



BOARD PACKET

October 17, 2023

Grand Junction Regional Airport Authority



Date: October 17, 2023

Location:

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

or

Electronic Meeting

Link: <https://us02web.zoom.us/j/82638271867?pwd=d0RzbjRlVFhSZ0NsNFRiQ3RsYWx0Zz09>

Time: 11:30 AM

REGULAR MEETING AGENDA

- 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 e-mail your comment to the Board Clerk (boardclerk@gjairport.com) 15 minutes prior to the meeting. Comments not related to specific agenda items will be addressed during the citizen comment section of the agenda. Citizen comments related to a specific action item will be addressed during the discussion of that action item. The Board Chair 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 Chair, 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

- A. September 19, 2023 Meeting Minutes _____ 1

October 17, 2023

- Approve the August 15, 2023 Board Meeting Minutes.

B. Plante Moran Audit Engagement Letter for 2023 Audits _____ 2

- Approve the audit engagement letter with Plante Moran for the 2023 audits.

VII. Action

A. Resolution No. 2023-013 Appoint Budget Officer and Treasurer _____ 3

- Adopt Resolution No. 2023-013 to appoint Diana Thomas as the Budget Officer and Treasurer.

VIII. Public Hearing (C.R.S. §29-1-108(1))

A. GJRAA 2024 Budget _____ 4

IX. Staff Reports

- A. CIP Update – Colin Bible
- B. Executive Director Report (Angela Padalecki)
- C. Finance and Activity Report (Diana Thomas) _____ 5

X. Executive Session –

Executive session for the purpose of receiving legal advice on specific legal questions related to pending or threatened litigation, as authorized by Colorado Revised Statute Section 24-6-402(4)(b).

XI. Any other business which may come before the Board

XII. Adjournment



Grand Junction Regional Airport Authority Board
Regular Board Meeting
Meeting Minutes
September 19, 2023

REGULAR BOARD MEETING

I. Call to Order

Ms. Linde Marshall, Board Vice-Chair, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 11:30 AM on September 19, 2023 in Grand Junction, Colorado and in the County of Mesa. The meeting was hosted in the 3rd floor conference room as well as electronically.

<p><u>Commissioners Present:</u></p> <p>Tom Benton (Chairman, Online) Linde Marshall (Vice-Chair) Thaddeus Shrader (Online) Cody Davis Chris West</p> <p><u>Airport Staff:</u></p> <p>Angela Padalecki Dan Reimer (Counsel) Diana Thomas Ben Peck Cameron Reece (Clerk) Jennifer Kroeker Kristina Warren Hayden Carpenter</p>	<p><u>Guests:</u></p> <p>Colin Bible, Garver Jeremy Lee, Mead and Hunt Jen Boehm, Mead and Hunt Allison Thomas, Garver Lisa Meachum, Plante Moran Casey Johnson, Gensler Fred Suevel, CAF</p>
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II. Pledge of Allegiance

III. Approval of Agenda

Commissioner Davis made a motion to approve the September 19, 2023 Board Agenda. Commissioner West seconded the motion. Voice Vote: All Ayes; motion carried.

IV. Commissioner Comments

No Commissioner Comments were made.

V. Citizen Comments

No Citizen Comments were made.

VI. Consent Agenda

A. August 15, 2023 Meeting Minutes

Approve the August 15, 2023 Board Meeting Minutes.

B. Asset Disposal Approval

Approve the disposal of one asset and authorize the Executive Director to negotiate a disposal method on behalf of the Airport that brings the highest and best value to the airport.

C. Non-Exclusive Terminal Space Permit for Southwest Airlines

Approve Non-Exclusive Terminal Space Permit for Southwest Airlines and Authorize Executive Director to Sign.

D. 2022 Audit Acceptance

Accept the 2022 audited financial statements and supplemental schedules of the Grand Junction Regional Airport Authority.

Commissioner West made a motion to approve the Consent Agenda. Commissioner Davis seconded the motion. Voice Vote: All Ayes; motion carried.

VII. Action

A. Resolution No. 2023-012 –Revised Resolution Concerning Execution of Documents Pertaining to Bank Accounts

Commissioner Davis made a motion to Adopt resolution No. 2023-012: Revised Resolution Concerning Execution of Documents Pertaining to Bank Accounts to update banking access and permissions. Commissioner Marshall seconded the motion. Roll Call Vote: Commissioner Shrader, yes; Commissioner West, yes; Commissioner Davis, yes; Commissioner Marshall, yes; and Commissioner Benton. The motion carried.

B. United Companies Notice of Award and Contract Approval to United for Temporary NAVAID Construction

Commissioner West made a motion to Authorize the Executive Director to sign the Notice of Award and Contract to award the Temporary NAVAIDS construction project to United Companies for a contract amount of \$6,945,889.60. Work includes temporary threshold and navigational aid relocation associated with the phased construction of Runway 12-30 to allow Runway 11-29 to

operate with minimal impacts while construction is underway. Commissioner Davis seconded the motion. Voice Vote: All Ayes; motion carried.

C. Mead and Hunt Task Order #13 for NAVAID Construction Administration

Commissioner Davis made a motion to Approve Mead & Hunt Task Order #13 in the amount of \$725,050 to perform preconstruction services and construction administration for the FY 2023 Threshold and Navigational Aid Relocation project and authorize the Executive Director to sign the Task Order. Commissioner West seconded the motion. Voice Vote: All Ayes; motion carried.

D. Garver Task Order No. 11 for FY 2023 Temporary Navais Construction Support

Commissioner West made a motion to Approve Garver Task Order 11 for \$144,800 to support the FY 2023 NAVAID Relocation Construction Coordination and the ongoing runway replacement program and authorize the Executive Director to sign the Task Order. Commissioner Davis seconded the motion. Voice Vote: All Ayes; motion carried.

E. Notice of Award and Contract Approval to Kelley Trucking for Runway 12-30 Program Earthwork and Grading Schedules 5, 6 and 7

Commissioner West made a motion to Authorize the Executive Director to sign the Notice of Award and Contract to award Earthwork and Drainage Schedules 5, 6, and 7 to Kelley Trucking for a contract amount of \$11,230,986.30. Work includes the construction of schedules 5, 6, and 7 earthwork and drainage associated with the Runway 12-30 program construction. Commissioner Davis seconded the motion. Voice Vote: All Ayes; motion carried.

F. Mead & Hunt Task Order #14 – Earthwork and Drainage Schedules 5, 6, and 7 Construction Administration

Commissioner Davis made a motion to Approve Mead & Hunt Task Order #14 in the amount of \$2,125,793 to perform preconstruction services and construction administration for the FY 2023 Earthwork and Drainage construction schedules 5, 6, and 7; and authorize the Executive Director to sign the Task Order. Commissioner West seconded the motion. Voice Vote: All Ayes; motion carried.

G. Garver Task Order No. 12 for FY 2023 Grading and Drainage Support

Commissioner Marshall made a motion to Approve Garver Task Order 12 for \$436,540 to support the FY 2023 drainage and grading construction project and the ongoing runway replacement program and authorize the Executive Director to sign the Task Order. Commissioner West seconded the motion. Voice Vote: All Ayes; motion carried.

H. Gensler Scope of Work to perform the design, bidding, and construction administration for the Passenger Boarding Bridge Replacement

Commissioner Davis made a motion to Approve Gensler Scope of Work in the amount of \$148,088 to perform design, bidding and construction administration services for the passenger boarding bridge replacement and authorize the Executive Director to sign the Scope of Work. Commissioner West seconded the motion. Voice Vote: All Ayes; motion carried.

I. United Companies Change Order No. 1 for C1A

Commissioner West made a motion to Approve Change Order No. 1 on the Runway 4-22 project to United Companies in the total amount of \$329,625 to add additional pavement rehabilitation work on Taxiway C1A and authorize the Executive Director to sign the Change Order. Commissioner Davis seconded the motion. Voice Vote: All Ayes; motion carried.

VIII. Discussion

A. GJ Airshow

IX. Staff Reports

- A. CIP Update – Colin Bible
- B. Executive Director Report (Angela Padalecki)
- C. Finance and Activity Report (Angela Padalecki)

X. Any other business which may come before the Board

XI. Adjournment

The meeting adjourned at approximately 12:38pm

Audio recording of the complete meeting can be found at [https://qjairport.com/Board Meetings](https://qjairport.com/Board_Meetings)

Tom Benton, Board Chair

ATTEST:

Cameron Reece, Clerk to the Board

Grand Junction Regional Airport Authority
Agenda Item Summary

TOPIC:	Plante Moran Audit Engagement Letter for 2023 Audits		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Approve the audit engagement letter with Plante Moran for the 2023 audits.		
SUMMARY:	<p>A request for proposal (RFP) was conducted in 2019 to select an independent audit firm to perform the required annual financial statement audits for the GJRAA for 2019 - 2023. The proposals were reviewed by the selection committee, including Finance and Audit Committee members, and the committee recommended Plante Moran. Prior to this change EKS&H was the auditor for the Airport from 2013 – 2018. While the selection was based on an anticipated 5-year term, GJRAA must sign an engagement letter for each audit year and is not contractually obligated beyond that year.</p> <p>The scope of the audit is now substantially larger than when the proposal was submitted: increased testing requirements on AIP projects, a more than 100% increase in federal grants from the 2015-2018 proposal period, and an increase in the size of the CIP. Plante Moran estimates an additional 115 hours of audit work is required; this translates to about \$17,000 in additional fees.</p> <p>Plante Moran has agreed to spread this increase over 4 years, locking in the rate table below. This would extend their audit service period from 5 to 7 years. Best practice is to RFP every 5-7 years. These rates are comparable to the rates that Centennial Airport Authority, an authority of similar audit complexity, negotiated in their new selection.</p>		

	Original Fee		Revised	
2019	\$	39,500		
2020	\$	40,700		
2021	\$	41,900		
2022	\$	43,200	\$	47,450
2023	\$	44,500	\$	53,251
2024	\$	-	\$	59,226
2025	\$	-	\$	65,380

Plante Moran purchased EKS&H in 2018, and one member, Lisa Meacham, served on the team from 2013-2018 and is still on the audit team. Ms. Meacham is the current audit partner. Rumzei Abdallah is the second-longest serving member of the GJRAA audit team and his first GJRAA audit was 2019.

REVIEWED BY:	Executive Director, Legal Counsel, Dan Reimer
FISCAL IMPACT:	\$53,251 – 2024 Contract Services Expense
ATTACHMENTS:	2023 Engagement Letter
STAFF CONTACT:	Diana Thomas dthomas@gjairport.com (970) 248-8593

September 29, 2023

Mr. Tom Benton
Grand Junction Regional Airport Authority
800 Eagle Drive
Grand Junction, CO 81506

Dear Mr. Benton:

Thank you for selecting Plante & Moran, PLLC ("PM") to assist you. We are sending this letter and the accompanying Professional Services Agreement, the terms of which are incorporated into this engagement letter, to confirm the nature, limitations, and terms of the services we will provide to Grand Junction Regional Airport Authority ("Client").

Scope of Services

We will audit Client's basic financial statements and federal awards as of and for the year ended December 31, 2023. In addition, the supplemental information accompanying the financial statements will be subjected to the auditing procedures applied in our audit of the financial statements. We will provide an in-relation to opinion on the Schedule of Expenditures of Federal Awards (SEFA) and the Schedule of Passenger Facility Charge Collections and Expenditures (PFC schedule).

In connection with our audit engagement, we will audit client's compliance with the types of compliance requirements described in the Passenger Facility Charge Audit Guide for Public Agencies, issued by the Federal Aviation Administration (the "Guide") as of and for the year ended December 31, 2023.

We will assist you in drafting your financial statements, SEFA and Data Collection Form ("DCF"), other supplementary information and related notes. This assistance is considered a non-audit service; you agree to the contemporaneous provision of these audit and non-audit services.

At the conclusion of the engagement, we will upload the reporting package (including financial statements, SEFA, summary schedule of prior audit findings, auditor's reports, and corrective action plan), complete the appropriate sections of the DCF that summarize our audit findings, and coordinate with you our electronic certification. It is Client's responsibility to timely review, approve and electronically submit the DCF (including the reporting package) to the Federal Audit Clearinghouse.

