

# BOARD PACKET

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY



JANUARY 21, 2020

PHOTO BY: KEN REDDING

**Grand Junction Regional Airport Authority**



**Date: January 21, 2020**

**Location:**

GRAND JUNCTION REGIONAL AIRPORT  
2828 WALKER FIELD DRIVE  
GRAND JUNCTION, CO 81506  
AIRPORT TERMINAL - 3rd FLOOR CONFERENCE ROOM

**Time: 5:15 PM**

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**REGULAR MEETING AGENDA**

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- I. Call to Order**
- II. Pledge of Allegiance**
- III. Approval of Agenda**
- IV. Commissioner Comments**
- V. Citizens Comments**

The Grand Junction Regional Airport Authority welcomes respectful public comments at its meetings. The Citizens Comment section is open to all individuals that would like to comment. If you wish to speak under the Citizens Comment portion of the agenda, please fill out a comment card prior to the meeting. If you have a written statement for the Board, please have 10 copies available and give them to the Executive Director who will distribute them to the Board. The Board Chairman will indicate when you may come forward and comment. Please state your name for the record. Presentations are limited to **three minutes** and yielding time to others is not permitted. Speakers are to address the Chairman, not each other or the audience, and are expected to conduct themselves in an appropriate manner. The use of abusive or profane language shall not be allowed. No debate or argument between speakers and/or members of the audience shall be permitted.

**VI. Consent Agenda**

The Consent Agenda is intended to allow the Board to spend its time on the more complex items on the agenda. These items are perceived as non-controversial and can be approved by a single motion. The public or Board Members may ask that an item be removed from the Consent Agenda and be considered individually.

- A. December 17, 2019 Meeting Minutes \_\_\_\_\_ 1
  - Approval of December 17, 2019 Board Meeting Minutes
- B. Airport Fleet – Mower Purchase/Trade-In \_\_\_\_\_ 2
  - Approve the trade-in and purchase of a replacement mower with U.S. Tractor &

Harvest, Inc. for \$12,075.00 and authorize the Executive Director, or designee to sign.

C. Airport Fleet – Vehicle Purchase \_\_\_\_\_ 3

- Approve the purchase of a new four-seat UTV from US Tractor & Harvest for \$27,218.00 and authorize the Executive Director, or designee to sign.

**VII. Action Items**

A. Resolution: 2020-001 – Proposed 2020 Posting of Notices of Meetings \_\_\_\_\_ 4

- Adopt Resolution 2020-001: Posting of Notice of Meetings, as mandated by Colorado Revised Statute 24-6-402(2)(C)

B. RFP Armed Security Guard Services \_\_\_\_\_ 5

- Approve the selection of G4s Secure Solutions to provide armed security services for the Grand Junction Regional Airport and authorize the Executive Director, or her designee, to execute a contract agreement with G4s for a term of three years with two, one-year extension options.

C. Grant Application – Taxiway A Rehabilitation (Design Only) \_\_\_\_\_ 6

- Approve the Airport Improvement Program (AIP) grant application for submittal to FAA which includes the design of the second phase of the rehabilitation of Taxiway A and includes the rehabilitation of portions of existing Runway 11/29.

D. 2020 Officer and Committee Appointments \_\_\_\_\_ 7

- Approve 2020 Officer and Committee Appointments.

**VIII. Discussion**

**IX. Staff Reports**

- A. Operations Report (Eric Trinklein)
- B. Finance and Activity Report (Sarah Menge) \_\_\_\_\_ 8
- C. External Affairs Report (Joe Burtard)
- D. Facilities Report (Ben Peck)
- E. Project Report (Eric Trinklein)

**X. Any other business which may come before the Board**

**XI. Executive Session**

*Executive session to conduct a conference with the Executive Staff and General Counsel for the purpose of discussing the Airport's purchase, lease, transfer or sale of real property; determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators pursuant to C.R.S. 24-6-402(4)(a) regarding the Sky Adventures Building.*

**XII. Adjournment**



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**Grand Junction Regional Airport Authority Board**  
**Regular Board Meeting**  
Meeting Minutes  
December 17, 2019

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**REGULAR BOARD MEETING**

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**I. Call to Order**

Mr. Tom Benton, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:15 PM on December 17, 2019 in Grand Junction, Colorado and in the County of Mesa.

<p><b><u>Commissioners Present:</u></b> Tom Benton (Chairman) Chuck McDaniel Clay Tufly Erling Brabaek Thaddeus Shrader Ron Velarde</p> <p><b><u>Airport Staff:</u></b> Joseph Burtard (Clerk) Karl Hanlon (Counsel) Sarah Menge Mark Papko Ben Peck Eric Trinklein</p>	<p><b><u>Guests:</u></b> Joe Vaccarelli, Daily Sentinel Kyle Williams, AECOM Ryan Hayes, Mead and Hunt Shannon Kinslow, TOIL Bradley Sullivan, Crooked Horn Aviation</p>
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**II. Pledge of Allegiance**

**III. Approval of Agenda**

*Commissioner Tufly made a motion to approve the December 17, 2019 Board Agenda. Commissioner Brabaek second the motion. Voice Vote. All Ayes.*

**IV. Commissioner Comments**

*No Commissioner comments were made.*

**V. Citizen Comments**

*No citizen comments were made.*

**VI. Consent Agenda**

## **November 19, 2019 Meeting Minutes**

Approval of November 19, 2019 Board Meeting Minutes

### **AFFF Testing Equipment Purchase Authorization**

Authorize Executive Director, or her designee, to execute a purchase from NoFoam Systems totaling \$31,171.53 for the Aqueous Film Forming Foam (AFFF) testing equipment. After CDOT's reimbursement, the net cost to Grand Junction Regional Airport Authority is \$6,171.13.

### **Sage Intacct Accounting Software Renewal**

Approve payment of Silverware, Inc. Invoice No. 63949 in the amount of \$13,590 to renew the accounting software subscription for the period from 12/21/19 – 12/20/20.

### **Grant Application West Terminal Apron / Run-up Pad Construction**

Authorize the Executive Director, or her designee, to sign the approved Grant Application for submittal to FAA and CDOT Division of Aeronautics in the amount of \$14,000,000.

