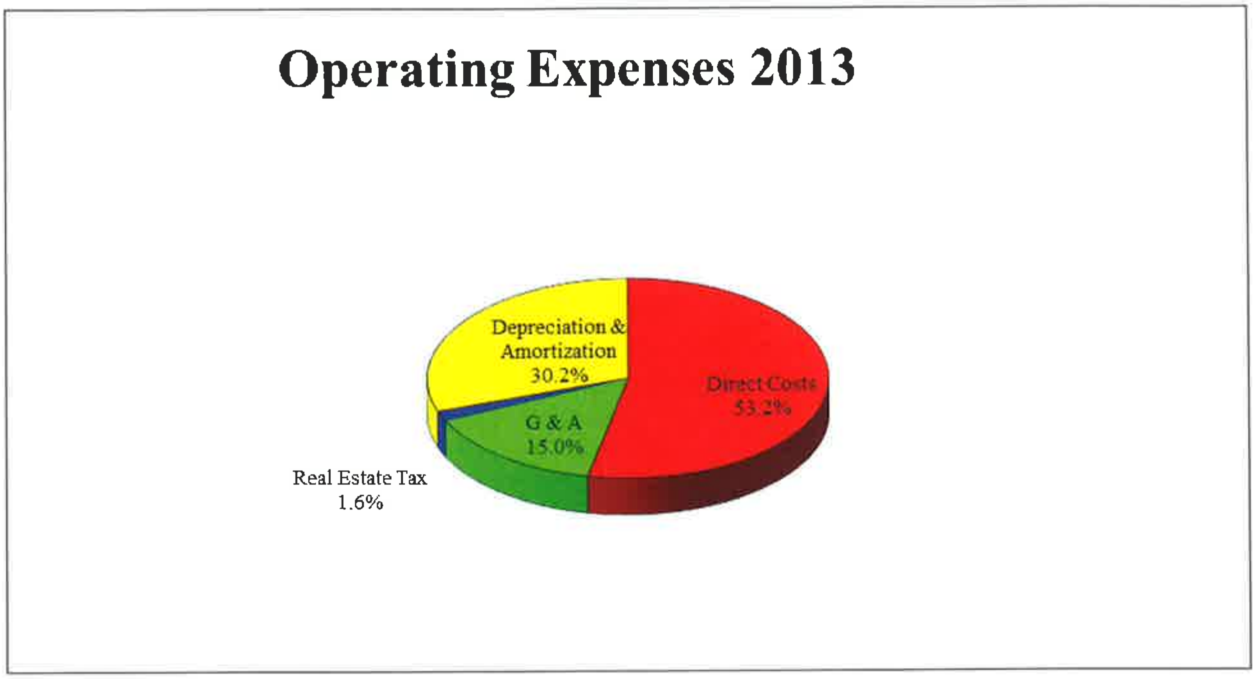
Quantities of fuel sold (line service) decreased by 6.6% in 2013. The average selling price per gallon also decreased by 0.5%. The combination of lower average selling price and decreased volumes resulted in a decrease in revenue of $0.8 million from 2012. The average selling price per gallon of Jet A fuel was 5.8% higher in 2013 than in 2012. This operation continues to be a major revenue source for the Authority.

Golf course revenues decreased by $151,304. Overall Golf Operation rounds were down 5%. Wedding and Banquet revenues were up 5.4% over 2012. Golf revenues were down 7.5% Food and Beverage decreased 11.9%. Much of this decrease was driven by decreased revenue from Kitty Hawk, our café at the airport. Kitty Hawk was closed most of the year as part of the Flight Center renovation project.

Leases, Commissions, Fees decreased by $263,026. The reduction of the revenue is driven by a combination of a change in the mixture of the space being leased and new leases being signed at market rates.

The airport reports their investments at market value. The investment losses for 2013 are unrealized losses from the market value of our underlying securities.

Expenses - The following chart shows the major categories of expenses for the year ending December 31, 2013.



The following table presents a summary of expenses for the fiscal years ending December 31, 2013 and 2012.