Lisa Meacham is the engagement partner for the services specified in this letter and is responsible for supervising PM's services performed as part of this engagement.

If you determine that you need additional services, including accounting, consulting, or tax assistance, PM may be available to provide them under the terms of separate engagement letters and for additional fees.

Timing of Services

We expect fieldwork for this engagement to take place during April and May 2024. We anticipate that our work will end during May 2024 and that our report will be issued by June 30, 2024.

Fees and Payment Terms

Our fee for this engagement will be \$53,251, plus all reasonable and necessary travel and out-of-pocket costs incurred. A lack of preparedness by Client, or a need to reschedule fieldwork which results in a loss of team continuity will result in additional billing.

Invoices for audit services will be rendered as audit work progresses. Invoices for other services and out-of-pocket costs will be rendered as services are provided and are due when received. In the event an invoice is not paid timely, a late charge in the amount of 1.25 percent per month will be added, beginning 30 days after the date of the invoice.

Thank you for the opportunity to serve you.

Very truly yours,

Plante & Moran, PLLC



Lisa Meacham

Agreed and Accepted

We accept this engagement letter and the accompanying Professional Services Agreement (collectively, "Agreement"), which set forth the entire agreement between Grand Junction Regional Airport Authority and Plante & Moran, PLLC with respect to the services specified in the Scope of Services section of this engagement letter.

Grand Junction Regional Airport Authority

Mr. Tom Benton

Date

Title

Professional Services Agreement – Audit Services Addendum to Plante & Moran, PLLC Engagement Letter

The terms of this Professional Services Agreement are incorporated into the accompanying engagement letter, (collectively, the Professional Services Agreement and the accompanying engagement letter are referred to herein as "Agreement") for audit services dated September 29, 2023 between Plante & Moran, PLLC (referred to herein and in such letter as "PM") and Grand Junction Regional Airport Authority (referred to as "Client"). Any work performed in connection with the engagement before the date of this letter will also be governed by the terms and conditions of this Agreement.

1. **Financial Statements** – The financial statements of Client being audited by PM are to be presented in accordance with accounting principles generally accepted in the United States of America (GAAP).

PM has determined, based on representations Client has made to PM, that the applicable independence rules for the services contemplated hereunder are those specified by the American Institute of Public Accountants (AICPA) Code of Professional Conduct as well as those specified by the Government Accountability Office within the Government Auditing Standards. Client represents and warrants that it agrees with that determination.

2. **Management Responsibilities** – Client management is responsible for the preparation and fair presentation of these financial statements, in accordance with the applicable financial reporting framework, including compliance with the requirements of accounting principles generally accepted in the United States of America and the completeness and accuracy of the information presented and disclosed therein. Management is responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for preparation of the Schedule of Expenditures of Federal Awards (including notes and noncash assistance received) in conformity with Single Audit Act Amendments of 1996 and Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Management is also responsible for the capability and integrity of Client personnel responsible for Client's underlying accounting and financial records.

Client personnel will provide PM, in a timely and orderly manner, with access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, the Schedule of Expenditures of Federal Awards, and the data collection form, such as records, documentation, and other matters and additional information that PM may request from management for the purpose of the audit.

This includes providing assistance and information PM requests during the course of its audit, including retrieval of records and preparation of schedules, analyses of accounts, and confirmations. A written request for information to be provided will be submitted under separate cover and supplemented by additional written and oral requests as necessary during the course of PM's audit. In addition, Client will provide PM with all information in its possession that has a material impact on any material transaction and that information will be complete, truthful, and accurate. Client will allow PM unrestricted access to personnel within Client from whom PM determines it necessary to obtain audit evidence.

Client represents and warrants that any and all information that it transmits, or otherwise makes available, to PM will be done so in full compliance with all applicable federal, state, local and foreign privacy and data protection laws, as well as all other applicable regulations and directives, as may be amended from time to time (collectively, "Data Privacy Laws"). Client shall not disclose personal data of data subjects ("Personal Data") who are entitled to certain rights and protections afforded by Data Privacy Laws to PM without prior notification to PM. Client shall make reasonable efforts to limit the disclosure of Personal Data to PM to the minimum necessary to accomplish the intended purpose of the disclosure to PM.

Management is responsible for making all management decisions and performing all management functions relating to the financial statements, supplementary financial information, related notes, Schedule of Expenditures of Federal Awards, and the data collection form. Management accepts full responsibility for such decisions, even if PM provides advice as to the application of accounting principles or assists in drafting the financial statements, supplementary financial information, related notes, Schedule of Expenditures of Federal Awards, or data collection form. Management is also responsible for the submission of the data collection form to the Federal Audit Clearinghouse. Client has designated Diana Thomas to oversee financial statement and compliance related services PM provides. Management will be required to acknowledge in the management representation letter that it has reviewed and approved the financial statements, Schedule of Expenditures of Federal Awards, data collection form, supplementary financial information, and related notes prior to their issuance and have accepted responsibility for their adequacy, as well as representations regarding compliance with applicable compliance requirements.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing PM about all known or suspected fraud affecting Client involving (a) management, (b)

employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. Management's responsibilities include informing PM of its knowledge of any allegations of fraud or suspected fraud affecting Client received in communications from employees, former employees, regulators, or others. In addition, management is responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

Management is responsible for the design and implementation of effective controls that provide reasonable assurance that Client administers federal awards programs in compliance with compliance requirements. Additionally, management is responsible for evaluating and monitoring compliance with compliance requirements, taking corrective action when instances of noncompliance are identified including noncompliance identified in audit findings, preparing a summary of prior audit findings and a separate corrective action plan, and for informing PM about known or suspected noncompliance that could have a material effect on its major federal awards programs ("major programs").

Management is responsible for providing PM with complete, accurate, and timely information that could bear on PM's independence under applicable professional standards, including, but not limited to, information and representations regarding affiliates of Client, business or personal relationships between Client and PM, and business, personal and employment relationships between those in a financial reporting oversight role, including members of governance, and PM (collectively, Independence Information). Client represents and warrants (a) that it has provided PM any and all Independence Information existing as of the date of this Agreement; (b) that such Independence Information is accurate and complete as of the date of this Agreement; (c) that it will notify PM of any changes to Independence Information that has been provided as of the date of this Agreement; and (d) that, after the date of this Agreement, it will provide any new Independence Information to PM as soon as it becomes known to Client.

- 3. Objective of an Audit of Financial Statements** – The objective of PM's audit is the expression of an opinion on the Client's financial statements specified in the accompanying engagement letter, and express an opinion and report at the level specified in the Uniform Guidance about whether Client complied in all material respects with applicable compliance requirements identified by the Office of Management and Budget as subject to audit with respect to its major programs or, if not identified by the Office of Management and Budget, applicable direct and material compliance requirements identified in conjunction with the audit ("compliance requirements subject to audit").

PM offers no guarantee, express or implied, that its opinions will be unmodified or that it will be able to form an opinion about these financial statements or on compliance in the event that Client's internal controls or accounting, financial or other relevant records prove to be unreliable or otherwise not auditable. If PM's opinion is to be modified, PM will discuss the reasons with Client management in advance of the issuance of its audit report. If, for any reason, PM is prevented from completing its audit or is unable to form an opinion on these financial statements or the report on compliance, PM may terminate the engagement and decline to issue a report.

- 4. Supplementary Information** – In any document that contains supplementary information to the financial statements that indicates that the auditor has reported on such supplementary information, management agrees to include the auditor's report on that supplementary information. In addition, management agrees to present the supplementary information with the audited financial statements or to make the audited financial statements readily available no later than the date of issuance by Client of the supplementary information and the auditor's report thereon.

- 5. Internal Controls** – Client is responsible for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including controls established for the purpose of preventing or detecting errors in financial reporting, preventing fraud or misappropriation of assets, and identifying and complying with applicable laws and regulations, including those applicable to federal awards, and with the provisions of contracts and grant agreements. PM, in making its risk assessments, will consider internal control relevant to Client's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances.

PM will make assessments of Client's compliance with the compliance requirements subject to audit, as defined above. While those assessments will not be sufficient to identify all noncompliance with applicable laws, regulations, and contract provisions, PM will communicate noncompliance conditions that come to PM's attention in accordance with Uniform Guidance and/or *Generally Accepted Government Auditing Standards*. PM will also perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that PM considers relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of Client's major programs. However, PM's tests will be less in scope than would be necessary to render an opinion on those controls and accordingly, no opinion will be expressed in PM's report on internal control issued pursuant to the Uniform Guidance.

PM's audit will not be designed to provide assurance on the design or operating effectiveness of Client's internal controls or to identify all conditions that represent significant deficiencies in those internal controls. PM will communicate all significant deficiencies and material weaknesses in internal controls relevant to the audit of the financial statements, instances of fraud, or misappropriation of assets that come to PM's attention, and related matters required to be communicated under the Uniform Guidance.

- 6. Audit Procedures and Limitations** – PM's audit will be conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include examination, on a test basis, of evidence supporting the amounts and disclosures in the Client financial statements specified in this engagement letter. 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. An audit in accordance with GAAS involves judgment about the number of transactions to be tested and the overall approach to testing in each area. As a result, PM's audit can only be designed to provide reasonable rather than absolute assurance that these financial statements are free from material misstatement and that noncompliance which could have a direct and material effect on the major programs is detected and reported. In addition, an audit in accordance with GAAS is not designed to detect errors, fraud, or noncompliance that are immaterial to the financial statements or federal programs. Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements or noncompliance may not be detected always exists, even in an audit properly planned and performed in accordance with GAAS. In recognition of these limitations, Client acknowledges that PM's audit cannot guarantee that all instances of error, fraud, or noncompliance will be identified.

- 7. Auditor Communications** – PM is obligated to communicate certain matters related to the audit to those responsible for governance of Client, including instances of error or fraud and significant deficiencies and material weaknesses in internal control that PM identifies during its audit. PM will communicate these matters to the members of Client's governing board, and Client acknowledges and agrees that communication in this manner is sufficient for Client's purposes.

Under *Government Auditing Standards* PM is obligated to communicate instances of fraud, noncompliance or abuse that is material to the financial statements to those responsible for governance of Client. In certain situations, *Government Auditing Standards* require disclosure of instances of known or likely fraud, noncompliance, or abuse directly to applicable governmental agencies. If such acts are detected during PM's audit, PM will make required disclosures regarding these acts to applicable government agencies.

In accordance with *Government Auditing Standards*, a copy of PM's most recent peer review report is included as an attachment to this Agreement.

- 8. Communication to Group Auditor** – In instances where PM has been engaged as a component auditor for the purposes of a Group Audit, the terms of the engagement may include communication of certain matters related to the audit to the Group Auditor. Client permits such communication. PM will discuss matters being communicated with those responsible for governance of Client.

- 9. Accounting, Financial and Compliance Records** – Client agrees that it is responsible for providing PM with accounting and financial records that are closed, complete, accurate, and in conformity with the requirements of GAAP, for providing schedules and analyses of accounts that PM requests, and for making all Client financial and compliance records and related information available to PM for purposes of PM's audit, whether obtained from within or outside of the general ledger and subsidiary ledgers. Where PM has provided estimates of the timing of its work and completion of PM's engagement and issuance of PM's report, those estimates are dependent on Client providing PM with all such accounting, financial and compliance records, schedules, and analyses on the date PM's work commences. PM will assess the condition of Client's accounting, financial and compliance records, schedules, and analyses of accounts prior to commencing its work. In the event that such records, schedules, and analyses are not closed, complete, accurate, or in conformity with GAAP, PM may have to reschedule its work, including the dates on which PM expects to complete its on-site procedures and issue its audit report.

In any circumstance where PM's work is rescheduled due to Client's failure to provide information as described in the preceding paragraph, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadlines related to the completion of the audit work or issuance of its audit report. Because rescheduling audit work imposes additional costs on PM, in any circumstance where PM has provided estimated fees, those estimated fees may be adjusted for the additional time PM incurs as a result of rescheduling its work. These fee adjustments will be determined in accordance with the Fee Adjustments provision of this Agreement.