### ~~**Lease Assignment and Consent to Lease Assignment – Crooked Horn Aviation, LLC and Park D. Trust.**~~

~~Authorize the Executive Director, or her designee, to execute a lease assignment between Crooked Horn Aviation, LLC and Park D. Trust.~~

*Commissioner Brabaek made a motion to move the Lease Assignment and Consent to Lease Assignment for Crooked Horn Aviation, LLC. and Park D. Trust from the Consent agenda for additional discussion and thereafter adopt the Consent Agenda. Commissioner Tufly seconded. Voice Vote. All Ayes.*

## **VII. Action Items**

### **Resolution 2019-007 Airports Rates and Charges Update**

*Commissioner McDaniel moved to approve and adopt Resolution 2019-007, an amendment to the Airport's Rates and Charges to be effective January 1, 2020. The approve resolution will incorporate changes as suggested and discussed. Commissioner Tufly seconded. Roll Call Vote. Commissioner Velarde, Yes; Commissioner Shrader, Yes; Commissioner Brabaek, Yes; Commissioner Tufly, Yes; Commissioner McDaniel, Yes; Commissioner Benton. The motion carries.*

### **Lease Assignment and Consent to Lease Assignment – Crooked Horn Aviation, LLC and Park D. Trust.**

*Commissioner Tufly moved to authorize the Executive Director, or her designee, to execute a lease assignment between Crooked Horn Aviation, LLC. and Park D. Trust. Commissioner Shrader seconded to motion. Voice Vote. All Ayes.*

## **VIII. Discussion Items**

- A. Airline Use and Lease Agreement Update
- B. Terminal Capacity Study Update

C. 2020 Board Appointments

**IX. Staff Reports**

- A. Operations Report (Mark Papko)
- B. Finance and Activity Report (Sarah Menge)
- C. External Affairs Report (Joseph Burtard)
- D. Facilities Report (Ben Peck)
- E. Project Report (Eric Trinklein)

**X. Any other business which may come before the Board**

No additional business was discussed.

**XI. Executive Session**

*Commissioner Brabaek made a motion to move into Executive Session for the purpose of discussing specialized details of security arrangements as authorized by C.R.S. Section 24-6-402(4)(c).*

*In addition, an Executive Session to conduct a conference with the Executive Staff and General Counsel for the purpose of discussing the Airport's purchase, lease, transfer or sale of real property; determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators pursuant to C.R.S. 24-6-402(4)(a) regarding the Sky Adventures Building. Commissioner Tufly seconded the motion. Voice Vote. All Ayes.*

*Commissioner Shrader made a motion to move from Executive Session back into a public meeting. Commissioner Tufly seconded the motion. Voice Vote. All Ayes.*

**XII. Adjournment**

*Commissioner Shrader moved for adjournment. Commissioner Brabaek seconded. Voice Vote. All Ayes.*

The meeting adjourned at approximately 8:18 PM.

*Audio recording of the complete meeting can be found at [https://gjairport.com/Board\\_Meetings](https://gjairport.com/Board_Meetings)*

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Tom Benton, Board Chairman

**ATTEST:**

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Joseph R. Burtard, Clerk to the Board

C. 2020 Board Appointments

**IX. Staff Reports**

- A. Operations Report (Mark Papko)
- B. Finance and Activity Report (Sarah Menge)
- C. External Affairs Report (Joseph Burtard)
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*Commissioner Shrader made a motion to move from Executive Session back into a public meeting. Commissioner Tufly seconded the motion. Voice Vote. All Ayes.*

**XII. Adjournment**

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Tom Benton, Board Chairman

**ATTEST:**

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Joseph R. Burtard, Clerk to the Board

**Grand Junction Regional Airport Authority**  
Agenda Item Summary

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TOPIC:	Airport Fleet – Mower Purchase/Trade-In
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Board approve the trade-in and purchase of a replacement mower with U.S. Tractor & Harvest, Inc. for \$12,075k and authorize the Executive Director, or designee to sign.
SUMMARY:	The airport replacement cycle for this mower is due this year. Similar to March 2019, we will be trading in a mower, and purchasing an updated model for the landside operation.  Purchase; 2020 John Deere Z997R Diesel W 72 In. - \$19,644.00 Trade-in: John Deere 997 Large Frame 72 In. - \$7,569.00 Difference: \$12,075.00
REVIEWED BY:	Finance Director and Legal Counsel
FISCAL IMPACT:	<b>Airport Replacement Cost: \$12,075</b> <b>2020 Budget for this item: \$11,500k</b>
ATTACHMENTS:	Quote from US Tractor & Harvest
STAFF CONTACT:	Eric Trinklein etrinklein@gairport.com 970-248-8597

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**Quote Summary**

**Prepared For:**  
Grand Junction Regional Airport  
807 Eagle Dr  
Grand Junction, CO 81506  
Business: 970-244-9100

**Prepared By:**  
Jerett Bond  
U. S. Tractor & Harvest  
1984 Hwy 6 & 50  
Fruita, CO 81521  
Phone: 970-241-5566  
jerett@ustractor.com

**Quote Id:** 21028438  
**Created On:** 03 January 2020  
**Last Modified On:** 07 January 2020  
**Expiration Date:** 31 March 2020

Equipment Summary	Suggested List	Selling Price	Qty	Extended
JOHN DEERE Z997R DIESEL W 72 In. 7 IRON PRO SIDE DISCHARGE DECK	\$ 23,795.29	\$ 19,644.00 X	1 =	\$ 19,644.00

**Equipment Total** **\$ 19,644.00**

Trade In Summary	Qty	Each	Extended
JOHN DEERE 997 LARGE FRAME MIDZ, 72"SD - 1TC997SCJEF091100	1	\$ 7,569.00	\$ 7,569.00
PayOff			\$ 0.00
Total Trade Allowance			\$ 7,569.00

**Trade In Total** **\$ 7,569.00**

**Quote Summary**

Equipment Total	\$ 19,644.00
Trade In	\$ (7,569.00)
SubTotal	\$ 12,075.00
Est. Service Agreement Tax	\$ 0.00
Total	\$ 12,075.00
Down Payment	(0.00)
Rental Applied	(0.00)
<b>Balance Due</b>	<b>\$ 12,075.00</b>

Salesperson : X \_\_\_\_\_

Accepted By : X \_\_\_\_\_

Confidential

**Grand Junction Regional Airport Authority**  
Agenda Item Summary

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TOPIC:	Airport Fleet - Vehicle Purchase		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Board approve the purchase of a new four-seat UTV from US Tractor & Harvest for \$27,218 and authorize the Executive Director, or designee to sign.		
SUMMARY:	<p>The airport budgeted \$29,310 towards a landside vehicle purchase in 2020 while working on a long-term fleet and asset management plan.</p> <p>We obtained quotes from US Tractor &amp; Harvest, John Deere, All-Terrain Motorsports (Polaris), All-Terrain Motorsports (Can Am), Bobcat of the Rockies, Perri's Powersports (Honda), and Perri's Powersports (Arctic Cat) for purchase of comparable vehicles.</p> <p>Based on our evaluation, we believe the quote from US Tractor &amp; Harvest is the best choice meeting our requirements and is the lowest price.</p> <p>*Written documentation of these quotes available upon request.</p>		
REVIEWED BY:	Finance Director and Legal Counsel		
FISCAL IMPACT:	<b>Vehicle Cost: \$27,218</b> <b>2020 Budget for this item: \$29,310</b>		
ATTACHMENTS:	Quote from US Tractor and Harvest		
STAFF CONTACT:	Eric Trinklein etrinklein@gairport.com 970-248-8597		