	2013	2012	Increase (Decrease)	% Increase -Decrease
Operating Expenses				
Direct Costs	14,810,091	14,890,145	(80,054)	-0.54%
General & Administrative	4,141,100	3,918,373	222,727	5.68%
Real Estate Tax	457,000	433,070	23,930	5.53%
Total Operating Expenses	19,408,191	19,241,588	166,603	0.87%
Other Expenses				
Interest Expense	0	97,152	(97,152)	-100.00%
Depreciation and Amortization	8,405,852	9,000,660	(594,808)	-6.61%
Total Other Expenses	8,405,852	9,097,812	(691,960)	-7.61%
Total Expenses	27,814,043	28,339,400	(525,357)	-1.85%

Total expenses decreased 1.85%. Interest expense in 2012 is related to an advance for the development of the DuPage Business Park. This advance was paid back in 2012 as part of the land sale to the developer. Depreciation and Amortization decreased by 6.61%. This reduction is related to assets reaching the end of their expected values and becoming fully depreciated. There was no significant sale of any depreciable assets in 2013.

Capital Assets

The major impacts to Capital Assets during the fiscal year were: Various runway, taxiway, and roadway projects costing $6.9 million were put into service in 2013, the largest of which was $4 million for the 2R/20L Runway Extension. Machinery, Equipment, and Vehicle additions totaled $345,000 and included the purchase of an aircraft tug, cargo vans, a boom lift, a skid steer loader, utility vehicle, a portable generator, spray application system, and a beverage cart. Land Improvements totaled $298,000 including parking lot rehabilitation and irrigation controllers at the golf course. Building improvements totaled $107,000 including replacement of the freight elevator cylinder and hangar renovations. Additions to Office Furniture & Equipment totaled $80,000 and included furniture and an A/V system for the banquet room and grill room at the golf club. Total Capital Assets put into service in 2013 was $7.7 million, of which $6.2 million was carried over from prior year "Construction in Progress" balances. Depreciation expense in 2013 was $8.4 million. A summary of capital assets can be found in Note 4 of the Financial Statements.

Requests for Information

This financial report is designed to provide a general overview of the DuPage Airport Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, DuPage Airport Authority, 2700 International Drive, Suite 200, West Chicago, IL 60185.

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2013

CURRENT ASSETS	
Cash and cash equivalents	$ 4,501,735
Cash and cash equivalents - designated	8,745,546
Investments	3,812,838
Investments - restricted	2,726,721
Investments - designated	7,546,856
Receivables	
Property taxes	5,481,378
Accounts	570,965
Accrued interest	51,249
Prepaid expenses	386,122
Inventories	331,294
Total current assets	34,154,704
CAPITAL ASSETS	
Capital assets not being depreciated	69,582,246
Capital assets being depreciated	240,440,184
Accumulated depreciation	(164,801,184)
Net capital assets	145,221,246
Total assets	179,375,950

(This statement is continued on the following page.)

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2013

CURRENT LIABILITIES	
Accounts payable	$ 456,587
Retainage payable	376,621
Accrued liabilities	994,820
Compensated absences	102,827
Customer deposits and advances	254,599
Security deposits	174,110
Unearned revenue	2,124,916
Total current liabilities	4,484,480
NONCURRENT LIABILITIES	
Compensated absences	411,306
Total noncurrent liabilities	411,306
Total liabilities	4,895,786
DEFERRED INFLOWS OF RESOURCES	
Unearned revenue - property taxes	5,481,378
Total deferred inflows of resources	5,481,378
Total liabilities and deferred inflows of resources	10,377,164
NET POSITION	
Net investment in capital assets	145,221,246
Restricted for aeronautical purposes	2,629,721
Unrestricted	21,147,819
TOTAL NET POSITION	$ 168,998,786

See accompanying notes to financial statements.

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

For the Year Ended December 31, 2013

OPERATING REVENUES	
Aircraft storage	$ 1,792,977
Leases, commissions, fees	2,742,047
Golf course operations	2,727,810
Line service	11,504,702
Total operating revenues	18,767,536
OPERATING EXPENSES	
Direct costs	
Airport operations	4,480,244
Golf course operations	2,023,831
Line service	8,306,016
General and administrative	
Salaries and benefits	2,992,921
Utilities	72,402
Office expense	227,160
Insurance	250,380
Professional services	422,312
Postage	11,617
Real estate tax	457,000
Advertising and promotions	179,987
Miscellaneous	(15,679)
Total operating expenses	19,408,191
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(640,655)
DEPRECIATION	8,405,852
OPERATING INCOME (LOSS)	(9,046,507)
NON-OPERATING REVENUES (EXPENSES)	
Property taxes	5,497,104
Personal property replacement tax	57,442
Investment income	(154,976)
Federal and state grants	238,347
Miscellaneous income	76,450
Gain (loss) on disposal of capital assets	108,787
Total non-operating revenues (expenses)	5,823,154
CHANGE IN NET POSITION BEFORE CONTRIBUTIONS	(3,223,353)
CONTRIBUTIONS	574,437
CHANGE IN NET POSITION	(2,648,916)
NET POSITION, JANUARY 1	172,401,580
Prior period adjustment	(753,878)
NET POSITION, JANUARY 1, RESTATED	171,647,702
NET POSITION, DECEMBER 31	$ 168,998,786

See accompanying notes to financial statements.