- 10. Audit Adjustments** – PM will recommend adjustments to Client's accounting records that PM believes are appropriate. Client management is responsible for adjusting Client accounting records and financial statements to correct material misstatements and for affirming to PM in writing that the effects of any unrecorded adjustments

identified during PM's audit are immaterial, both individually and in the aggregate, to the Client's financial statements specified in this Agreement.

- 11. Management Representations** – Client is responsible for the financial statements being audited and the implicit and explicit representations and assertions regarding the recognition, measurement, presentation, and disclosure of information therein. Client is also responsible for compliance with applicable compliance requirements of federal awards programs and the implicit and explicit representations and assertions regarding compliance. During the course of the audit, PM will request information and explanations from Client officers, management, and other personnel regarding accounting, financial, and compliance matters, including information regarding internal controls, operations, future plans, and the nature and purpose of specific transactions. PM will also require that management make certain representations to PM in writing as a precondition to issuance of PM's report.

PM's audit procedures will be significantly affected by the representations and assertions PM receives from management and, accordingly, false representations could cause material error, fraud, or noncompliance to go undetected by PM's procedures. Accordingly, Client acknowledges and agrees that it will instruct each person providing information, explanations, or representations to an auditor to provide true and complete information, to the best of his or her knowledge and belief. It is also agreed that any deliberate misrepresentation by any director, officer, or member of management, or any other person acting under the direction thereof ("Client Personnel"), intended to influence, coerce, manipulate, or mislead PM in the conduct of its audit will be considered a material breach of this Agreement. In addition, as a condition of its audit engagement, Client agrees to indemnify and hold PM and its partners, affiliates, and employees harmless from any and all claims, including associated attorneys' fees and costs, based on PM's failure to detect material misstatements in Client's financial statements or material noncompliance resulting in whole or in part from deliberate false or misleading representations, whether oral or written, made to PM by Client Personnel. This indemnity will be inoperative only if, and to the extent that, a court having competent jurisdiction has determined that PM failed to conduct its audit in accordance with generally accepted auditing standards and such failure resulted in PM not determining such misrepresentation by Client Personnel was false.

- 12. Use of Report** – PM's report on the financial statements must be associated only with the financial statements that were the subject of PM's audit engagement. Client may make copies of the audit report, but only if the entire financial statements (including related footnotes and supplemental information, as appropriate) are reproduced and distributed with that report. Client agrees not to reproduce or associate PM's audit report with any other financial statements, or portions thereof, that are not the subject of this engagement.

If PM's report on the financial statements being audited is to be published in any manner or if Client intends to make reference to PM in a publication of any type, Client agrees to submit proofs of the publication to PM for review prior to such publication and cooperate with PM in PM's performance of any additional audit procedures PM deems necessary in the circumstances, the nature and extent of which will be at PM's sole discretion. Client acknowledges and agrees that additional fees for such work will be determined in accordance with the Fee Adjustments provision of this Agreement. With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on Client's Internet website, Client understands that electronic sites are a means to distribute information and, therefore, PM is not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

- 13. Securities Offerings** – PM's audit does not contemplate, and does not include, any services in connection with any offering of securities, whether registered or exempt from registration. In the event Client elects to incorporate or make reference to PM's report in connection with any offering of debt or equity securities and requests PM's consent to such incorporation or reference, Client understands that additional procedures will need to be performed. In the event PM agrees in writing to perform such additional procedures, the nature and extent of which will be at PM's sole discretion, it is agreed and acknowledged that PM's performance of such additional procedures will be subject to all of the terms and conditions of this Agreement. Additional fees for such work will be determined based on the actual time that PM staff expend at current hourly rates, plus all reasonable and necessary travel and out-of-pocket costs incurred, and that payment for all such additional fees will be made in accordance with the payment terms provided in this Agreement.

If Client incorporates or makes reference to PM's report in connection with any offering of debt or equity securities without obtaining consent from PM as described above, Client agrees to include the following provision in the offering document:

Plante & Moran, PLLC, our independent auditor, has not performed or been engaged to perform any services in connection with the offering of securities. Nor has Plante & Moran, PLLC performed or been engaged to perform any procedures on the financial statements of Client since the date of the Plante & Moran, PLLC report included herein. Plante & Moran, PLLC also has not performed any procedures relating to this offering document.

14. Tax Return Preparation – This engagement does not include preparation of any tax returns or filings. If Client requires tax services, including tax consulting or preparation of tax returns, those services will be detailed in a separate engagement letter.

15. Confidentiality, Ownership, and Retention of Workpapers – During the course of this engagement, PM and PM staff may have access to Client's confidential, proprietary information, including, but not limited to, information regarding general ledger balances, financial transactions, trade secrets, business methods, plans, or projects. PM acknowledges that such information, regardless of its form, is confidential and proprietary to Client. PM will comply with all applicable ethical standards, laws, and regulations as to the retention, protection, use and distribution of such confidential client information. Except to the extent set forth herein, PM will not disclose such information to any third party without the prior written consent of Client.

In the interest of facilitating PM's services to Client, PM may communicate or exchange data by internet, e-mail, facsimile transmission, or other electronic methods. While PM will use its best efforts to keep such communications and transmissions secure in accordance with PM's obligations under applicable laws and professional standards, Client recognizes and accepts that PM has no control over the unauthorized interception of these communications or transmissions once they have been sent, and consents to PM's use of these electronic devices during this engagement.

Professional standards require that PM create and retain certain workpapers for engagements of this nature. All workpapers created in the course of this engagement are and shall remain the property of PM. PM will maintain the confidentiality of all such workpapers as long as they remain in PM's possession.

Both Client and PM acknowledge, however, that PM may be required to make its workpapers available to regulatory authorities or by court order or subpoena in a legal, administrative, arbitration, or similar proceeding in which PM is not a party. Further, in compliance with *Government Auditing Standards* and the Uniform Guidance, PM's working papers will be made available to federal award program representatives at PM offices during normal business hours during the audit and for a period of three years after the issuance of the report. Disclosure of confidential information in accordance with requirements of regulatory authorities or pursuant to court order or subpoena shall not constitute a breach of the provisions of this Agreement. In the event that a request for any confidential information or workpapers covered by this Agreement is made by regulatory authorities or pursuant to a court order or subpoena, PM agrees to inform Client in a timely manner of such request and to cooperate with Client should Client attempt, at Client's cost, to limit such access. This provision will survive the termination of this Agreement. PM's efforts in complying with such requests will be deemed billable to Client as a separate engagement. PM shall be entitled to compensation for its time and reasonable reimbursement of its expenses (including legal fees) in complying with the request.

Both Client and PM acknowledge that upon completion of the audit PM is required to send an electronic copy of Client's financial report, PM's official letter of comments and recommendations, and auditing procedures report directly to the State of Michigan pursuant to Michigan Department of Treasury Regulations. Client authorizes and directs PM to provide such information and disclosure of such information shall not constitute a breach of the provisions of this Agreement.

PM reserves the right to destroy, and it is understood that PM will destroy, workpapers created in the course of this engagement in accordance with PM's record retention and destruction policies, which are designed to meet all relevant regulatory requirements for retention of workpapers. PM has no obligation to maintain workpapers other than for its own purposes or to meet those regulatory requirements.

Upon Client's written request, PM may, at its sole discretion, allow others to view any workpapers remaining in its possession if there is a specific business purpose for such a review. PM will evaluate each written request independently. Client acknowledges and agrees that PM will have no obligation to provide such access or to provide copies of PM's workpapers, without regard to whether access had been granted with respect to any prior requests.

16. Data Access Management and Consent – PM has operations both in and outside the United States and may, from time to time and at its reasonable discretion, use third-party service providers both in and outside the United States in support of its operations and the services for Client (individually and collectively "Third-Party Provider(s)"). Third-Party Providers may include, for example and without limitation, PM's international affiliates that support PM's domestic operations, cloud service providers that support PM's infrastructure in general, or independent contractors that serve to supplement a particular engagement team's services for specific engagements. In such circumstances, PM will be solely responsible for the provision of any services by such Third-Party Providers and, where such Third-Party Providers' services involve the accessing or processing of Client data, PM will require Third-Party Providers to maintain the confidentiality of any such data and not use such data for any purpose unrelated to assisting with PM's services for Client. In turn, Client, by its duly authorized signature on the accompanying engagement letter, consents to PM disclosing or otherwise allowing access to Client's data to such Third-Party Providers for such purposes. Client further acknowledges that, from time to time, PM representatives

may have occasion to access Client data from outside the United States, for example and without limitation, when such PM representative(s) reside in or travel to another country. In such instances, PM agrees to use data access and storage protocols designed to reasonably safeguard data and Client consents to PM accessing Client data from outside of the United States under such circumstances.

17. Fee Quotes – In any circumstance where PM has provided estimated fees, fixed fees, or not-to-exceed fees (“Fee Quotes”), these Fee Quotes are based on information provided by Client regarding the nature and condition of its accounting, financial, and tax records; the nature and character of transactions reflected in those records; and the design and operating effectiveness of its internal controls. Client acknowledges that the following circumstances may result in an increase in fees:

- Client’s failure to prepare for the audit as evidenced by accounts and records that have not been subject to normal year-end closing and reconciliation procedures;
- Client’s failure to complete the audit preparation work by the applicable due dates;
- Significant unanticipated or undisclosed transactions, audit issues, or other such unforeseeable circumstances;
- Delays by Client causing scheduling changes or disruption of fieldwork;
- After audit or post fieldwork circumstances requiring revisions to work previously completed or delays in resolution of issues that extend the period of time necessary to complete the audit;
- Issues with the prior audit firm, prior year account balances, or report disclosures that impact the current year engagement;
- An excessive number of audit adjustments.

PM will use best efforts to advise Client in the event these circumstances occur; however, it is acknowledged that the exact impact on the Fee Quotes may not be determinable until the conclusion of the engagement. Such fee adjustments will be determined in accordance with the Fee Adjustments provision of this Agreement.

18. Payment Terms – PM’s invoices for professional services are due upon receipt unless otherwise specified in the engagement letter. In the event any of PM’s invoices are not paid in accordance with the terms of this Agreement, PM may elect, at PM’s sole discretion, to suspend work until PM receives payment in full for all amounts due or terminate this engagement. In the event that work is suspended, for nonpayment or other reasons, and subsequently resumed, PM offers no guarantee, express or implied, that PM will be able to meet any previously established deadlines related to the completion of PM’s services or issuance of PM’s report upon resumption of PM’s work, whether imposed by agreement or by law. Client agrees that in the event PM stops work or terminates this Agreement as a result of Client’s failure to pay fees on a timely basis for services rendered by PM as provided in this Agreement, or if PM terminates this Agreement for any other reason, PM shall not be liable for any damages that occur as a result of PM ceasing to render services.

19. Fee Adjustments – Any fee adjustments for reasons described in this Agreement will be determined based on the actual time expended by PM staff at PM’s current hourly rates, plus all reasonable and necessary travel and out-of-pocket costs incurred, and included as an adjustment to PM’s invoices related to this engagement. Client acknowledges and agrees that payment for all such fee adjustments will be made in accordance with the payment terms provided in this Agreement.

20. Conditions of PM Visit to Client Facilities – Client agrees that some or all of PM’s services may be provided remotely. In order to facilitate the provision of services remotely, Client agrees to provide documentation and other information reasonably required by PM for PM’s performance of the engaged services electronically to the extent possible throughout the course of the engagement. In the event in-person visits to Client’s facility(ies) are requested by Client or otherwise determined by PM to be necessary for the performance of the engaged services, Client agrees, upon PM’s request, to provide to PM Client’s policies and procedures that Client has implemented relating to workplace safety and the prevention of the transmission of disease at its facility(ies). In addition, Client affirms that it is in compliance with applicable Centers for Disease Control and Prevention and OSHA guidance pertaining to the prevention of the transmission of disease (collectively, “Applicable Preventative Guidance”) and agrees that it shall continue to comply with Applicable Preventative Guidance throughout any in-person visits by PM to Client’s facility(ies). Notwithstanding the foregoing, PM reserves the right to suspend or refrain from any in-person visit by PM to Client’s facility(ies) or impose further conditions on any such in-person visit if and as PM deems necessary. Client agrees and acknowledges that any determination by PM to visit Client’s facility(ies) is not and shall not be construed to be or relied on by Client as a determination by PM of Client’s compliance with Applicable Preventative Guidance.