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**Quote Summary**

**Prepared For:**

Grand Junction Regional Airport  
807 Eagle Dr  
Grand Junction, CO 81506  
Business: 970-244-9100

**Prepared By:**

Jerett Bond  
U. S. Tractor & Harvest  
1984 Hwy 6 & 50  
Fruita, CO 81521  
Phone: 970-241-5566  
jerett@ustractor.com

**Quote Id:** 21028337  
**Created On:** 03 January 2020  
**Last Modified On:** 14 January 2020  
**Expiration Date:** 31 March 2020

<b>Equipment Summary</b>	<b>Suggested List</b>	<b>Selling Price</b>	<b>Qty</b>	<b>Extended</b>
JOHN DEERE XUV825M S4 (MY20)	\$ 28,407.61	\$ 27,218.00 X	1 =	\$ 27,218.00
<b>Equipment Total</b>				<b>\$ 27,218.00</b>

**Quote Summary**

Equipment Total	\$ 27,218.00
SubTotal	\$ 27,218.00
Est. Service Agreement Tax	\$ 0.00
<b>Total</b>	<b>\$ 27,218.00</b>
Down Payment	(0.00)
Rental Applied	(0.00)
<b>Balance Due</b>	<b>\$ 27,218.00</b>

Salesperson : X \_\_\_\_\_

Accepted By : X \_\_\_\_\_

# Grand Junction Regional Airport Authority

## Agenda Item Summary

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TOPIC:	Resolution: 2020-001 - Proposed 2020 Posting of Notices of Meetings
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Board adopt Resolution 2020-001: Posting of Notice of Meetings, as mandated by Colorado Revised Statute 24-6-402(2)(C).
SUMMARY:	See attached resolution for applicable CRS sections regarding the posting of Airport Authority meetings.
REVIEWED BY:	Director of External Affairs and Legal Counsel
FISCAL IMPACT:	None.
ATTACHMENTS:	Resolution 2020-001
STAFF CONTACT:	Sarah Menge, Finance Director 970-248-8581 <a href="mailto:smenge@gjairport.com">smenge@gjairport.com</a>

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**GRAND JUNCTION REGIONAL AIRPORT  
RESOLUTION NO. 2020-001**

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A Resolution of the Grand Junction Regional Airport Authority  
Designating the Location for the Posting of the Notice of Meetings

**Recitals.**

The Grand Junction Regional Airport Authority is a "local public body" as defined in C.R.S. §24-6-402 (1) (a).

The Grand Junction Regional Airport Authority holds meetings to discuss public business. Regular scheduled Board Meetings take place on the third Tuesday of every month at 5:15pm. Additional meetings and workshops are scheduled as necessary.

C.R.S. § 24-6-402(2)(c) requires a local public body to annually designate where the notices for meeting will be posted. Specifically, C.R.S. § 24-6-402(2)(c) states that “[t]he public place or places for posting such notices shall be designated annually at the local public body’s first regular meeting of each calendar year.” Colorado’s Public Airport Authority Law, at C.R.S. § 41-3-105(5)(a), states that “[n]otice of time and place designated for all regular meetings shall be posted in at least three places within each municipality and county forming a part of the authority if created by the formation of a combination, and, in addition, one such notice shall be posted, irrespective of the procedure under which the authority is created, in the county courthouse in the county wherein the airport is located and in the county creating the authority.”

C.R.S. § 41-3-105(5)(i), states that the board has the power to “appoint an official newspaper in the state to be used for official publications of the authority; but nothing in this section shall prevent the board from directing publication in additional newspapers or other periodicals which public necessity may so require or indicate.”

**BE IT RESOLVED BY THE GRAND JUNCTION REGIONAL AIRPORT AUTHORITY  
THAT:**

1. The Notice of Meetings for the local public body shall be posted on the notice board at the Grand Junction Regional Airport Terminal Building, 2828 Walker Field Drive, third floor, Grand Junction, Colorado, 81506.
2. The Notice of Meeting for the local public body shall be posted at the City of Grand Junction office located at 250 N 5<sup>th</sup> St, Grand Junction, Colorado, 81501.
3. The Notice of Meetings for the local public body shall be posted at the Mesa County office located a Rood Ave, Grand Junction, Colorado, 81501.
4. The Notice of Meeting for the local public body shall be posted at the County Courthouse located at 125 N Spruce St, Grand Junction, Colorado, 81501.
5. The Daily Sentinel in Grand Junction is appointed as the official newspaper of the Authority to be used for official publications of the Authority.

PASSED AND ADOPTED THIS 21st DAY OF JANUARY, 2020

Board Members Voting Aye:

Those Voting Nay:

**Grand Junction Regional Airport Authority**  
Agenda Item Summary

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TOPIC:	REQUEST FOR PROPOSALS: ARMED SECURITY GUARD SERVICES
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Board approve the selection of G4s Secure Solutions to provide armed security services for the Grand Junction Regional Airport and authorize the Executive Director, or her designee, to execute a contract agreement with G4s for a term of three years with two, one-year extension options.
SUMMARY	<p>Grand Junction Regional Airport (GJT) has been in contract with G4s security since May 4, 2015 to perform armed security services at the airport. Under the existing contract with G4S, security is at \$31.20/hour. We are averaging approximately 20.6 hours per day of security coverage for a total 2019 annual cost of approximately \$235,000. The existing Contract ends February 2020.</p> <p>A Request for Proposal was published on December 9, 2019 and closed January 10, 2020. Seven different firms submitted proposals. We had an evaluation committee of three staff review the proposals and score them based on:</p> <ol style="list-style-type: none"><li>1.) Experience on similar contracts</li><li>2.) Understanding scope of work</li><li>3.) Proposed personnel qualifications</li><li>4.) Employee background and training programs/ requirements</li><li>5.) Pricing</li></ol> <p>Once reviewed, staff met to discuss their independent ratings of each proposal and based on the evaluation, staff unanimously recommend G4s to provide armed security at the Airport.</p> <p>The new contract with G4S will begin March 1, and staff recommend an initial contract term of 3 years with 2, 1-year extension options. The proposed rate for the first year is an average rate of \$31.53/hour. This represents less than 1% increase from our existing rate. The proposal includes a 2.9% annual COLA increase for the second and third year of the contract.</p>
REVIEWED BY:	Finance Director and Legal Counsel
FISCAL IMPACT:	Estimated annual costs (based on the current schedule) \$237,000 (2020), \$243,500 (2021), and \$250,000 (2022). 2020 Budget: \$249,200
ATTACHMENTS:	None – however the submitted proposals are available upon request
STAFF CONTACT:	Cameron Reece Email: <a href="mailto:creece@gjairport.com">creece@gjairport.com</a> Phone: (970) 248-8594

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**Grand Junction Regional Airport Authority**  
Agenda Item Summary

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TOPIC: Grant Application Taxiway A Rehabilitation (Design Only)

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PURPOSE: Information  Guidance  Decision

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RECOMMENDATION: Approve the Grant Application for submittal to FAA, and the Authorize Executive Director, or her designee, to sign.