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2013

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 18,963,048
Payments to suppliers	(14,031,818)
Payments to and on behalf of employees	(5,637,980)
Net cash from operating activities	(706,750)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Nonoperating revenues - property taxes	5,497,094
Nonoperating revenues - replacement taxes	57,442
Net cash from noncapital financing activities	5,554,536
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Grant monies received	238,347
Acquisition and construction of capital assets	(5,131,045)
Proceeds from sale of capital assets	108,787
Net cash from capital and related financing activities	(4,783,911)
CASH FLOWS FROM INVESTING ACTIVITIES	
Net change in investments	(14,086,415)
Investment income	(206,225)
Net cash from investing activities	(14,292,640)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(14,228,765)
CASH AND CASH EQUIVALENTS, JANUARY 1	27,476,046
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 13,247,281
PRESENTED AS	
Cash and cash equivalents	$ 4,501,735
Cash and cash equivalents - designated	8,745,546
Total cash and cash equivalents	$ 13,247,281

(This statement is continued on the following page.)

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)

For the Year Ended December 31, 2013

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES		
Operating income (loss)	$	(9,046,507)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation		8,405,852
Miscellaneous income		76,450
Changes in assets and liabilities		
Accounts receivable		976,053
Prepaid expenses		354,867
Inventories		(44,442)
Accounts payable		(787,074)
Accrued liabilities		117,996
Compensated absences		97,046
Customer deposits and advances		(58,959)
Security deposits		(80,175)
Unearned revenue		(717,857)
NET CASH FROM OPERATING ACTIVITIES	$	(706,750)
NONCASH OPERATING, CAPITAL AND FINANCING ACTIVITIES		
Contributions	$	574,437
Capital asset additions in retainage payable		376,621
Loss on investments		(249,669)
Bad debt expense		(33,610)

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the DuPage Airport Authority (the Authority) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

a. Reporting Entity

The Authority was created subject to "An Act in Relation to Airport Authorities" (70 ILCS 5/0 et seq) to operate an airport facility in western DuPage County, Illinois.

The Authority operates under the direction of the Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the Authority. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made based upon the significance of their operational or financial relationships with the primary government.

Based on these criteria, the Authority does not have any component units.

Effective September 1995, the DuPage County Board Chairman was given (by State statute) line item veto authority over the Authority's budget. The County Board Chairman also has the ability to appoint the nine Airport Authority Board members with the County Board's approval. Based on the circumstances defined above, the Authority is considered a component unit of DuPage County.

b. Measurement Focus and Basis of Accounting

The Authority's financial statements are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of these funds are included on the statement of net position. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position.

The accounting policies for the Authority conform to generally accepted accounting principles applicable to proprietary funds of governmental units. The financial records of the Authority are maintained by utilizing the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liability is incurred or economic asset used.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Basis of Accounting

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for sales and services. Operating expenses for the Authority include the cost of sales and services, general and administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Authority reports unearned revenue and unavailable revenue on its financial statements. Unavailable revenues arise when a potential revenue does not meet both the available criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the Authority before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Authority has a legal claim to the resources, the liability and deferred inflows of resource for unearned and unavailable revenue are removed from the financial statements and revenue is recognized.

d. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

e. Investments

Investments are stated at fair value.

f. Receivables

The Authority grants trade credit to its customers, primarily tenants and fuel purchasers. Receivables are valued at management's estimate of the amount that will ultimately be collected. The allowance for doubtful accounts, if any, is based on specific identification of uncollectible accounts and the Authority's historical collection experience. The allowance for bad debts at December 31, 2013 is $82,902.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Inventories

Inventories are valued at lower of cost or market using the first-in/first-out (FIFO) method. Inventories are accounted for using the consumption method.

h. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid expenses.

i. Capital Assets

Capital assets comprising buildings, office equipment, software, vehicles and airport improvements are recorded at cost. 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 fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value or service capacity of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	35
Building improvements	10-20
Land improvements	10-20
Equipment and vehicles	3-10
Runways, ramps and parking lots	20
Office and other equipment	3-8

j. Compensated Absences

Authority employees are granted vacation pay and sick leave in varying amounts. In the event of termination, an employee is reimbursed for accumulated vacation time. Accumulated unpaid sick leave is payable to an employee in the event of a voluntary termination of employment with the Authority or upon retirement from the Authority.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. 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, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

l. Net Position

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose (see note 7). Net investment in capital assets represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets.