Professional Services Agreement – Audit Services

- 21. Release for Biological Agent Liability** – Client acknowledges that there is an inherent risk of exposure to infectious diseases associated with any in-person interaction or in-person visit to property. Accordingly, Client, for itself and its successors and assigns, hereby releases PM and each of PM's officers, directors, partners, members, managers, employees, affiliated, parent or subsidiary entities, and approved third-party service providers (collectively, "PM Persons") from any and all claims or causes of action that the Client has, or hereafter may or shall have, against any of them in connection with, related to, or arising out of infectious diseases or the transmission thereof associated with a visit by one or more of the PM Persons to any Client facility(ies) or other in-person interaction with Client personnel.
- 22. Exclusion of Certain Damages** – In no event shall either party be liable to the other, whether a claim be in tort, contract, or otherwise, for any indirect, consequential, punitive, exemplary, lost profits, or similar damages in claims relating to PM's services provided under this engagement.
- 23. Receipt of Legal Process** – In the event PM is required to respond to a subpoena, court order, or other legal process (in a matter involving Client but not PM) for the production of documents and/or testimony relative to information PM obtained and/or prepared during the course of this engagement, Client agrees to compensate PM for the affected PM staff's time at such staff's current hourly rates, and to reimburse PM for all of PM's out-of-pocket costs incurred associated with PM's response unless otherwise reimbursed by a third party.
- 24. Subsequent Discovery of Facts** – After the date of PM's report on the financial statements, PM has no obligation to make any further or continuing inquiry or perform any other auditing procedures with respect to the audited financial statements or major programs covered by PM's report, unless new information that may affect the report comes to PM's attention. If PM becomes aware of information that relates to these financial statements or major programs but was not known to PM at the date of its report, and that is of such a nature and from such a source that PM would have investigated it had it come to PM's attention during the course of the audit, PM will, as soon as practicable, undertake to determine whether the information is reliable and whether the facts existed at the date of PM's report. In this connection, PM will discuss the matter with Client and request cooperation in whatever investigation and modification of the financial statements or schedules that may be necessary. Additional fees for such work will be determined based on the actual time that PM staff expend at PM's current hourly rates, plus all reasonable and necessary travel and out-of-pocket costs incurred, and Client acknowledges and agrees that payment for all such additional fees will be made in accordance with the payment terms provided in this Agreement.
- 25. Termination of Engagement** – This engagement may be terminated by either party upon written notice. Upon notification of termination of this engagement, PM will cease providing services under the engagement. Client shall compensate PM for all time expended and reimburse PM for all out-of-pocket expenditures incurred by PM through the date of termination of this engagement.
- 26. Entire Agreement** – This Agreement is contractual in nature and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this Agreement supersede any prior oral or written representations or commitments by or between the parties regarding the subject matter hereof. Any material changes or additions to the terms set forth in this Agreement will only become effective if evidenced by a written amendment to this Agreement, signed by all of the parties.
- 27. Severability** – If any provision of this Agreement (in whole or part) is held to be invalid or otherwise unenforceable, the other provisions shall remain in full force and effect.
- 28. Force Majeure** – Neither party shall be deemed to be in breach of this Agreement as a result of any delays or nonperformance directly or indirectly resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, acts of God, war, other violence, epidemic, pandemic or other public health emergency or government mandated shut down (each individually a "Force Majeure Event"). A Force Majeure Event shall not excuse any payment obligation relating to fees or costs incurred prior to any such Force Majeure Event.
- 29. Electronic Signatures** – The parties intend that any electronic signature shall be given full legal effect as if it were a handwritten signature.
- 30. Governing Law** – This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, and jurisdiction over any action to enforce this Agreement, or any dispute arising from or relating to this Agreement shall reside exclusively within the State of Colorado.

End of Professional Services Agreement – Audit Services



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A Professional Accounting Corporation

Report on the Firm's System of Quality Control

December 16, 2022

To the Partners of
Plante & Moran, PLLC
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Plante & Moran, PLLC (the firm) applicable to engagements not subject to PCAOB permanent inspection, in effect for the year ended June 30, 2022. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; audits of employee benefit plans; an audit performed under FDICIA; and examinations of service organizations (SOC 1 and SOC 2 engagements).

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Plante & Moran, PLLC applicable to engagements not subject to PCAOB permanent inspection, in effect for the year ended June 30, 2022, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Plante & Moran, PLLC has received a peer review rating of *pass*.

Postlethwaite & Netterville

Postlethwaite & Netterville, APAC
Baton Rouge, Louisiana

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Resolution 2023-013 - Appoint Budget Officer and Treasurer		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Adopt Resolution No. 2023-013 to appoint Diana Thomas as the Budget Officer and Treasurer.		
SUMMARY:	<p>Diana Thomas was hired as the GJRAA Finance Director. Colorado Revised Statutes 29-1-104 requires the governing body of each local government to designate a person to prepare the budget and submit the same to the governing body. In August 2019, the Authority permanently appointed the Finance Director as the Budget Officer for purposes of CRS 29-1-104.</p> <p>According to the Bylaws, the Treasurer shall perform all duties incidental to the office and all duties as may be assigned by the Board.</p>		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	N/A		
ATTACHMENTS:	Resolution 2023-013		
STAFF CONTACT:	Angela Padalecki Email: apadalecki@gjairport.com Office: 970-248-8588		

[illegible]

GRAND JUNCTION REGIONAL AIRPORT
AUTHORITY

ATTEST:

Chairman

Clerk

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	2024 Draft Budget Presentation		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input checked="" type="checkbox"/>	Decision <input type="checkbox"/>
RECOMMENDATION:	N/A		
SUMMARY:	<p>The attached materials represent the draft 2024 budget and include a detailed description of the assumptions used to develop revenue and expense estimates. In accordance with Colorado Revised Statutes §29-1-108(1) the GJRAA is holding a public hearing to consider the adoption of the budget so the objections of the electors can be considered.</p> <p>The budget is based on a conservative estimate of passenger and activity levels for 2024. Commercial airline passenger enplanements are budgeted to be 1% higher than forecasted 2023 levels. Income from operations is budgeted at \$2.1M.</p> <p>The capital expense budget anticipates an aggressive construction schedule. This results in a \$20.2M capital expense budget for AIP and grant funded projects and corresponding grant revenue of \$18.6M. Additionally, the Airport plans to invest \$1.0M in airport-funded development and improvement projects in 2024.</p> <p>Staff reviewed the initial draft budget with the Finance and Audit Committee on October 10th, the budget was submitted to the Board on October 13th, and a public hearing is scheduled during the October 17th Board meeting.</p> <p>Additional comments and feedback will be accepted and incorporated into a final draft budget to be presented for adoption before the end of the year.</p>		
REVIEWED BY:	Executive Director		
FISCAL IMPACT:	Total Appropriations for 2024: \$29,790,000 Operating – \$6,691,019 Debt Service – \$1,925,363 Capital – \$21,173,436		
ATTACHMENTS:	2024 DRAFT Budget Summary		
STAFF CONTACT:	Diana Thomas Email: dthomas@gjairport.com Office: (970) 248-8593		

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY
2024 BUDGET

Account Name	2023 Budget	2023 Forecast	2024 Budget
OPERATING REVENUE			
Aeronautical revenue			
Total Passenger Airline Revenue	2,054,000	2,190,638	\$ 2,487,000
Total Non-Passenger Airline Revenue	896,000	1,125,814	1,108,000
Total Aeronautical Revenue	2,950,000	3,316,452	3,595,000
Non-aeronautical revenue	4,315,000	4,895,601	5,178,000
Total Operating Revenues	7,265,000	8,212,053	8,773,000
OPERATING EXPENSES			
Personnel compensation and benefits	2,983,000	2,654,317	3,154,550
Communications and utilities	452,000	424,316	502,087
Supplies and materials	609,000	710,297	772,000
Contract services	834,000	731,073	985,182
Repairs & maintenance	644,000	772,272	648,000
Insurance	151,000	176,070	200,000
Other	392,000	194,075	429,200
Total Operating Expenses	6,065,000	5,662,420	6,691,019
Net Revenue (Expense) from Operations	1,200,000	2,549,633	2,081,981
NON-OPERATING REVENUE (EXPENSE)			
Passenger facility charges (restricted rev)	1,004,000	946,612	958,000
Interest income	33,000	997,900	1,104,000
Interest expense	(709,000)	(791,946)	(764,363)
Customer facility charges (restricted rev)	624,000	604,495	604,000
Capital contributions	34,843,823	24,641,609	18,645,835
Capital expenditures - W/ Grant Funding	(37,764,795)	(25,592,578)	(20,173,436)
Capital expenditures - W/O Grant Funding	(3,000,000)	(3,885,699)	(1,000,000)
Debt principle payments	(795,000)	(795,000)	(1,161,000)
Non-Capital grant funding	71,000	105,213	71,000
Total Non-operating Revenue (Expense)	(5,692,972)	(3,769,394)	(1,715,963)
Net Change in Position (Budgetary Basis)	(4,492,972)	(1,219,761)	\$ 366,017
Actual/Projected Ending Cash Balance			
Restricted cash	3,031,000	3,190,066	\$ 3,917,066
Unrestricted cash	9,341,000	17,913,925	17,552,942
Total Cash Balance	12,372,000	21,103,991	\$ 21,470,008

GJRAA
2024 BUDGET
Company Wide - Operating Revenue Summary

Account Name		2023 Budget	2023 Forecast	2024 Budget	Variance to 2023 Budget		Variance to 2023 Forecast	
					\$	%	\$	%
PASSENGER AIRLINE REVENUE								
A	Passenger airline landing fees	630,000	726,089	815,000	185,000	29.4%	88,911	12.2%
B	Terminal rent	1,397,000	1,403,598	1,613,000	216,000	15.5%	209,402	14.9%
C	Other Passenger Airline Revenue	27,000	60,951	59,000	32,000	118.5%	(1,951)	-3.2%
Total Passenger Airline Revenue		2,054,000	2,190,638	2,487,000	433,000	21.1%	296,362	13.5%
NON-PASSENGER AIRLINE REVENUE								
D	Non-passenger landing fees	115,000	159,555	122,000	7,000	6.1%	(37,555)	-23.5%
E	Cargo and hangar rentals	59,000	62,266	64,000	5,000	8.5%	1,734	2.8%
F	State fuel tax disbursement	210,000	374,087	389,000	179,000	85.2%	14,913	4.0%
G	Fuel flowage fee - capital	237,000	229,103	230,000	(7,000)	-3.0%	897	0.4%
G	Fuel flowage fee - operations	237,000	232,999	234,000	(3,000)	-1.3%	1,001	0.4%
H	Fuel sales - airside	30,000	52,039	54,000	24,000	80.0%	1,961	3.8%
I	Rapid refuel & Airline ramp parking	8,000	15,765	15,000	7,000	87.5%	(765)	-4.9%
Total Non-Passenger Airline Revenue		896,000	1,125,814	1,108,000	212,000	23.7%	(17,814)	-1.6%
Total Aeronautical revenue		2,950,000	3,316,452	3,595,000	645,000	21.9%	278,548	8.4%
NON-AERONAUTICAL REVENUE								
J	Land and building leases	637,000	640,164	689,000	52,000	8.2%	48,836	7.6%
K	Terminal - restaurant & retail	171,000	237,813	248,000	77,000	45.0%	10,187	4.3%
L	Rent - office space	181,000	184,872	184,000	3,000	1.7%	(872)	-0.5%
M	Rent - rental car exclusive space	74,000	74,713	82,000	8,000	10.8%	7,287	9.8%
M	Rental car - gross revenue & min annual guarantee	1,174,000	1,164,263	1,212,000	38,000	3.2%	47,737	4.1%
M	Rental car service area	61,000	63,789	61,000	-	0.0%	(2,789)	-4.4%
M	Rental car facility fuel sales	220,000	257,134	276,000	56,000	25.5%	18,866	7.3%
M	Total rental car revenue	1,529,000	1,559,899	1,631,000	102,000	6.7%	71,101	4.6%
K	Parking revenue	1,648,000	2,110,935	2,250,000	602,000	36.5%	139,065	6.6%
K	Ground transportation	56,000	82,331	90,000	34,000	60.7%	7,669	9.3%
K	Total Parking and ground transportation	1,704,000	2,193,266	2,340,000	636,000	37.3%	146,734	6.7%
N	Security fee	68,000	51,274	61,000	(7,000)	-10.3%	9,726	19.0%
O	Advertising revenue	10,000	7,500	10,000	-	0.0%	2,500	33.3%
O	Other revenue (parking tickets, etc)	15,000	20,813	15,000	-	0.0%	(5,813)	-27.9%
Total Non-aeronautical revenue		4,315,000	4,895,601	5,178,000	863,000	20.0%	282,399	5.8%
Total Operating revenues		\$ 7,265,000	8,212,053	8,773,000	\$ 1,508,000	20.8%	\$ 560,947	6.8%