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SUMMARY: The Airport Improvement Program (AIP) grant application includes the design of the second phase of Rehabilitation of Taxiway A and includes the Rehabilitation of portions of existing Runway 11/29. The construction projects are listed on the Airports 2021 Capital Improvement Plan (CIP), however the FAA is allowing GJT to apply for design grant funding in case additional funding is available at the end of the Federal Fiscal Year.

The projects to be accomplished for this year and every year going forward as per the CIP are an important part of providing a safe and efficient airfield/overall airport operation.

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REVIEWED BY: Finance Director and Legal Counsel

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FISCAL IMPACT: **Funding Sources**  
**Federal - \$810,000**  
**GJRA - \$90,000**  
  
**Total - \$900,000**

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ATTACHMENTS: Available upon request

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STAFF CONTACT: Eric Trinklein  
etrinklein@gjairport.com  
Office: 970-248-8597

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# Grand Junction Regional Airport Authority

## Agenda Item Summary

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TOPIC:	2020 Officer & Committee Appointments		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECCOMENDATION:	None		

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SUMMARY:

**OFFICERS:**

**Section 4.2 of the Board's Bylaws**

The Chairman and Vice Chairman shall be elected from the members of the Board at the first regular meeting in January of each calendar year, and they shall hold office until their successors have been duly elected. The Board shall appoint a Clerk and Treasurer, and it may appoint a Deputy Clerk and Deputy Treasurer. The Clerk, Treasurer, Deputy Clerk and/or Deputy Treasurer need not be members of the Board, and such positions shall continue in office at the pleasure of the Board.

Current positions held:

<b>Position</b>	<b>Currently Held by:</b>	<b>Nomination:</b>
Chairman	Tom Benton	
Vice Chairman	Chuck McDaniel	
Treasurer	Sarah Menge	
Clerk	Joseph Burtard	
Deputy Clerk	Victoria Hightower	

**COMMITTEES:**

**Section 4.5 of the Board's Bylaws:**

The Chairman must appoint a Finance and Audit Committee and a Compliance Committee to oversee the auditing, finances, and compliance of the Grand Junction Regional Airport at the first regular meeting in January of each calendar year. The Chairman may also create and appoint any other Ad Hoc Committees from time to time to address specific concerns of the Authority. Committees may be composed of Directors and/or non-Directors as the Board deems advisable. All committees shall report directly to the Board.

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Committees and Positions:

**Finance and Audit Committee**

<b>Position:</b>	<b>Currently Held by:</b>	<b>Nomination:</b>
Commissioner	Tom Benton	
Commissioner	Clay Tufly	
Member	Drew Armstrong	
Member	Steve Hovland	

**Compliance Committee**

<b>Position:</b>	<b>Currently Held by:</b>	<b>Nomination:</b>
Commissioner	Chuck McDaniel	
Commissioner	Earling Brabaek	
Staff	Vacant	

**Building Committee**

<b>Position:</b>	<b>Currently Held by:</b>	<b>Nomination:</b>
Commissioner	Rick Taggart	
Commissioner	Thaddeus Shrader	
Staff	Eric Trinklein	

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REVIEWED BY: Director of External Affairs and Legal Counsel

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FISCAL IMPACT: None.

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ATTACHMENTS: None.

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STAFF CONTACT: Sarah Menge, Finance Director  
970-248-8581  
[smenge@gairport.com](mailto:smenge@gairport.com)

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**GRAND JUNCTION REGIONAL AIRPORT ACTIVITY REPORT**

Report Date: 11/30/2019  
 PY Comparison Date: 11/30/2018

November, 2019

PASSENGER ENPLANEMENTS:	CURRENT MONTH			YEAR-TO-DATE		
	2018	2019	PERCENT CHANGE	2018	2019	PERCENT CHANGE
AMERICAN	8,565	9,239	7.87%	94,215	98,000	4.02%
ALLEGiant	1,165	2,142	83.86%	15,202	22,825	50.14%
UNITED	6,643	6,465	-2.68%	61,861	74,590	20.58%
DELTA	3,905	3,366	-13.80%	38,906	40,469	4.02%
DENVER AIR CONNECTION	702	726	3.42%	8,251	6,689	-18.93%
Misc Charters	144	95	-34.03%	835	1,192	42.75%
<b>TOTAL ENPLANEMENTS</b>	<b>21,124</b>	<b>22,033</b>	<b>4.30%</b>	<b>219,270</b>	<b>243,765</b>	<b>11.17%</b>
<b>TOTAL SEAT CAPACITY</b>	<b>25,491</b>	<b>29,883</b>	<b>17.23%</b>	<b>274,920</b>	<b>314,341</b>	<b>14.34%</b>
PASSENGER DEPLANEMENTS:	2018	2019	CHANGE	2018	2019	CHANGE
AMERICAN	8,252	8,877	7.57%	94,950	97,216	2.39%
ALLEGiant	1,101	2,076	88.56%	14,898	21,949	47.33%
UNITED	6,626	6,683	0.86%	66,804	85,936	28.64%
DELTA	3,847	3,362	-12.61%	41,561	43,324	4.24%
DENVER AIR CONNECTION	702	679	-3.28%	8,216	6,618	-19.45%
Misc Charters	141	96	-31.91%	689	1,106	60.52%
<b>TOTAL DEPLANEMENTS</b>	<b>20,669</b>	<b>21,773</b>	<b>5.34%</b>	<b>227,118</b>	<b>256,149</b>	<b>12.78%</b>
<b>TOTAL PASSENGERS</b>	<b>41,793</b>	<b>43,806</b>	<b>4.82%</b>	<b>446,388</b>	<b>499,914</b>	<b>11.99%</b>

LOAD FACTOR:(OUTBOUND ONLY)	CURRENT MONTH			YEAR-TO-DATE		
	2018	2019	Difference	2018	2019	Difference
AMERICAN	83.22%	71.23%	-11.99%	80.46%	77.59%	-2.86%
ALLEGiant	70.99%	70.28%	-0.72%	80.65%	72.07%	-8.58%
UNITED	89.93%	80.29%	-9.64%	84.21%	82.43%	-1.79%
DELTA	86.49%	76.50%	-9.99%	81.54%	80.26%	-1.28%
DENVER AIR CONNECTION	46.61%	59.02%	12.41%	47.98%	46.07%	-1.91%
<b>GJT TOTAL</b>	<b>82.87%</b>	<b>73.73%</b>	<b>-9.14%</b>	<b>79.76%</b>	<b>77.55%</b>	<b>-2.21%</b>

# Grand Junction Regional Airport Authority

## Statements of Changes in Net Position

Unaudited - subject to change

As of Date:

11/30/2019

	Month			Budget Variance		Prior Year Variance		
	11/30/2019	11/30/2019	11/30/2018	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var	
	Budget	Actual	PY Actual					
<b>Operating revenue</b>								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	39,520	51,292	44,192	11,772	29.79 %	7,100	16.07 %
2	Terminal rent	98,487	98,874	98,487	387	0.39 %	387	0.39 %
3	Other (boarding bridge)	14,356	10,078	8,700	(4,278)	(29.80) %	1,378	15.84 %
	<b>Total Passenger airline revenue</b>	<b>152,363</b>	<b>160,244</b>	<b>151,379</b>	<b>7,881</b>	<b>5.17 %</b>	<b>8,865</b>	<b>5.86 %</b>
Non-passenger airline revenue								
4	Non-passenger landing fees	7,742	7,406	8,415	(336)	(4.34) %	(1,009)	(11.99) %
5	Cargo and hangar rentals	4,438	4,483	4,373	45	1.01 %	110	2.52 %
6	Fuel tax & flowage fees	45,553	57,426	58,419	11,873	26.06 %	(993)	(1.70) %
7	Other (ramp parking, rapid refuel)	370	1,230	540	860	232.43 %	690	127.78 %
	<b>Total Non-passenger airline revenue</b>	<b>58,103</b>	<b>70,545</b>	<b>71,747</b>	<b>12,442</b>	<b>21.41 %</b>	<b>(1,202)</b>	<b>(1.68) %</b>
	<b>Total Aeronautical revenue</b>	<b>210,466</b>	<b>230,789</b>	<b>223,126</b>	<b>20,323</b>	<b>9.66 %</b>	<b>7,663</b>	<b>3.43 %</b>
Non-aeronautical revenue								
8	Land and building leases	49,644	48,614	49,627	(1,030)	(2.07) %	(1,013)	(2.04) %
9	Terminal - restaurant & retail	10,557	13,538	11,844	2,981	28.24 %	1,694	14.30 %
10	Terminal - other	15,857	15,042	15,042	(815)	(5.14) %	-	0.00 %
11	Rental cars	116,028	92,300	114,270	(23,728)	(20.45) %	(21,970)	(19.23) %
12	Parking and ground transportation	153,060	152,995	147,873	(65)	(0.04) %	5,122	3.46 %
13	Other (security fee, advertising, etc)	4,602	3,184	8,682	(1,418)	(30.81) %	(5,498)	(63.33) %
	<b>Total Non-aeronautical revenue</b>	<b>349,748</b>	<b>325,673</b>	<b>347,338</b>	<b>(24,075)</b>	<b>(6.88) %</b>	<b>(21,665)</b>	<b>(6.24) %</b>
	<b>Total Operating revenues</b>	<b>560,214</b>	<b>556,462</b>	<b>570,464</b>	<b>(3,752)</b>	<b>(0.67) %</b>	<b>(14,002)</b>	<b>(2.45) %</b>

**Grand Junction Regional Airport Authority**  
**Statements of Changes in Net Position**

Unaudited - subject to change

As of Date:

11/30/2019

	Month			Budget Variance		Prior Year Variance		
	11/30/2019	11/30/2019	11/30/2018	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var	
	Budget	Actual	PY Actual					
<b>Operating expenses</b>								
14	Personnel compensation and benefits	282,918	180,604	168,451	(102,314)	(36.16) %	12,153	7.21 %
15	Communications and utilities	31,971	19,930	26,193	(12,041)	(37.66) %	(6,263)	(23.91) %
16	Supplies and materials	31,528	7,575	35,802	(23,953)	(75.97) %	(28,227)	(78.84) %
17	Contract services	41,257	61,292	68,909	20,035	48.56 %	(7,617)	(11.05) %
18	Repairs & maintenance	18,226	25,649	56,943	7,423	40.73 %	(31,294)	(54.96) %
19	Insurance	7,864	8,678	7,552	814	10.35 %	1,126	14.91 %
20	Other (travel, marketing, air service, etc)	5,865	17,732	21,978	11,867	202.34 %	(4,246)	(19.32) %
	<b>Total Operating expenses</b>	<b>419,629</b>	<b>321,460</b>	<b>385,828</b>	<b>(98,169)</b>	<b>(23.39) %</b>	<b>(64,368)</b>	<b>(16.68) %</b>
<b>Non-operating revenue (expenses)</b>								
21	Passenger facility charges	80,600	84,432	80,880	3,832	4.75 %	3,552	4.39 %
22	Interest income	5,000	11,441	20,941	6,441	128.82 %	(9,500)	(45.37) %
23	Interest expense	(67,515)	(67,023)	(69,816)	492	(0.73) %	2,793	(4.00) %
24	Customer facility charges	53,800	52,016	76,397	(1,784)	(3.32) %	(24,381)	(31.91) %
25	Capital contributions	1,539,432	1,425,904	402,793	(113,528)	(7.37) %	1,023,111	100.00 %
25	Capital expenditures	(1,745,455)	(1,632,158)	(681,592)	113,297	(6.49) %	(950,566)	139.46 %
26	Debt principal payments	-	-	-	-	0.00 %	-	0.00 %
27	Other (Legal Settlement)	-	36,979	-	36,979	0.00 %	36,979	0.00 %
	<b>Total Non-operating revenue (expenses)</b>	<b>(134,138)</b>	<b>(88,409)</b>	<b>(170,397)</b>	<b>45,729</b>	<b>(34.09) %</b>	<b>81,988</b>	<b>(48.12) %</b>
	<b>Excess of revenue over (under) expense</b>	<b>6,447</b>	<b>146,593</b>	<b>14,239</b>	<b>140,146</b>	<b>2,173.82 %</b>	<b>132,354</b>	<b>929.52 %</b>

## Variance Explanations - November 2019 compared to Budget and November 2018 Preliminary Financial Statements

Variance explanations below are provided for those categories that had variances to budget or prior year actual of greater than \$10,000 and 10% in November 2019.

### ***Operating Revenues:***

- 1 **Passenger airline landing fees** – November landings exceeded budgeted expectations and prior year actual activity. American Airlines had an additional 38 flights in November 2019 as compared to November 2018 primarily due to an additional daily flight to Phoenix.
- 6 **Fuel tax & flowage fees** – Based on discussions with CDOT, fuel tax is typically collected by the State and remitted to the airports about two months after the activity occurred. However, the state does not remit funds until they are collected, so the lag time could be even greater than three months and delayed receipts by the state result in uneven payment streams to the airport. This unpredictability of the payment stream often makes the monthly financial statements year over year incomparable. Flowage fees are collected by West Star based on fuel sold to the GA community. In general, fuel tax revenue should correspond to changes in commercial operations since this is a significant portion of av gas sales and flowage fees should correspond to changes in military and GA operations. The variance from budget in November is directly related to the fuel tax revenue and airside fuel used by deicing trucks. Increases in fuel tax revenue are due to consistent increases in landings year over year.
- 11 **Rental Cars** - The decrease in rental car revenue stemmed from November 2019 having more than 1,800 fewer rental days than November 2018. This decrease was slightly offset by an increase in the daily rate of about \$9.