None of the restricted net position results from enabling legislation adopted by the Authority.

m. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

2. DEPOSITS AND INVESTMENTS

a. Permitted Deposits and Investments

Statutes authorize the Authority to make deposits/invest in: insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Permitted Deposits and Investments (Continued)

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, which is the price at which the investment could be sold.

It is the policy of the Authority to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Authority and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are safety of principal, liquidity, and yield.

b. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Authority's deposits may not be returned to it. The Authority's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Authority, an independent third party, or the Federal Reserve Bank.

c. Investments

The following table presents the investments and maturities of the Authority's debt securities as of December 31, 2013:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	$ 10,954,901	$ 1,702,686	$ 8,053,489	$ 1,198,726	$ -
U.S. agency obligations	2,412,874	-	835,540	1,577,334	-
TOTAL	$ 13,367,775	$ 1,702,686	$ 8,889,029	$ 2,776,060	$ -

2. DEPOSITS AND INVESTMENTS (Continued)

c. Investments (Continued)

In accordance with its investment policy, the Authority limits its exposure to interest rate risk by structuring the portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools. Unless matched to a specific cash flow, the Authority does not directly invest in securities maturing more than ten years from the date of purchase. The maturity/modified duration of the portfolio will be maintained at approximately three years and will range from two to seven years.

The Authority limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government (Treasury obligations) or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government (Fannie Mae and Federal Home Loan Bank).

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Authority will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Authority's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Authority's agent separate from where the investment was purchased.

Concentration of credit risk - The Authority's investment policy specifies the following preferred asset allocations by investment type:

Diversification by Instrument	Percent of Portfolio
Cash and equivalents	5%
U.S. Treasury/Agency Securities	95%

3. PROPERTY TAXES

The Authority's property tax becomes a lien on real property on January 1 of the year it is levied. The 2013 levy attached as an enforceable lien as of January 1, 2013. Property taxes are deposited with the County Treasurer who remits to the Authority its respective share of the collections. Taxes levied in one year become due and payable in two installments during the following year, on or about June 1 and September 1. The 2013 levy is intended to finance the 2014 fiscal year and, therefore, is reported as unearned revenue at December 31, 2013.

4. CAPITAL ASSETS

a. Summary of Changes in Capital Assets

The following is a summary of capital assets as of the date of this report:

	Beginning Balance, Reclassified	Increases	Reclassifications /Decreases	Ending Balance
Capital assets not being depreciated				
Land	$ 60,350,728	$ -	$ -	$ 60,350,728
Construction in progress	10,852,091	6,400,595	8,021,167	9,231,519
Total capital assets not being depreciated	71,202,819	6,400,595	8,021,167	69,582,247
Capital assets being depreciated				
Land improvements	95,327,886	298,337	-	95,626,223
Buildings and improvements	73,039,866	107,662	-	73,147,528
Infrastructure	53,417,296	6,871,330	-	60,288,626
Software	109,640	-	-	109,640
Equipment and vehicles	11,137,336	425,343	294,513	11,268,166
Total capital assets being depreciated	233,032,024	7,702,672	294,513	240,440,183
Less accumulated depreciation for				
Land improvements	79,129,449	3,209,440	450	82,338,439
Buildings and improvements	36,122,687	2,568,450	69,925	38,621,212
Infrastructure	34,146,418	2,109,246	-	36,255,664
Software	-	21,928	-	21,928
Equipment and vehicles	7,291,294	496,788	224,141	7,563,941
Total accumulated depreciation	156,689,848	8,405,852	294,516	164,801,184
Total capital assets being depreciated, net	76,342,176	(703,180)	(3)	75,638,999
TOTAL CAPITAL ASSETS, NET	$ 147,544,995	$ 5,697,415	$ 8,021,164	$ 145,221,246

5. LONG-TERM LIABILITIES

Changes in Long-Term Liabilities

During the fiscal year the following changes occurred in long-term liabilities:

	Balances January 1, restated	Increases	Decreases	Balances December 31	Current Portion
Compensated absences payable	$ 475,566	$ 38,567	$ -	$ 514,133	$ 102,827
TOTAL	$ 475,566	$ 38,567	$ -	$ 514,133	$ 102,827

6. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

7. RESTRICTED NET POSITION

On July 9, 2012, the Authority entered into an agreement with the Illinois Department of Transportation (IDOT) to convey 11.909 acres of land for a total sale price of $2,667,000 for the purpose of reconstructing and widening portions of Illinois Route 38 and Kautz Road. The Authority recognized a gain of $2,286,833 associated with the conveyance. As part of the agreement, the Authority also conveyed .867 acres of land as a temporary construction easement for $105,000.

Per Federal Aviation Authority regulations, any cash received from the sale of land must be used for Aeronautical purposes, and are therefore presented as restricted net position. Restricted net position at December 31, 2013 was $2,629,721.

8. MINIMUM LEASE RENTALS

The Authority has entered into long-term operating leases that expire on various dates within the next several years. Such lease revenue has been included in the Authority's financial statements to present the overall financial position and operations of the Authority. Future minimum lease revenues for the next five fiscal years and thereafter are as follows:

	2014	2015	2016	2017	2018	Thereafter
1525 Kautz Road, Lot 1	$ 35,649	$ 35,756	$ 35,756	$ 35,756	$ 35,756	$ 727,030
1955 North Aviation Avenue	163,536	164,698	165,895	167,127	168,398	2,699,454
2272 International Drive, Ground Lease	40,813	40,813	40,813	13,604	-	-
2715 International Drive, Bay #1	102,915	110,601	61,606	-	-	-
2727 Freedom Drive, Ground Lease	33,109	34,037	34,965	35,893	37,131	790,895
2735 International Drive, Bay #3	160,425	165,600	167,463	-	-	-
2750 North Aviation Avenue, Bay #2	42,700	43,550	44,422	-	-	-
2755 International Drive, Ground Lease	45,113	46,471	47,869	49,299	50,779	668,260
2760 International Drive, Ground Lease	26,545	27,341	28,161	29,006	29,876	584,055
3N060 Powis Road, Bay #2	132,600	132,600	132,600	132,600	132,600	110,500
Cash Farm Lease, 212 Tillable Acres	65,660	65,660	-	-	-	-
DuPage Business Center, Ground Lease	819,881	819,881	819,881	614,910	-	-
Golf Driving Range, Ground Lease	55,592	57,260	58,978	60,747	62,570	299,325
Government Center Building #1	49,094	49,934	29,128	-	-	-
Government Center Building #2	24,423	24,837	14,488	-	-	-
Government Center Building, FSDO Office	145,105	145,105	108,829	-	-	-
Cash Farm Lease, 361 Tillable Acres	138,985	138,985	138,985	-	-	-
TOTAL	$ 2,082,145	$ 2,103,129	$ 1,929,839	$ 1,138,942	$ 517,110	$ 5,879,519

9. EMPLOYEE RETIREMENT SYSTEMS

Illinois Municipal Retirement Fund

The Authority's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The Authority is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for 2013 was 9.53% of covered payroll.

The required contribution was determined as part of the December 31, 2011 actuarial valuation using the entry-age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10.00% per year depending on age and service, attributable to seniority/merit and (d) postretirement benefit increases of 3.00% annually.

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Illinois Municipal Retirement Fund (Continued)

The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2013 was 30 years.

Employer annual pension cost (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

For Calendar Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (NPO)
2013	$ 394,351	100.00%	$ -
2012	330,332	100.00%	-
2011	330,775	110.00%	-

The funded status of the plan as of December 31, 2013 is as follows. The actuarial assumptions used to determine the funded status of the plan is the same actuarial assumptions used to determine the employer APC of the plan as disclosed above.

Actuarial accrued liability (AAL)	$ 11,008,221
Actuarial value of plan assets	10,491,888
Unfunded actuarial accrued liability (UAAL)	516,333
Funded ratio (actuarial value of plan assets/AAL)	95.31%
Covered payroll (active plan members)	$ 4,010,724
UAAL as a percentage of covered payroll	12.87%

See the funding in progress in the required supplementary information immediately following the notes to financial statements for additional information related to the funded status of the plan.