GJRAA
2024 BUDGET
Company Wide - Operating Expense Summary

Account Name	2023 Budget	2023 Forecast	2024 Budget	Variance to 2023 Budget		Variance to 2023 Forecast	
				\$	%	\$	%
P Salaries-Full Time	2,085,000	1,951,850	2,189,250	104,250	5.0%	237,400	12.2%
P Medicare - Er	34,000	26,985	35,700	1,700	5.0%	8,715	32.3%
P Pera - Er/Pension	305,000	282,382	320,250	15,250	5.0%	37,868	13.4%
P 401(K) Er	65,000	46,886	68,250	3,250	5.0%	21,364	45.6%
Q Health Insurance Er	392,000	280,190	431,200	39,200	10.0%	151,010	53.9%
P Health & Wellness Benefit	4,000	2,373	7,000	3,000	75.0%	4,627	195.0%
P Life Insurance Er	8,000	5,230	8,400	400	5.0%	3,170	60.6%
P Suta Er	7,000	2,528	7,350	350	5.0%	4,822	190.7%
P Worker Compensation	83,000	55,893	87,150	4,150	5.0%	31,257	55.9%
Personnel compensation and benefits	2,983,000	2,654,317	3,154,550	171,550	5.8%	500,233	18.8%
R Utilities-Gas	63,000	62,151	96,000	33,000	52.4%	33,849	54.5%
R Utilities-Electric	307,000	271,932	307,000	-	0.0%	35,068	12.9%
R Utilities-Water	20,000	20,068	21,000	1,000	5.0%	933	4.6%
R Utilities-Trash	15,000	19,440	20,000	5,000	33.3%	560	2.9%
R Utilities-Sewer	7,000	7,252	7,300	300	4.3%	48	0.7%
R Cell Phones	19,000	22,453	28,800	9,800	51.6%	6,347	28.3%
R Phone Service	21,000	21,020	21,987	987	4.7%	967	4.6%
Communications and utilities	452,000	424,316	502,087	50,087	11.1%	77,771	18.3%
S Employee Recognition	10,000	10,020	11,000	1,000	10.0%	980	9.8%
S Uniforms	16,000	18,398	19,000	3,000	18.8%	602	3.3%
S Office Supplies	2,000	1,333	2,000	-	0.0%	667	50.0%
T Materials & Supplies	95,000	125,743	185,000	90,000	94.7%	59,257	47.1%
S Board Expense	5,000	5,000	5,000	-	0.0%	-	0.0%
S Postage & Shipping	1,000	280	1,000	-	0.0%	720	257.1%
U Tools & Equipment	95,000	100,705	95,000	-	0.0%	(5,705)	-5.7%
V Glycol Disposal	20,000	34,436	35,000	15,000	75.0%	564	1.6%
S Snow Removal	20,000	18,067	20,000	-	0.0%	1,933	10.7%
S Wildlife Control	3,000	6,566	7,000	4,000	133.3%	434	6.6%
S Runway & Taxiway Lighting	10,000	12,573	13,000	3,000	30.0%	427	3.4%
S Firefighting Supplies	6,000	20,758	21,000	15,000	250.0%	242	1.2%
W Fuel - Diesel	31,000	52,754	53,000	22,000	71.0%	246	0.5%
W Fuel - Unleaded	290,000	298,874	300,000	10,000	3.4%	1,126	0.4%
W Oil & Lubricants	5,000	4,790	5,000	-	0.0%	210	4.4%
Supplies and materials	609,000	710,297	772,000	163,000	26.8%	61,703	8.7%

GJRAA
2024 BUDGET
Company Wide - Operating Expense Summary

Account Name	2023 Budget	2023 Forecast	2024 Budget	Variance to 2023 Budget		Variance to 2023 Forecast	
				\$	%	\$	%
S Personnel Services	3,000	2,797	5,000	2,000	66.7%	2,203	78.8%
S ARFF Physicals	6,000	9,627	8,000	2,000	33.3%	(1,627)	-16.9%
X Professional Services - Other	34,000	70,398	71,000	37,000	108.8%	602	0.9%
Y Purchased Services	14,000	14,486	59,000	45,000	321.4%	44,514	307.3%
Z Security Guard	250,000	257,049	295,606	45,606	18.2%	38,557	15.0%
AA Professional Services - Legal	120,000	88,137	120,000	-	0.0%	31,863	36.2%
AB Professional Services - Acct	47,000	47,000	58,576	11,576	24.6%	11,576	24.6%
AC Professional Services - IT	185,000	172,987	193,000	8,000	4.3%	20,013	11.6%
AD Professional Svcs - Eng & Plan	160,000	56,592	160,000	-	0.0%	103,408	182.7%
AD Fingerprint Processing	15,000	12,000	15,000	-	0.0%	3,000	25.0%
Contract services	834,000	731,073	985,182	151,182	18.1%	254,109	34.8%
AE Repairs & Maintenance	450,000	482,029	400,000	(50,000)	-11.1%	(81,831)	-17.0%
S Boarding Bridge Maintenance	25,000	24,945	34,000	9,000	36.0%	9,055	36.3%
AF Elevator & Escalators	50,000	24,345	50,000	-	0.0%	25,655	105.4%
S Copier Service	9,000	8,193	9,000	-	0.0%	807	9.8%
AG Pavement Maintenance	50,000	130,524	50,000	-	0.0%	(80,524)	-61.7%
S Tower Repairs & Maintenance	24,000	23,766	35,000	11,000	45.8%	11,234	47.3%
S Landscaping	11,000	12,723	20,000	9,000	81.8%	7,277	57.2%
S SRE Repairs & Maintenance	25,000	65,747	50,000	25,000	100.0%	(15,747)	-24.0%
Repairs & maintenance	644,000	772,272	648,000	4,000	0.6%	(124,272)	-16.1%
AH Insurance	151,000	176,070	200,000	49,000	32.5%	23,930	13.6%
Insurance	151,000	176,070	200,000	49,000	32.5%	23,930	13.6%
AI Education & Training	77,000	45,806	90,000	13,000	16.9%	44,194	96.5%
AI Travel & Meetings	15,000	23,269	24,000	9,000	60.0%	731	3.1%
S Professional Dues & Publications	19,000	21,541	23,000	4,000	22.2%	1,459	2.2%
S Licenses & Fees	1,000	2,180	2,200	1,200	120.0%	20	0.9%
S Meals	5,000	2,169	5,000	-	0.0%	2,831	130.5%
AJ Marketing	45,000	12,638	55,000	10,000	22.2%	42,362	335.2%
AJ Marketing Incentives	25,000	-	25,000	-		25,000	
AK Air Service Development	85,000	76,087	95,000	10,000	11.8%	18,913	24.9%
AL Other	20,000	10,385	10,000	(10,000)	-50.0%	(385)	-3.7%
S Contingency	100,000	-	100,000	-		100,000	
Other	392,000	194,075	429,200	37,200	9.5%	235,125	121.2%
Total Operating Expenses	6,065,000	5,662,420	6,691,019	626,019	10.3%	1,028,599	18.2%

GJRAA
2024 BUDGET
Company Wide - Non-Operating Activity

Account Name	2023 Budget	2023 Forecast	2024 Budget	Variance to 2023 Budget		Variance to 2023 Forecast	
				\$	%	\$	%
Non-operating revenue (expenses)							
AM Passenger facility charges	1,004,000	946,612	958,000	(46,000)	-4.6%	11,388	1.2%
AN Interest income	33,000	997,900	1,104,000	1,071,000	3245.5%	106,100	10.6%
Interest expense - SIB	-	(84,096)	(96,263)	(96,263)	100.0%	(12,167)	14.5%
Interest expense - Bond	(709,000)	(707,850)	(668,100)	40,900	-5.8%	39,750	-5.6%
AO Interest expense	(709,000)	(791,946)	(764,363)	(55,363)	7.8%	27,583	-3.5%
AP Customer facility charges	624,000	604,495	604,000	(20,000)	-3.2%	(495)	-0.1%
Federal Grant revenue - Capital	30,483,823	20,868,776	18,156,092	(12,327,731)	-40.4%	(2,712,684)	-13.0%
Non-Federal Grant Revenue- Capital	4,360,000	3,772,833	489,743	(3,870,257)	-88.8%	(3,283,090)	-87.0%
AQ Capital contributions	34,843,823	24,641,609	18,645,835	(16,197,988)	-46.5%	(5,995,773)	-24.3%
Capital expense - W/ Grant Funding	(37,764,795)	(25,592,578)	(20,173,436)	17,591,359	-46.6%	5,419,142	-21.2%
Capital expense - W/O Grant Funding	(3,000,000)	(3,885,699)	(1,000,000)	2,000,000	-66.7%	2,885,699	-74.3%
AR Capital expenditures	(40,764,795)	(29,478,277)	(21,173,436)	19,591,359	-48.1%	8,304,841	-28.2%
Debt principal - SIB	-	-	(326,000)	(326,000)	100.0%	(326,000)	0.0%
Debt principal - Bond	(795,000)	(795,000)	(835,000)	(40,000)	5.0%	(40,000)	5.0%
AO Debt principle payments	(795,000)	(795,000)	(1,161,000)	(366,000)	46.0%	(366,000)	46.0%
AS Federal Grant revenue - Non-Capital	71,000	105,213	71,000	-	0.0%	(34,213)	-32.5%
Total Non-operating revenue (expenses)	(5,692,972)	(3,769,394)	(1,715,963)	3,977,009	-70%	2,053,430	-54%

GJRAA
2024 BUDGET
Capital Expenses with Grant Funding

GRANT FUNDED CAPITAL PROJECTS	Project Cost Estimate	Total FAA Funding	Colorado Discretionary		Local - GJRAA Cost		Prior Years	FORECAST 2023	BUDGET 2024	Future Years	Total
AIP 69 - Airport Development Plan	1,035,414	1,035,414	100%	-	0%	-	0%	962,614	72,800	-	1,035,414
AIP 72 - Grading & Drainage Construction - Sch 1 - 3	19,621,922	19,621,922	100%	-	0%	-	0%	3,520,362	13,222,808	2,878,752	19,621,922
AIP 75 - Sch 4-7 Grading and Drainage Design Only Grant	2,852,667	2,852,667	100%	-	0%	-	0%	1,452,745	1,399,922	-	2,852,667
AIP 76 - Grading & Drainage Sch 4 Sitework	10,867,475	9,780,728	90%	250,000	2%	836,748	8%	1,739,085	8,762,133	366,257	10,867,475
AIP 77 - NAVAIDS & Utilities	2,158,462	1,942,616	90%	-	0%	215,846	10%	538,630	1,127,181	492,651	2,158,462
Rehabilitate Runway 4/22 - Construction	4,841,618	-	0%	4,023,000	83%	818,618	17%	-	4,841,618	-	4,841,618
Terminal Project- BIL Passenger Boarding Bridge	5,000,000	4,500,000	90%	250,000	5%	250,000	5%	-	50,000	4,950,000	5,000,000
Terminal Project- BIL Fire Suppression	7,500,000	6,750,000	90%	375,000	5%	375,000	5%	-	-	200,000	7,300,000
Earthwork Design	295,800	266,220	90%	-	0%	29,580	10%	-	295,800	-	295,800
Pavement Design	1,704,410	1,533,969	90%	-	0%	170,441	10%	-	782,176	922,234	1,704,410
AIP 78 - Temp NAVAID Equipment Construction	8,289,553	7,460,598	90%	250,000	3%	578,955	7%	-	-	7,460,598	8,289,553
AIP 79 - Schedule 5 - 7 Grading and Drainage Construction	7,270,748	6,543,673	90%	-	0%	727,075	10%	-	-	5,453,061	1,817,687
AIP 80 - Earthwork and Drainage Schedule 6	7,761,765	6,985,589	90%	-	0%	776,177	10%	-	-	7,373,677	388,088
AIP 81 - Runway Pavement Package 1 Construction	10,238,235	9,214,411	90%	-	0%	1,023,823	10%	-	-	2,047,647	8,190,588
	\$ 89,438,069	\$ 78,487,806	88%	\$ 5,148,000	6%	\$ 5,802,262	6%	7,250,822	30,481,638	32,144,876	18,525,318
											89,438,068

Note: This schedule presents forecasted grant funding and related capital spending for 2023 and budget for 2024, it is not a comprehensive schedule for all projects.