### ***Operating Expenses:***

- 14 **Personnel Compensation & Benefits** – November was the first full month with the Operations Supervisor position vacant in addition to a vacant custodial position.
- 15 **Communications and Utilities** – The decrease in utility costs was primarily due to a reduced usage of electricity in the terminal year over year. We also received the \$4K stipend from Pivot energy for solar credits for lost credits from October 2019 through March 2020. Although the credit is applicable to multiple months, due to the relatively small size of the credit, we recorded it all in November when it was received, rather than amortizing the amount for 6 months.
- 16 **Supplies and Materials** – The primary reason for the variance to budget and prior year is that we did not purchase any fuel in November 2019. Typically fuel is only purchased 11 out of 12 months during the year and based on our supply we did not have to order a shipment until December. Fuel costs have been averaging about \$27k/month which accounts for the difference to budget and prior year actual.
- 17 **Contract Services** – The increase in contract services in November was primarily due to payments to and services provided by: DKMG & Mr. Reimer for their work on the Airline Use and Lease Agreement (\$13.5k), the security training video update (\$4.4k), and appraisal services this month (Butler) (\$2,000).
- 18 **Repairs and Maintenance** – November of 2018 included extra projects that were not seen in November 2019, the largest of which was the painting of the two previously existing boarding bridges for \$26K.
- 20 **Other (travel, marketing, air service)** – The variance to budget for the other expenses is primarily a function of timing for when education and training was provided. Spending for the month and year to date is ahead of budget and prior year, however, we budgeted to spend almost 40% of the annual budget in December because we could not predict what month the expenses would be incurred.

### ***Non-Operating Revenues and Expenses:***

- 24 **CFC Revenue** – The decrease in CFC revenue was the result of the decrease in rental days in November 2019 compared to November 2018. This decrease was experienced by the majority of the rental cars.
- 25 **Capital Contributions & Expenditures** – The timing of capital contributions (grant revenue) and capital expenditures is somewhat unpredictable. We had anticipated a number of costs to be incurred in the first quarter related to 2018 projects that rolled into 2019, and when the budget was completed, we anticipated an earlier start on the terminal renovation project. We are in the process of closing out grants for projects that were started in prior years and the 2019 projects are underway. We are preparing a summary of all 2019 projects to show a budget to actual by project to be presented with year end financial statements.

# Grand Junction Regional Airport Authority

## Statements of Changes in Net Position

Unaudited - subject to change

		Year to Date			Budget Variance		Prior Year Variance	
		11/30/2019	11/30/2019	11/30/2018				
		Budget	Actual	PY Actual	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var
<b>Operating revenue</b>								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	487,115	571,903	504,175	84,788	17.41 %	67,728	13.43 %
2	Terminal rent	1,083,357	1,084,903	1,083,357	1,546	0.14 %	1,546	0.14 %
3	Other (boarding bridge)	107,816	114,672	104,313	6,856	6.36 %	10,359	9.93 %
	<i>Total Passenger airline revenue</i>	<i>1,678,288</i>	<i>1,771,478</i>	<i>1,691,845</i>	<i>93,190</i>	<i>5.55 %</i>	<i>79,633</i>	<i>4.71 %</i>
Non-passenger airline revenue								
4	Non-passenger landing fees	80,785	91,682	169,151	10,897	13.49 %	(77,469)	(45.80) %
5	Cargo and hangar rentals	48,620	48,983	47,840	363	0.75 %	1,143	2.39 %
6	Fuel tax & flowage fees	596,268	692,757	695,602	96,489	16.18 %	(2,845)	(0.41) %
7	Other (ramp parking, rapid refuel)	4,070	9,150	5,310	5,080	124.82 %	3,840	72.32 %
	<i>Total Non-passenger airline revenue</i>	<i>729,743</i>	<i>842,572</i>	<i>917,903</i>	<i>112,829</i>	<i>15.46 %</i>	<i>(75,331)</i>	<i>(8.21) %</i>
	<i>Total Aeronautical revenue</i>	<i>2,408,031</i>	<i>2,614,050</i>	<i>2,609,748</i>	<i>206,019</i>	<i>8.56 %</i>	<i>4,302</i>	<i>0.16 %</i>
Non-aeronautical revenue								
8	Land and building leases	549,909	540,548	546,397	(9,361)	(1.70) %	(5,849)	(1.07) %
9	Terminal - restaurant & retail	115,247	152,870	124,786	37,623	32.65 %	28,084	22.51 %
10	Terminal - other	174,427	165,454	184,218	(8,973)	(5.14) %	(18,764)	(10.19) %
11	Rental cars	1,135,919	1,208,711	1,178,582	72,792	6.41 %	30,129	2.56 %
12	Parking and ground transportation	1,338,532	1,491,897	1,288,094	153,365	11.46 %	203,803	15.82 %
13	Other (security fee, overtime fee, etc)	66,153	83,267	70,637	17,114	25.87 %	12,630	17.88 %
	<i>Total Non-aeronautical revenue</i>	<i>3,380,187</i>	<i>3,642,747</i>	<i>3,392,714</i>	<i>262,560</i>	<i>7.77 %</i>	<i>250,033</i>	<i>7.37 %</i>
	<b>Total Operating Revenues</b>	<b>5,788,218</b>	<b>6,256,797</b>	<b>6,002,462</b>	<b>468,579</b>	<b>8.10 %</b>	<b>254,335</b>	<b>4.24 %</b>