10. CONTINGENT LIABILITIES

Objections have been filed related to the Authority's tax levy for corporate purposes for the levy years 2004, 2005 and 2010-2012. In the opinion of the Authority's attorney, the likelihood of a favorable outcome is very high. The Authority is not currently a defendant in any other lawsuits.

11. OTHER POSTEMPLOYMENT BENEFITS

The Authority has evaluated its potential other postemployment benefits liability. The Authority provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statues, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the Authority are required to pay 100% of the current premium. However, no former employees have chosen to stay in the Authority's health insurance plan. Therefore, there has been 0% utilization and, therefore, no implicit subsidy to calculate in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Additionally, the Authority had no former employees for whom the Authority was providing an explicit subsidy and no current employees with agreements for future explicit subsidies upon retirement. Therefore, the Authority has not recorded any postemployment benefit liability as of December 31, 2013.

12. PRIOR PERIOD ADJUSTMENT

The Authority has restated net position as of January 1, 2013 as follows:

NET POSITION, JANUARY 1 (as previously reported)	$ 172,401,580
RESTATEMENTS	
a) To write off IMRF payable on compensated absences	45,367
b) To correct expense recognition	(344,565)
c) To write off intangible asset	(454,680)
Subtotal	(753,878)
NET POSITION, JANUARY 1, RESTATED	$ 171,647,702

REQUIRED SUPPLEMENTARY INFORMATION

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

December 31, 2013

Actuarial Valuation Date December 31.	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) As a Percentage of Covered Payroll (4) / (5)
2013	$ 10,491,888	$ 11,008,221	95.31%	$ 516,333	$ 4,010,724	12.87%
2012	9,590,129	10,319,541	92.93%	729,412	3,801,288	19.19%
2011	8,918,107	9,504,248	93.83%	586,141	3,695,814	15.86%
2010	8,279,973	8,402,417	98.54%	122,444	2,857,630	4.28%
2009	7,694,628	7,972,603	96.51%	277,975	2,855,134	9.74%
2008	7,179,244	7,412,378	96.85%	233,134	2,933,198	7.95%

(See independent auditor's report.)

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

December 31, 2013

Fiscal Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2013	$ 394,351	$ 394,351	100.00%
2012	330,332	330,332	100.00%
2011	330,775	330,775	100.00%
2010	257,187	257,187	100.00%
2009	191,579	191,579	100.00%
2008	207,964	207,964	100.00%

(See independent auditor's report.)

SUPPLEMENTAL DATA

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

COMBINING SCHEDULE OF NET POSITION - BY SUBFUND

December 31, 2013

	Airport Operations	DuPage Flight Center	Prairie Landing Golf Course	Eliminations	Total
CURRENT ASSETS					
Cash and cash equivalents	$ 2,162,101	$ 2,181,588	$ 158,046	$ -	$ 4,501,735
Cash and cash equivalents - designated	8,745,546	-	-	-	8,745,546
Investments	3,812,838	-	-	-	3,812,838
Investments - restricted	2,726,721	-	-	-	2,726,721
Investments - designated	7,546,856	-	-	-	7,546,856
Receivables					
Property taxes	5,481,378	-	-	-	5,481,378
Accounts	292,866	266,156	11,943	-	570,965
Accrued interest	51,249	-	-	-	51,249
Due from other funds	863,217	-	-	(863,217)	-
Prepaid expenses	357,824	22,349	5,949	-	386,122
Inventories	27,865	232,389	71,040	-	331,294
Total current assets	32,068,461	2,702,482	246,978	(863,217)	34,154,704
CAPITAL ASSETS					
Capital assets not being depreciated	69,582,246	-	-	-	69,582,246
Capital assets being depreciated	236,507,536	934,560	2,998,088	-	240,440,184
Accumulated depreciation	(161,378,180)	(755,015)	(2,667,989)	-	(164,801,184)
Net capital assets	144,711,602	179,545	330,099	-	145,221,246
Total assets	176,780,063	2,882,027	577,077	(863,217)	179,375,950
CURRENT LIABILITIES					
Accounts payable	$ 222,898	$ 219,793	$ 13,896	$ -	$ 456,587
Retainage payable	376,621	-	-	-	376,621
Accrued liabilities	624,298	66,606	303,916	-	994,820
Compensated absences	65,920	18,886	18,021	-	102,827
Due to other funds	-	-	863,217	(863,217)	-
Customer deposits and advances	109,305	47,798	97,496	-	254,599
Security deposits	112,045	-	62,065	-	174,110
Unearned revenue	2,124,916	-	-	-	2,124,916
Total current liabilities	3,636,003	353,083	1,358,611	(863,217)	4,484,480
NONCURRENT LIABILITIES					
Compensated absences	263,679	75,543	72,084	-	411,306
Total noncurrent liabilities	263,679	75,543	72,084	-	411,306
Total liabilities	3,899,682	428,626	1,430,695	(863,217)	4,895,786
DEFERRED INFLOWS OF RESOURCES					
Unearned revenue - property taxes	5,481,378	-	-	-	5,481,378
Total deferred inflows of resources	5,481,378	-	-	-	5,481,378
Total liabilities and deferred inflows of resources	9,381,060	428,626	1,430,695	(863,217)	10,377,164
NET POSITION					
Net investment in capital assets	144,711,602	179,545	330,099	-	145,221,246
Restricted for aeronautical purposes	2,629,721	-	-	-	2,629,721
Unrestricted	20,057,680	2,273,856	(1,183,717)	-	21,147,819
TOTAL NET POSITION	$ 167,399,003	$ 2,453,401	$ (853,618)	$ -	$ 168,998,786