Funding Source				
Federal portion	24,611,092	29,218,263	16,672,787	47,248,121
State portion	4,227,068	489,743	389,869	4,898,000
GJRAA Portion	1,643,479	2,436,869	1,462,663	37,291,947
Total	30,481,638	32,144,876	18,525,318	89,438,068
Non-Federal Grant Project total	4,841,618	-	-	4,841,618
Federal Grant project total	25,640,021	32,144,876	18,525,318	84,596,451

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY 2024 BUDGET ASSUMPTIONS

2024 Budget Objective and Assumptions

- ➔ **2024 Budget Objective:** The budget objective is to maintain a strong financial position while staying on track with the Capital Improvement Program and maintaining competitive rates and charges to enable robust growth.
- ➔ **Operating Revenue:** 2024 operating revenue is budgeted at approximately \$8.8 million, an increase of 21% from 2023 budgeted operating revenue. The increase is driven by modest growth in airline activity with a 21% increase in passenger revenue and a 24% increase in non-passenger revenue. Non-aeronautical revenue is also projected to be favorable to the prior year budget by 20%.
- ➔ **Operating Expense:** The operating expense budget is \$6.7 million, a 10% increase from the 2023 budget mainly due to escalating supply and personnel costs. Assumptions are detailed in the Operating Expenses section at the end of the packet.
- ➔ **Non-Operating Revenue and Expense:** Non-operating revenues and expenses include restricted PFC and CFC revenues that must be spent on capital projects, scheduled debt service payments, interest income, capital expenses, and capital contributions (grants). The net budgeted cash inflow/outflow from all non-operating activity is a cash outflow (expense) of approximately \$1.7 million. The main driver of this result is the budgeted cash outflow of \$21.2 million in total capital expenditures that are partially offset by \$18.2 million in grant revenue.
- ➔ **Net Change in Position** (Budgetary Basis): The net change in position in the proposed 2024 budget is relatively flat with an increase of \$366K, driven by a net budgeted operating cash inflow of \$2M that is partially offset by \$1.7M in Non-Operating Expense.

Activity Assumptions

- ➔ **2024 Commercial Passenger Landings:** Commercial landings and airline seat capacity are estimated based on assumed average daily flight schedule by route, by carrier, and by aircraft type flown. The number of daily flights are assumed to grow modestly in 2024. Reflecting current trends, average aircraft size is expected to be larger than in 2023 on United, with more seat capacity and higher landed weight. American is budgeted to fly slightly fewer flights on similar sized aircraft compared to 2023. These estimates are conservative and assume no new air service, only changes on current routes. Based on these assumptions, we estimate the following average flight schedule, seat capacity, and commercial landed weight for 2024:

Average Scheduled flights/day by Route	
	2024
United - Denver	5.0
American - Dallas	2.4
American - Phoenix	2.5
Delta - Salt Lake City	-
Allegiant - All routes	0.3
	10.2
Estimated 2024 Seat Capacity	315,477
2023 Forecasted Seat Capacity	310,864
Estimated 2024 Capacity Growth	1.5%
Estimated 2024 Commercial Landed Weight in Pounds	330,718,274
2023 Forecasted Commercial Landed Weight in Pounds	312,091,717
Estimated 2024 Landed Weight Growth	6.0%

- ➔ **2024 Passenger Enplanements:** Enplanements are estimated based on capacity and load factors. Load factors are assumed to remain healthy and relatively flat versus 2023 as more flights are added and domestic leisure travel demand softens. Based on these assumptions, we estimate the following passenger enplanements and load factors for 2024 compared to the 2023 forecast:

	Q1 Enpl	Q2 Enpl	Q3 Enpl	Q4 Enpl	Total
2024	56,068	65,426	65,373	62,169	249,036
2023	55,052	66,042	64,146	60,467	245,707
2024 Enplanement Growth	2%	-1%	2%	3%	1%
2024 Average Load Factor	79%	81%	78%	78%	79%
2023 Forecasted Load Factor	76%	82%	78%	80%	79%

2024 Budget Variance Explanations & Detailed Assumptions

Operating Revenues

Aeronautical Revenues

- A Passenger airline landing fees are calculated as estimated commercial aircraft landed weight times the landing fee. 2024 commercial landed weight is projected to be higher than 2023. GJRAA is proposing to increase the landing fee in 2023 by 15% in accordance with the rate-making methodology outlined in the 2023 Airline Use and Lease Agreement. Based on these assumptions, the 2023 budget reflects an increase in passenger airline landing fee revenue compared to 2023.
- B Airline Terminal rent is comprised of preferential space leased by the airlines (ticket counters, office space, and baggage handling garage space) and joint-use space (ticket queuing, security, and boarding area). Preferential space leased by the airlines is paid based on a per square foot rate, while joint-use space rent is allocated to the airlines based on the number of passengers each month. Joint-use space comprises approximately 81% of the passenger airline leased space in the terminal and the currently rented airline preferred space makes up the other 19%. Terminal rent for 2024 assumes no changes in leased space and a 15% increase in rental rates in accordance with the rate-making methodology outlined in the 2023 Airline Use and Lease Agreement.
- C Other passenger airline revenue is from boarding bridge fees charged each time an airline utilizes a boarding bridge to unload and load a plane ("turn"). For 2024, the number of boarding bridge turns was estimated based on the average number of flights per day by route and by carrier that use bridges. The 2024 per turn rate is also proposed to increase 15%.
- D Non-passenger landing fees represent landing fees charged for cargo activities and firefighting operations and are based on the landed weight of the aircraft times the stated landing fee. FedEx is the primary cargo carrier at the airport and has maintained a fairly consistent schedule over the past four years. The 2024 landed weight budget assumes that FedEx will fly a similar schedule to 2023 and does not include any projected landed weight from firefighting activities since this is unpredictable and fluctuates each year. The landing fee for non-passenger and passenger landings is proposed to increase 15% in 2024.
- E Cargo and hangar rental revenue is based on a fixed rate stated in the lease and is subject to an annual increase on April 1 each year based on the consumer price index (CPI). For the 2024 budget a 3% increase was used.
- F State fuel tax revenue represents taxes collected on jet fuel and avgas sales at the airport that are collected by the state and then remitted back to the airport. These revenues vary based on the price of fuel. The 2024 budget reflects 2022 and 2023 averages.
- G Fuel flowage fees are a per gallon charge collected by West Star from all aircraft fueling at the airport except commercial passenger and cargo; this revenue is then remitted to the airport. The 2024 budget reflects 2022 and 2023 averages.
- H Airside fuel sales revenue is revenue generated by the airport from selling diesel and unleaded fuel to the airlines for their ground support equipment. The 2024 budget reflects 2022 and 2023 averages.
- I Rapid refuel charges for military refueling activity is assumed to remain consistent with 2023 averages.

Non-Aeronautical Revenues

J Land and building lease revenue is based on the existing general aviation (GA) leases. The majority of the leases are subject to a CPI increase on April 1 of even years. For 2024, GJRAA assumed an 24-month CPI increase of 10% to current rates.

K Terminal - restaurant & retail revenues vary with passenger traffic and were estimated based on a revenue per enplanement times the estimated number of enplanements. The new in-terminal restaurant opened with full menu offerings in Q3 2023 as well. Per enplanement rates are listed below:

	2024 Budget	Nov 22-Jul 23	2022	2021	2020
Restaurant/Retail	\$ 0.97	\$ 0.97	\$ 0.75	\$ 0.66	\$ 0.63

Parking and Ground transportation revenues vary with passenger traffic and were estimated based on a revenue per enplanement times the estimated number of enplanements. Public parking rates also increased in November 2023. Per enplanement rates are listed below:

	2024 Budget	Nov 22-Jul 23	2022	2021	2020
Parking	\$ 8.77	\$ 8.77	\$ 6.61	\$ 5.52	\$ 5.20
Ground transportation	\$ 0.35	\$ 0.35	\$ 0.26	\$ 0.21	\$ 0.22

L Terminal office space rent revenue is from office space leased to the TSA and reflects the contract terms.

M Rental car revenue consists of fixed fees from office and service area rent, variable revenues from the contractual percentage of gross revenue, and fuel sales to rental car companies. For the 2024 budget, GJRAA increased the office rent rate by an estimated 10% as there is some uncertainty with planned contract renewals for 2024. The 2024 rental car fuel sales budget is based on 2023 actual trends. The variable revenue from rental car activity was estimated based on the revenue per passenger rate noted below.

	2024 Budget	Nov 22-Jul 23	2022	2021	2020
Rental Car Gross Revenue	\$ 4.72	\$ 6.20	\$ 6.72	\$ 4.98	\$ 4.99

N Security fees represent the amounts charged to issue and renew badges at the airport for employees, tenants, GA members, and contractors. The 2024 budget uses historical averages and the new rates to estimate revenue.

O Other revenue primarily includes revenues from vending machines, advertising, and parking tickets. The 2024 budget reflects conservative assumptions for in-terminal advertising revenue under the new program launched in 2022.

Operating Expenses

P The 2024 budget for salaries and related benefit expenses is based on 31 full-time employees, 2 part-time finance team members, and 2 part-time internship positions, compared to the 2023 budget that included 32 full time positions and 2 part-time internship positions. The 2023 forecast is lower than the 2023 budget because of high position vacancies in 2023. The 2024 budget assumes consistent payroll expense to the 2023 budget with a planned overall 5% increase to provide flexibility with merit increases. CDOT continues to help cover the cost of up to two airport interns, and staff intend to onboard two new interns in 2024.

Q Health insurance is based on the current plan enrollment and rates, with an additional contingency budgeted for vacant positions plus an additional 10% increase in premiums.

R The Utilities budget is based on the 2023 forecast and incorporates anticipated rate increases and an uptick in usage due to planned CIP projects.

S The Employee recognition, Uniforms and Office supplies budgets are based on the historical average spending. Firefighting supplies are increased for 2023 and 2024 to purchase new turnout uniforms for ARFF. Landscaping and SRE repairs and maintenance forecast and budget is increasing to complete previously deferred projects due to staffing shortages.

T Materials and supplies are budgeted at 2023 forecast levels plus anticipated cost increases. GJRAA is purchasing more items in bulk to help counter the increasing costs of goods.