**Grand Junction Regional Airport Authority**  
**Statements of Changes in Net Position**

Unaudited - subject to change

		Year to Date			Budget Variance		Prior Year Variance	
		11/30/2019	11/30/2019	11/30/2019				
		Budget	Actual	PY Actual	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var
<b>Operating expenses</b>								
14	Personnel compensation and benefits	2,351,950	2,149,957	1,933,713	(201,993)	(8.59) %	216,244	11.18 %
15	Communications and utilities	313,191	279,890	274,192	(33,301)	(10.63) %	5,698	2.08 %
16	Supplies and materials	466,427	440,263	411,124	(26,164)	(5.61) %	29,139	7.09 %
17	Contract services	584,217	554,940	527,655	(29,277)	(5.01) %	27,285	5.17 %
18	Repairs & maintenance	316,196	335,157	311,229	18,961	6.00 %	23,928	7.69 %
19	Insurance	84,829	100,311	85,431	15,482	18.25 %	14,880	17.42 %
20	Other (travel, marketing, air service, etc)	184,960	221,756	220,256	36,796	19.89 %	1,500	0.68 %
	<i>Total Operating expenses</i>	<b>4,301,770</b>	<b>4,082,274</b>	<b>3,763,600</b>	<b>(219,496)</b>	<b>(5.10) %</b>	<b>318,674</b>	<b>8.47 %</b>
<b>Non-operating revenue (expenses)</b>								
21	Passenger facility charges	819,100	971,002	842,266	151,902	18.54 %	128,736	15.28 %
22	Interest income	57,400	215,092	176,871	157,692	274.72 %	38,221	21.61 %
23	Interest expense	(744,667)	(744,179)	(772,197)	488	(0.07) %	28,018	(3.63) %
24	Customer facility charges	671,100	698,544	667,753	27,444	4.09 %	30,791	4.61 %
25	Capital contributions	16,671,993	4,387,720	2,831,367	(12,284,273)	(73.68) %	1,556,353	54.97 %
25	Capital expenditures	(22,291,190)	(9,740,783)	(6,671,451)	12,550,407	(56.30) %	(3,069,332)	46.01 %
26	Debt principal payments	(229,673)	-	(335,603)	229,673	(100.00) %	335,603	(100.00) %
27	Other (Legal Settlement)	-	36,979	-	36,979	0.00 %	36,979	0.00 %
	<i>Total Non-operating revenue (expenses)</i>	<b>(5,045,937)</b>	<b>(4,212,604)</b>	<b>(3,260,994)</b>	<b>833,333</b>	<b>(16.51) %</b>	<b>(951,610)</b>	<b>29.18 %</b>
	<b>Excess of revenue over (under) expense</b>	<b>(3,559,489)</b>	<b>(2,038,081)</b>	<b>(1,022,132)</b>	<b>1,521,408</b>	<b>(42.74) %</b>	<b>(1,015,949)</b>	<b>99.40 %</b>



## **Variance Explanations - 11/30/19 Year to Date Preliminary Financial Statements**

Variance explanations below are provided for those categories that had variances to budget or prior year actual of greater than \$55,000 YTD through November 2019. The threshold was increased to \$55,000 because this is approximately 1% of budgeted revenue through November 30.

### ***Operating Revenues:***

- 1 **Passenger Landing Fees** - Passenger landing fees are 17% above budget and 13% above the prior year actual revenue due to the increase in commercial landings YTD through November 2019 compared to November 2018. The number of commercial landings have increased 6% from 2018 to 2019, but total landed weight has also increased. United continues to have the largest increase followed closely by American, with 136 and 128 more landings respectively YTD through November 2019 compared to YTD November 2018.
- 4 **Non-Passenger Landing Fees** - Non-passenger landing fees are below the prior year actual revenue due to the change in flight schedules for Fed Ex and the decreased revenue related to the fire mitigation efforts staged from GJT. In the first part of 2018, Fed Ex had 2 regular flights, while they only have one in 2019. This was anticipated and budgeted for, therefore the YTD revenue through November 2019 meets expectations.
- 6 **Fuel Tax and Flowage Fees** - Fuel tax and flowage fees are comparable to the prior year, but exceeding budgeted expectations. This is due to the increase in commercial traffic which results in additional fuel taxes that are passed on to the Authority. The 2019 budget was conservative and budgeted less fuel flowage and fuel tax revenue than the actual 2018 amount because 2018 had additional flowage fees from the fire activities that were not expected in 2019 as well as increases in Q3 & Q4 2018 commercial traffic that was not known at the time of budgeting for 2019.
- 11 **Rental Cars** - Rental Car Revenue exceeded budget and prior year revenue year to date through November 2019 as a result of the higher than expected passenger traffic. Total enplanements were up over 11% YTD November 2019 from YTD through November 2018.
- 12 **Parking and Ground Transportation** - Parking and GT Revenue exceeded budget and prior year revenue year to date through November 2019 due to higher than expected passenger traffic. In addition to the increase in parking transactions, the average length of stay has also increased year over year.

### ***Operating Expenses:***

- 14 **Personnel Compensation & Benefits** – The variance from PY is a direct reflection of the budgeted increase in staff compensation and benefits. The variance to budget reflects some vacant positions in addition to overly conservative budgeting related to health insurance and workers compensation insurance.

### ***Non-Operating Revenues and Expenses:***

- 21 **PFC Revenue** – PFC revenue exceeded prior year actual and current year budget due to increased activity. We are seeing an increase in capacity and total enplaned passengers that we expect to continue throughout the year. Revenue enplanements & deplanements are up YTD November 2019 from prior year by 9.5%.
- 22 **Interest Income** - Interest income was budgeted conservatively and assumed that the bond funds would be spent down by now, however, we still have a strong cash balance and have only drawn down approximately \$4.5M which was initiated in August, therefore interest income exceeded expectations YTD.
- 25 **Capital Contributions & Expenditures** – The timing of capital contributions (grant revenue) and capital expenditures is somewhat unpredictable. We had anticipated a number of costs to be incurred in the first quarter related to 2018 projects that rolled into 2019, and when the budget was completed, we anticipated an earlier start on the terminal renovation project. We are in the process of closing out grants for projects that were started in prior years and the 2019 projects are underway. We are preparing a summary of all 2019 projects to show a budget to actual by project to be presented with year end financial statements.
- 26 **Debt Principle Payments** – The variance from prior year in debt principle payments is due to the pay-off of the SIB loan in 2019.

**Grand Junction Regional Airport Authority**  
**Statement of Financial Position - Unaudited, subject to change**

		Month Ending 11/30/2019	Month Ending 10/31/2019	Variance
<b>Assets</b>				
Current Assets				
	Cash and Cash Equivalents - Unrestricted	\$ 5,462,503	\$ 6,933,473	\$ (1,470,970)
	Cash and Cash Equivalents - Restricted	3,377,611	3,203,764	173,846
1	<i>Total Cash and Cash Equivalents</i>	<u>8,840,114</u>	<u>10,137,238</u>	<u>(1,297,124)</u>
Accounts Receivable				
	Accounts Receivable - Ops	767,957	857,278	(89,321)
	Accounts Receivable - Capital	4,212,650	2,786,746	1,425,904
2	<i>Total Accounts Receivable, Net</i>	<u>4,980,607</u>	<u>3,644,024</u>	<u>1,336,583</u>
3	Prepaid Expenses	102,274	83,678	18,596
	<i>Total Current Assets</i>	<u>13,922,995</u>	<u>13,864,940</u>	<u>58,055</u>
<b>Non-Current Assets</b>				
Capital Assets				
	Capital Assets not subject to depreciation	19,543,446	19,543,446	-
	Capital Assets subject to depreciation, net	45,887,486	46,247,732	(360,246)
4	<i>Total Capital Assets, Net</i>	<u>65,430,932</u>	<u>65,791,178</u>	<u>(360,246)</u>
5	Bond Project Fund	4,888,484	4,881,230	7,255
	<i>Total Non-Current Assets</i>	<u>70,319,417</u>	<u>70,672,408</u>	<u>(352,991)</u>
	<b>Total Assets</b>	<u><b>84,242,412</b></u>	<u><b>84,537,348</b></u>	<u><b>(294,936)</b></u>
6	<b>Deferred Outflows of Resources - Pension Plan</b>	<u><b>413,509</b></u>	<u><b>413,509</b></u>	<u><b>-</b></u>
<b>Liabilities</b>				
Current Liabilities				
7	Accounts Payable - Ops	179,243	235,557	(56,314)
7	Accounts Payable - Capital	2,787,116	1,762,485	1,024,631
8	Accrued Expenses	181,552	196,104	(14,552)
9	Lease Deposits	164,686	164,576	110
10	Deferred Revenue	12,141	14,230	(2,089)
11	Current portion of note and bonds payable	191,660	1,224,728	(1,033,068)
	<i>Total Current Liabilities</i>	<u>3,516,398</u>	<u>3,597,681</u>	<u>(81,283)</u>
Long Term Liabilities				
	Bond Payable	19,073,896	19,073,896	-
	Deferred Revenue	444,933	444,933	-
	Net Pension and OPEB Liability	2,775,984	2,775,984	-
12	<i>Total Long Term Liabilities</i>	<u>22,294,813</u>	<u>22,294,813</u>	<u>-</u>
	<i>Total Liabilities</i>	<u>25,811,211</u>	<u>25,892,495</u>	<u>(81,283)</u>
13	<b>Deferred Inflows of Resources - Pension Plan</b>	<u><b>518,872</b></u>	<u><b>518,872</b></u>	<u><b>-</b></u>
	<b>Total Net Position</b>	<u><b>\$ 58,325,838</b></u>	<u><b>\$ 58,539,491</b></u>	<u><b>\$ (213,653)</b></u>