(See independent auditor's report.)

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BY SUBFUND

For the Year Ended December 31, 2013

	Airport Operations	DuPage Flight Center	Prairie Landing Golf Course	Total
OPERATING REVENUES				
Aircraft storage	$ 1,653,758	$ 139,219	$ -	$ 1,792,977
Leases, commissions, fees	2,742,047	-	-	2,742,047
Golf course operations	-	-	2,727,810	2,727,810
Line service	-	11,504,702	-	11,504,702
Total operating revenues	4,395,805	11,643,921	2,727,810	18,767,536
OPERATING EXPENSES				
Direct costs				
Airport operations	4,480,244	-	-	4,480,244
Golf course operations	-	-	2,023,831	2,023,831
Line service	-	8,306,016	-	8,306,016
General and administrative	-	-	-	
Salaries and benefits	1,476,365	1,289,075	227,481	2,992,921
Utilities	-	7,946	64,456	72,402
Office expense	87,147	50,459	89,554	227,160
Insurance	83,424	107,523	59,433	250,380
Professional services	352,160	-	70,152	422,312
Postage	8,488	-	3,129	11,617
Real estate tax	202,000	-	255,000	457,000
Advertising and promotions	75,585	35,287	69,115	179,987
Miscellaneous	(16,894)	1,215	-	(15,679)
Total operating expenses	6,748,519	9,797,521	2,862,151	19,408,191
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(2,352,714)	1,846,400	(134,341)	(640,655)
DEPRECIATION	8,233,130	38,167	134,555	8,405,852
OPERATING INCOME (LOSS)	(10,585,844)	1,808,233	(268,896)	(9,046,507)
NON-OPERATING REVENUES (EXPENSES)				
Property taxes	5,497,104	-	-	5,497,104
Personal property replacement tax	57,442	-	-	57,442
Investment income	(154,981)	2	3	(154,976)
Federal and state grants	238,347	-	-	238,347
Miscellaneous income	50,376	12,313	13,761	76,450
Gain (loss) on disposal of capital assets	108,787	-	-	108,787
Total non-operating revenues (expenses)	5,797,075	12,315	13,764	5,823,154
INCOME (LOSS) BEFORE CONTRIBUTIONS	(4,788,769)	1,820,548	(255,132)	(3,223,353)
CONTRIBUTIONS	574,437	-	-	574,437
CHANGE IN NET POSITION	(4,214,332)	1,820,548	(255,132)	(2,648,916)
NET POSITION, JANUARY 1	172,235,592	625,787	(459,799)	172,401,580
Prior period adjustment	(622,257)	7,066	(138,687)	(753,878)
NET POSITION, JANUARY 1, RESTATED	171,613,335	632,853	(598,486)	171,647,702
NET POSITION, DECEMBER 31	$ 167,399,003	$ 2,453,401	$ (853,618)	$ 168,998,786

(See independent auditor's report.)