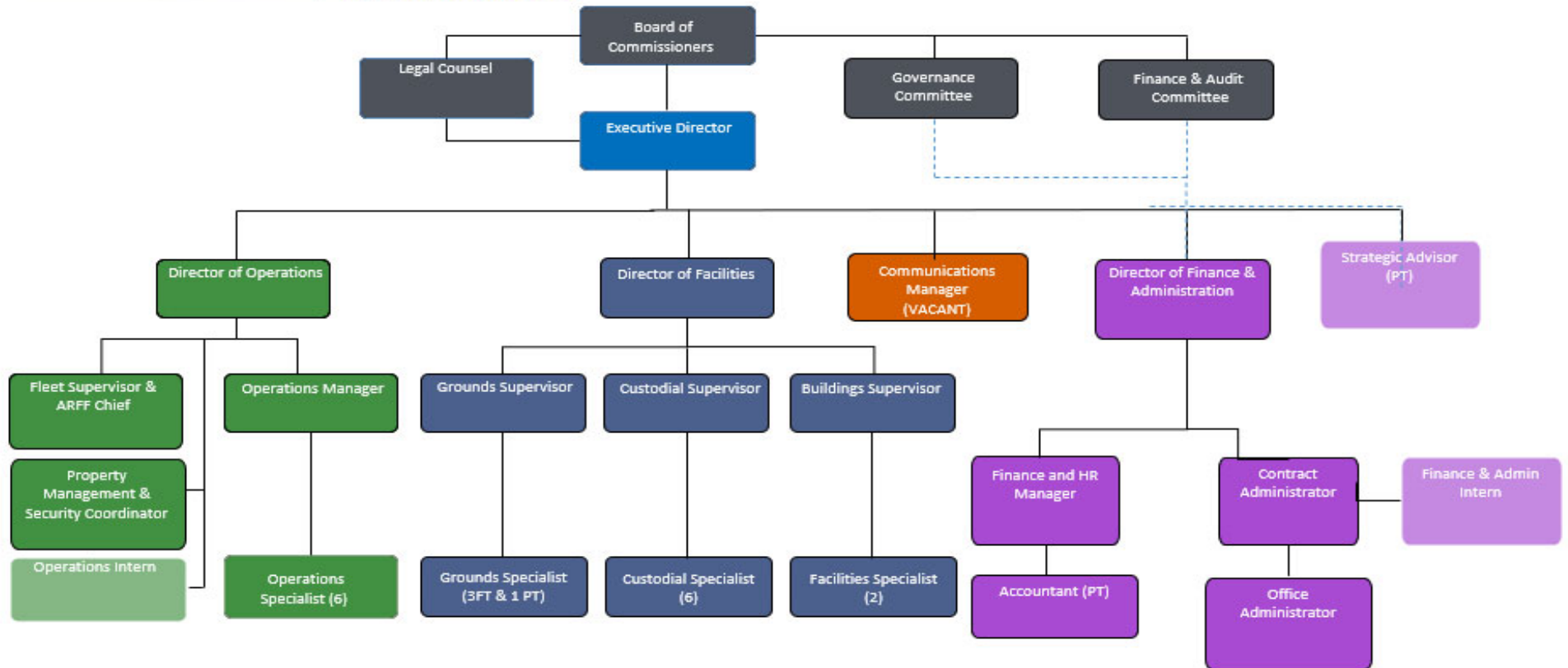
- U Tools and equipment budget for 2024 is held flat with spending from prior years. Tools and equipment purchases include investments in equipment purchases below our current capitalization policy of \$5,000.
- V Glycol disposal reflects historical average and anticipated disposal prices for 2024 based on quotes.
- W Fuel expenses are driven by activity levels at the airport as the majority of the diesel and unleaded fuel purchased by the airport is sold to the airlines and rental car tenants. 2024 budget assumes that fuel prices will stabilize but still be higher than the historical average.
- X Professional services - other represents the cost for our annual Moody's bond rating, ongoing structural monitoring of the terminal building, and ad-hoc small contractor costs. Forecasted expenses for 2023 and budget for 2024 include previously deferred projects for irrigation troubleshooting and interior design services.
- Y Purchased services represents budgeted costs for outsourced services and annual service subscriptions including: cable TV, terminal music, plant care, window cleaning, and carpet cleaning. The \$45K increase in the 2024 budget is for services to create updated security videos used for training badge holders.
- Z Security guard costs budgeted for 2024 reflect a 15% rate increase as a placeholder because of the current contract expiration in 2024. GJRAA continues to receive a grant from TSA to reimburse a portion of security costs.
- AA Legal costs budgeted for 2024 are the same as the 2023 budget. This budget allows for work to continue on improving and expanding governance documents, routine legal support, and contingency for legal expenses should an issue or opportunity requiring significant legal support pop up.
- AB Audit services costs are in line with 2023 budget because of prior negotiated contract rates, but also include a 10% contingency factor.
- AC IT professional services are higher than 2023 budget and forecast due to the purchase of the Boardvantage software to better organize communications and presentations for board members.
- AD Engineering and planning professional services are in line with 2023 budget but higher than 2023 forecast because of a storm water assessment that was originally planned for 2023 but will now be completed in 2024.
- AE 2024 budgeted Repairs and maintenance costs are lower than 2023 budget and forecast because of plans to complete deferred maintenance projects in the second half of 2023.
- AF Elevator and escalator maintenance costs are based on 2023 actuals and contracted cost increases.
- AG Pavement maintenance expenses are expected to go down in 2024 as substantial pavement maintenance was completed in 2023.
- AH Insurance expense is budgeted to increase in 2024 based on the increases in the 2023-2024 policy renewal and the anticipated investment in additional assets.
- AI Education & training and Travel and meetings expense is higher than prior budget to support GJRAA's goals of improving employee engagement and training and to accommodate new employees.
- AJ The Marketing budget was increased to account for a new website, branding refresh and small sponsorships.
- AK The Air service development budget was increased from the 2023 budget given the heightened focus on this activity. This budget includes anticipated costs for data, research, reporting, and travel.
- AL The Other expense category is used to budget expenses for events that are not annually recurring. 2024 includes a \$100K contingency expense.

Non-Operating Activity

- AM Passenger facility charge (PFC) revenue was budgeted based on the historical revenue per enplanement times the projected enplanements for the year. The PFC rate is legislated and GJRAA charges the maximum allowed rate of \$4.50.
- AN Interest income has increased in 2023 due to rising interest rates, and we assume 2024 will be consistent with current rates.
- AO Interest expense and debt principle payments are based on scheduled debt repayments.
- AP Customer facility charge (CFC) revenue was budgeted based on estimated rental car rental days times the current rate of \$4/day.
- AQ Capital contributions were estimated based on expected annual funding from the FAA for AIP projects. AIP grants anticipated in 2024 according to the airport CIP plan assume the FAA will fund 90% of the project cost. Refer to the AIP Project schedule for a more detailed list of anticipated projects and spending in 2024.
- AR Capital expenditures are based on planned project timelines as outlined in the project schedule. Total for the year is expected to be about \$20M.
- AS Federal grant revenue non-capital is primarily for the law enforcement officer reimbursement grant from TSA.

Other assumptions

Cash balances assume consistent receivable and payable balances year-over-year. The increase in cash balance from 2023 budget is driven by the \$3.7M SIB loan, higher than forecasted cash balances from 2022 and increased revenue from parking and interest income.

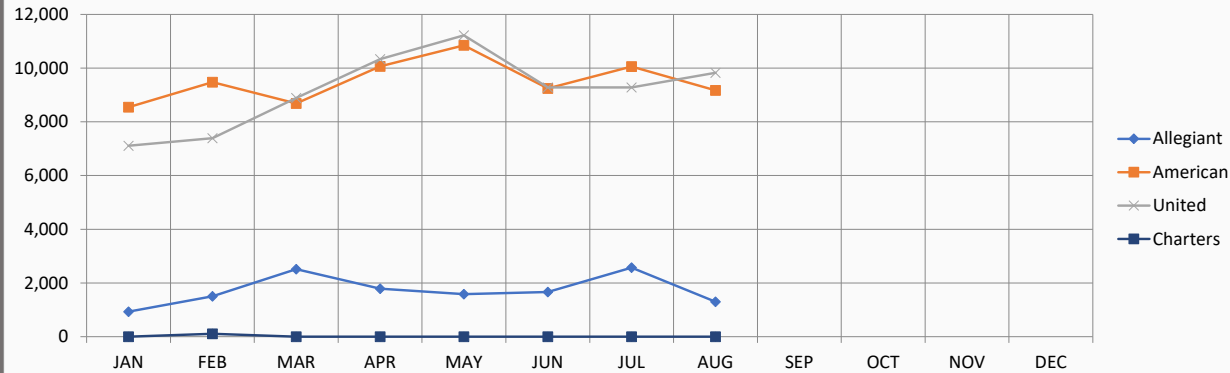




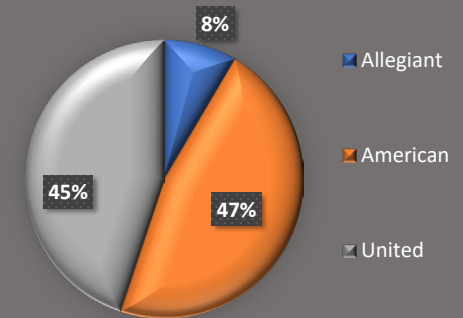
GRAND JUNCTION REGIONAL AIRPORT

August 2023
DATA & STATISTICS

Total Passenger Enplanements



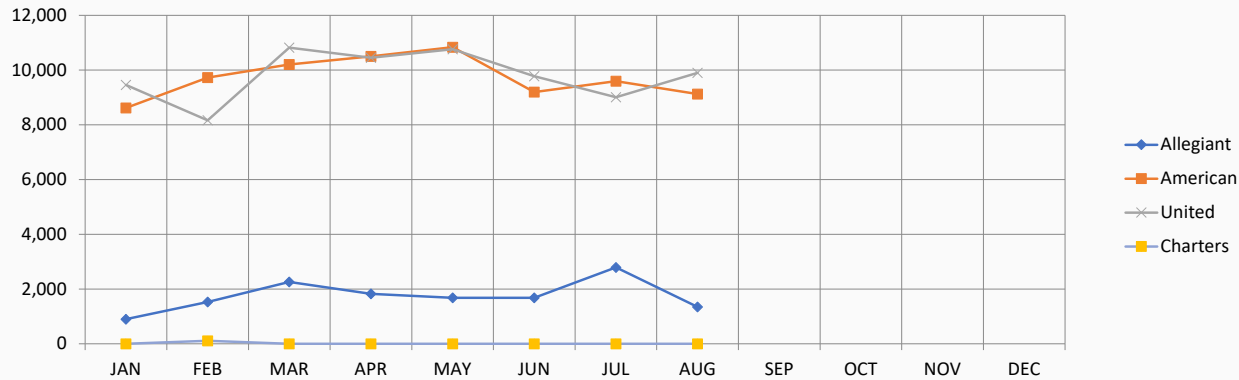
2023 YTD Market Share



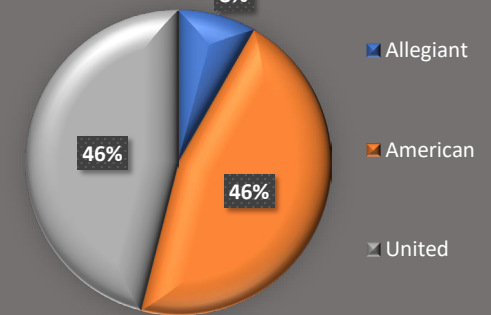
2023	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Charters	Total	Annual Inc/Dec
JAN	932	8,545	0	0	7,110	0	16,587	↑ 13.0%
FEB	1,507	9,479	0	0	7,394	108	18,488	↑ 22.8%
MAR	2,512	8,687	0	0	8,886	0	20,085	↑ 10.6%
APR	1,790	10,063	0	0	10,339	0	22,192	↑ 15.3%
MAY	1,587	10,848	0	0	11,221	0	23,656	↑ 16.4%
JUN	1,663	9,246	0	0	9,285	0	20,194	↑ 4.4%
JUL	2,571	10,062	0	0	9,280	0	21,913	↑ 6.4%
AUG	1,303	9,171	0	0	9,826	0	20,300	↑ 1.0%
SEP							0	
OCT							0	
NOV							0	
DEC							0	
TOTAL	13,865	76,101	-	-	73,341	108	163,415	
Market Share	8.48%	46.57%	0.00%	0.00%	44.88%	0.07%	100.00%	

2022	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Charters	Total
JAN	2,180	7,420	975	88	4,013	0	14,676
FEB	2,220	7,199	0	0	5,637	0	15,056
MAR	2,327	7,540	0	0	8,108	177	18,152
APR	1,240	9,790	0	131	8,083	0	19,244
MAY	1,142	9,582	0	435	9,064	94	20,317
JUN	1,764	9,237	0	369	7,980	0	19,350
JUL	2,710	9,019	0	560	8,302	0	20,591
AUG	1,764	9,669	0	246	8,421	0	20,100
SEP	1,185	10,932	0	0	9,860	0	21,977
OCT	1,206	11,578	0	0	10,743	0	23,527
NOV	1,039	10,744	0	0	7,483	0	19,266
DEC	1,034	8,335	0	0	7,157	0	16,526
TOTAL	19,811	111,045	975	1,829	94,851	271	228,782
Market Share	8.66%	48.54%	0.43%	0.80%	41.46%	0.12%	100.00%