## Variance Explanations - 11/30/19 Statement of Financial Position

**Assets: Total Assets decreased by approximately \$300k From October 2019 to November 2019. Cash decreased almost \$1.3M due to our semi-annual bond payment, but Accounts Receivable increased \$1.4M as work progresses on the AIP grant projects. The resulting decrease was therefore related to depreciation.**

- 1 **Cash** – The decrease in cash is due to the \$1.1M in semi-annual bond payments that are made in December.
- 2 **Accounts Receivable** – Accounts receivable includes both operating receivables and capital receivables from grants. Operating receivables decreased approximately \$90k due to the timing of regular receipts and billings. Capital receivables increased \$1.4M which is a direct correlation to the increase in capital accounts payable. As the fence project progresses and we incur costs for that project, we also recognize our grant revenue and the receivable from the FAA. Additionally, we continue to carry approximately \$2M of receivables awaiting the final close-out process and acceptance by the FAA. AIP 54 has been reviewed and we have submitted for our final reimbursement (\$386k) and AIP 55 and 56 should be submitted for final review by the end of January.
- 3 **Prepaid Expenses** – Prepaid expenses are primarily related to insurance contracts and software subscriptions that we pay annually, or in advance, that we will receive benefit for over a period of time. As we use these services over the policy or contract period, the amount is recognized as an expense, rather than expensing the entire annual cost in the month that it is paid. We have two software subscriptions that are billed in November, but have a subscription period of January - December 2020. This accounts for the increase from October to November.
- 4 **Capital Assets, Net** – Historically, the airport has not capitalized equipment throughout the year as it is purchased, but instead, expenses all purchases as part of capital expenditures and then capitalizes assets at year end. This allows us to track spending for budget purposes. We may look to change this practice going forward, but we are still working on making other improvements to the financial reporting and closing process first. Therefore, the only change in the fixed assets accounts that will be seen on a monthly basis is the regular monthly depreciation based on assets placed in service as of December 31, 2018.
- 5 **Escrows and Reserves** – The Escrow and reserve balance represents unused bond funds. The change in balance in November represents interest income as no draws were taken.

### **Deferred Outflows of Resources:**

- 6 **Deferred Outflows of Resources - Pension Plan** – The deferred outflows of resources represent a timing difference for recognizing changes in the estimated pension liability for our PERA pension and health plans offered to employees. Due to the timing of when the pension liability is estimated and reported on by PERA and the timing of when each local government entity must present financial statements, there is a one year lag in the calculation of the pension liability. We are therefore reporting our estimated liability based on information calculated as of December 31, 2017 for reporting in our 2018 financial statements. The deferred outflows of resources essentially represents decreases in the net pension liability related to 2018 activity that will not be recognized in the Pension liability until 2019. These amounts will not change until next year's liability is calculated.

***Liabilities: Total Liabilities decreased \$81k from October 2019 to November 2019. While the total change was relatively small, there was an increase in Capital Accounts payable of \$1M for progress on the current AIP Fence project, but a corresponding decrease of \$1M for the semi-annual bond payment. The remaining changes are due to the timing of payments on regular operating payables and payroll liabilities.***

- 7 **Accounts Payable** – Similar to accounts receivable, the majority of the balance and the variance from month to month is caused by the capital expenses payable to contractors and engineers associated with our capital projects. In November, we incurred over \$1.6M in capital expenses related to the fence project which caused the increase in this account. Accounts payable and receivable should have a positive correlation in periods when we are working primarily on AIP projects where the majority of the cost is funded by the FAA.
- 8 **Accrued Expenses** – This category is primarily made up of liabilities for un-used PTO (approximately 140,000) and payroll accruals to properly recognize payroll expenses in the periods that the employees have worked. Changes in this account month to month are almost entirely related to changes in the payroll accruals.
- 9 **Lease Deposits** – Lease deposits are primarily made up of General Aviation Lease deposits that were required in the standard ground lease based on a number of month's rent. We also hold deposits for parking passes held by airport tenant employees. These amounts are payable back to tenants at the end of the lease, or as parking passes are returned. The balance of deposits typically does not change materially from period to period as activity is limited.
- 10 **Deferred Revenue** – This liability represents rent received in advance and is primarily made up of a pre-payment received by the BLM in 2017. Prepaid rent is a liability because we have not provided our tenant with the space for the period of time that they paid us for.
- 11 **Current Portion of note and bonds payable** – This balance represents principal and interest due on the outstanding revenue bonds. We have semi-annual payments due June 1 and December 1. The decrease this month represents the scheduled payment made.
- 12 **Long-Term Liabilities** – The long-term bond payable balance is updated annually in December to reflect the remaining portion due, therefore there is no change from the prior month. The net Pension liability is also only calculated annually, so there will be no change in this amount. This is the actuarial estimate of the airports portion of the unfunded Pension liability for PERA. Long-term deferred revenue represents pre-paid revenues for years after 2019.

#### ***Deferred Inflows of Resources:***

- 13 **Deferred Inflows of Resources - Pension Plan** – Similar to deferred outflows described above, the deferred inflows of resources represent a timing difference for recognizing changes in the estimated pension liability for our PERA pension and health plans offered to employees. Deferred Inflows of resources actually represent increases to the pension liability that will be recognized in future years, primarily related to changes in actuarial assumptions. These will only be calculated annually, and therefore no changes will be seen month to month.