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL - BY SUBFUND

For the Year Ended December 31, 2013

	Actual				
	Airport Operations	DuPage Flight Center	Prairie Landing Golf Course	Total	Budget
OPERATING REVENUES					
Aircraft storage	$ 1,653,758	$ 139,219	$ -	$ 1,792,977	$ 1,650,418
Leases, commissions, fees	2,742,047	-	-	2,742,047	2,847,480
Golf course operations	-	-	2,727,810	2,727,810	2,868,681
Line service	-	11,504,702	-	11,504,702	12,100,410
Total operating revenues	4,395,805	11,643,921	2,727,810	18,767,536	19,466,989
OPERATING EXPENSES					
Direct costs					
Airport operations	4,480,244	-	-	4,480,244	4,779,444
Golf course operations	-	-	2,023,831	2,023,831	2,114,860
Line service	-	8,306,016	-	8,306,016	9,083,484
General and administrative					
Salaries and benefits	1,476,365	1,289,075	227,481	2,992,921	3,000,410
Utilities	-	7,946	64,456	72,402	84,900
Office expense	87,147	50,459	89,554	227,160	205,952
Insurance	83,424	107,523	59,433	250,380	269,487
Professional services	352,160	-	70,152	422,312	305,300
Postage	8,488	-	3,129	11,617	23,130
Real estate tax	202,000	-	255,000	457,000	454,000
Advertising and promotions	75,585	35,287	69,115	179,987	240,932
Miscellaneous	(16,894)	1,215	-	(15,679)	3,500
Total operating expenses	6,748,519	9,797,521	2,862,151	19,408,191	20,565,399
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(2,352,714)	1,846,400	(134,341)	(640,655)	(1,098,410)
DEPRECIATION	8,233,130	38,167	134,555	8,405,852	7,918,797
OPERATING INCOME (LOSS)	(10,585,844)	1,808,233	(268,896)	(9,046,507)	(9,017,207)
NON-OPERATING REVENUES (EXPENSES)					
Property taxes	5,497,104	-	-	5,497,104	5,558,000
Personal property replacement tax	57,442	-	-	57,442	53,500
Investment income	(154,981)	2	3	(154,976)	150,000
Federal and state grants	238,347	-	-	238,347	-
Miscellaneous income	50,376	12,313	13,761	76,450	37,275
Gain (loss) on disposal of capital assets	108,787	-	-	108,787	55,000
Total non-operating revenues (expenses)	5,797,075	12,315	13,764	5,823,154	5,853,775
INCOME (LOSS) BEFORE CONTRIBUTIONS	(4,788,769)	1,820,548	(255,132)	(3,223,353)	(3,163,432)
CONTRIBUTIONS	574,437	-	-	574,437	-
CHANGE IN NET POSITION	$ (4,214,332)	$ 1,820,548	$ (255,132)	$ (2,648,916)	$ (3,163,432)

(See independent auditor's report.)

DUPAGE AIRPORT AUTHORITY
WEST CHICAGO, ILLINOIS

SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION

For the Year Ended December 31, 2013

Airport Operations

	Balance January 1	Additions	Reclassifications/ Retirements	Balance December 31
Land and land improvements	$ 145,937,494	$ 298,337	$ -	$ 146,235,831
Runways, ramps, and parking lots	53,417,295	6,871,330	-	60,288,625
Buildings and improvements	67,327,724	107,662	-	67,435,386
Equipment and vehicles	7,284,986	425,343	294,513	7,415,816
Software	109,640	-	-	109,640
Office and other equipment	1,001,757	-	-	1,001,757
	275,078,896	$ 7,702,672	$ 294,513	282,487,055
Accumulated depreciation	141,763,664	$ 7,583,744	$ 294,516	149,052,892
	133,315,232			133,434,163
Construction in progress	10,852,091	$ 6,400,595	$ 8,021,167	9,231,519
Net asset value	$ 144,167,323			$ 142,665,682

DuPage Flight Center

	Balance January 1	Additions	Retirements	Balance December 31
Equipment and vehicles	$ 934,559	$ -	$ -	$ 934,559
Accumulated depreciation	719,516	$ 35,500	$ -	755,016
Net asset value	$ 215,043			$ 179,543

Prairie Landing Golf Course

	Balance January 1	Additions	Retirements	Balance December 31
Land and land improvements	$ 10,403,865	$ -	$ -	$ 10,403,865
Buildings and improvements	4,937,436	-	-	4,937,436
Equipment and vehicles	1,794,028	-	-	1,794,028
Office and clubhouse equipment	233,968	-	-	233,968
	17,369,297	$ -	$ -	17,369,297
Accumulated depreciation	14,206,668	$ 786,608	$ -	14,993,276
Net asset value	$ 3,162,629			$ 2,376,021

Depreciation of certain golf assets is charged to Airport operations in supplemental schedules.

(See independent auditor's report.)