Total Passenger Deplanements



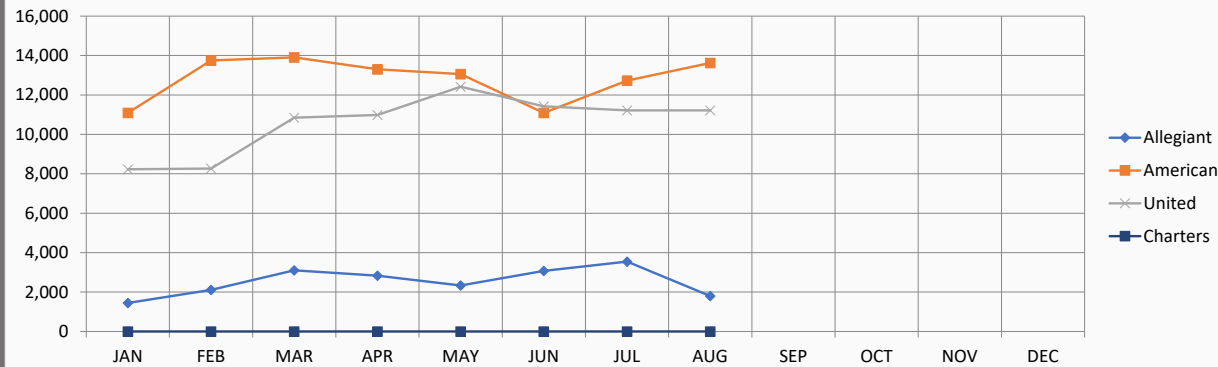
2023 YTD Market Share



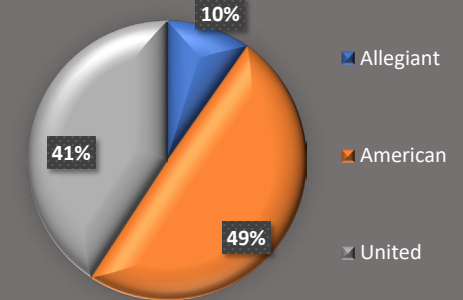
2023	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Charters	Total	Annual Inc/Dec
JAN	900	8,617	131	0	9,461	0	19,109	↑ 25.4%
FEB	1,529	9,723	0	0	8,164	110	19,526	↑ 10.8%
MAR	2,259	10,202	202	0	10,820	0	23,483	↑ 23.1%
APR	1,827	10,498	54	0	10,453	0	22,832	↑ 20.5%
MAY	1,683	10,837	0	0	10,761	0	23,281	↑ 15.9%
JUN	1,683	9,194	2	0	9,776	0	20,655	↑ 7.9%
JUL	2,792	9,595	0	0	9,006	0	21,393	↑ 6.9%
AUG	1,345	9,124	0	0	9,897	0	20,366	↑ 4.0%
SEP							0	
OCT							0	
NOV							0	
DEC							0	
TOTAL	14,018	77,790	389	-	78,338	110	170,645	
Market Share	8.21%	45.59%	0.23%	0.00%	45.91%	0.06%	100.00%	

2022	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Charters	Total
JAN	2,141	7,474	874	69	4,682	0	15,240
FEB	2,066	7,829	147	0	7,404	181	17,627
MAR	2,135	7,527	81	0	9,341	0	19,084
APR	1,270	9,715	0	133	7,823	0	18,941
MAY	1,154	9,654	0	423	8,790	67	20,088
JUN	1,727	8,858	0	407	8,145	0	19,137
JUL	2,633	8,617	0	624	8,136	0	20,010
AUG	1,763	9,173	0	242	8,414	0	19,592
SEP	1,083	10,525	0	0	10,147	0	21,755
OCT	1,165	10,457	0	0	10,662	0	22,284
NOV	1,071	10,341	0	0	7,662	0	19,074
DEC	989	9,205	0	0	7,437	0	17,631
TOTAL	19,197	109,375	1,102	1,898	98,643	248	230,463
Market Share	8.33%	47.46%	0.48%	0.82%	42.80%	0.11%	100.00%

Scheduled Capacity



2023 YTD Market Share

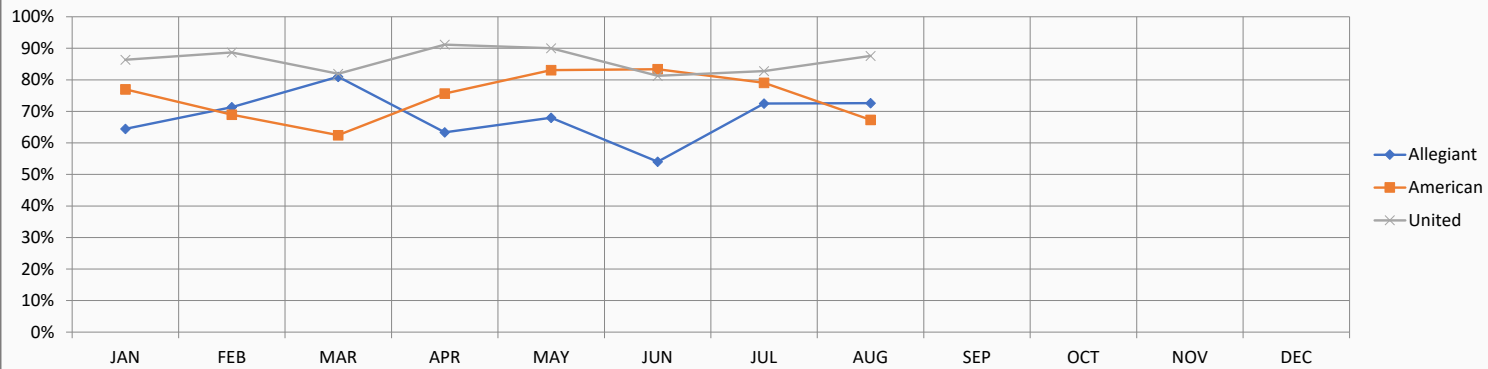


2023	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Charters	Total	Annual Inc/Dec
JAN	1,446	11,096	0	0	8,230	0	20,772	↑ 1.9%
FEB	2,112	13,749	0	0	8,262	0	24,123	↑ 29.1%
MAR	3,102	13,908	0	0	10,846	0	27,856	↑ 34.6%
APR	2,826	13,300	0	0	10,980	0	27,106	↑ 22.5%
MAY	2,334	13,057	0	0	12,418	0	27,809	↑ 16.4%
JUN	3,078	11,091	0	0	11,424	0	25,593	↑ 14.9%
JUL	3,546	12,727	0	0	11,214	0	27,487	↑ 11.0%
AUG	1,794	13,628	0	0	11,218	0	26,640	↑ 6.7%
SEP							0	
OCT							0	
NOV							0	
DEC							0	
TOTAL	20,238	102,556	-	-	84,592	-	207,386	
Market Share	9.76%	49.45%	0.00%	-	40.79%	0.00%	100.00%	

2022	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Charters	Total
JAN	4,599	9,896	1,300	180	4,416	0	20,391
FEB	3,246	8,848	0	0	6,592	0	18,686
MAR	2,862	8,044	0	0	9,598	186	20,690
APR	1,779	10,999	0	558	8,790	0	22,126
MAY	1,434	10,571	0	1,488	10,206	186	23,885
JUN	2,202	10,468	0	1,116	8,490	0	22,276
JUL	3,078	10,693	0	1,488	9,498	0	24,757
AUG	2,274	11,980	0	558	10,158	0	24,970
SEP	1,425	12,677	0	0	11,476	0	25,578
OCT	1,545	12,762	0	0	11,562	0	25,869
NOV	1,362	13,717	0	0	8,516	0	23,595
DEC	1,494	12,587	0	0	8,620	0	22,701
TOTAL	27,300	133,242	1,300	5,388	107,922	372	275,524
Market Share	9.91%	48.36%	0.47%		39.17%	0.14%	98.04%

Load Factor

*Includes Scheduled Flights ONLY



2023	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Total	Annual Inc/Dec
JAN	64%	77%	0%	0%	86%	80%	↑ 8%
FEB	71%	69%	0%	0%	89%	76%	↓ -4%
MAR	81%	62%	0%	0%	82%	72%	↓ -16%
APR	63%	76%	0%	0%	91%	81%	↓ -6%
MAY	68%	83%	0%	0%	90%	85%	↓ 0%
JUN	54%	83%	0%	0%	81%	79%	↓ -8%
JUL	73%	79%	0%	0%	83%	80%	↓ -3%
AUG	73%	67%	0%	0%	88%	76%	↓ -4%
SEP							
OCT							
NOV							
DEC							
TOTAL	69%	74%	0%	0%	86%	79%	

2022	Allegiant (SNA, AZA, LAS)	American (DFW, PHX, LAX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Total
JAN	47%	79%	75%	49%	91%	72%
FEB	68%	81%	0%	0%	85%	81%
MAR	81%	88%	0%	0%	84%	88%
APR	70%	89%	0%	23%	92%	87%
MAY	80%	91%	0%	29%	89%	85%
JUN	80%	87%	0%	33%	84%	87%
JUL	88%	84%	0%	38%	87%	83%
AUG	78%	79%	0%	44%	83%	80%
SEP	83%	86%	0%	0%	86%	86%
OCT	78%	91%	0%	0%	93%	91%
NOV	76%	78%	0%	0%	86%	82%
DEC	69%	66%	0%	0%	83%	73%
TOTAL	73%	83%	73%	83%	88%	83%

2023 Enplaned and Deplaned Airfreight - Lbs

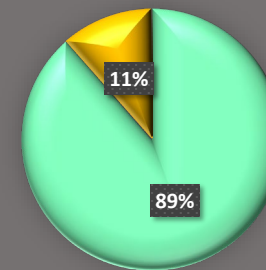
2023 YTD

Enplaned Freight	2,298,324
Deplaned Freight	3,898,826

2022 YTD

Enplaned Freight	2,316,992
Deplaned Freight	4,088,854

2023 Market Share



- FedEx
- Key Lime
- American
- United

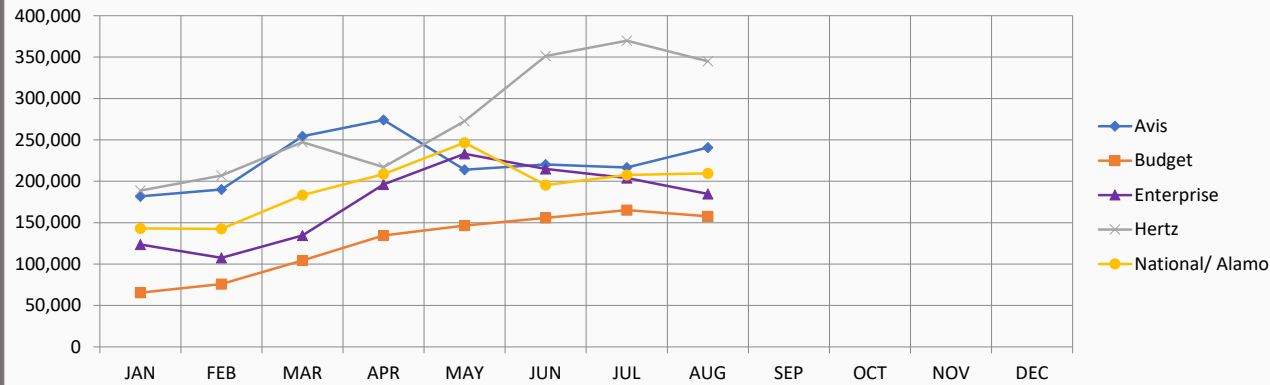
Enplaned	FedEx	Key Lime	American	United	Total	YTD Total	Annual Inc/Dec
JAN	250,575	25,894	-	55	276,524	276,524	↓ -9.1%
FEB	220,287	16,565	84	14	236,950	513,474	↓ -16.6%
MAR	298,243	26,558	-	-	324,801	838,275	↓ -1.0%
APR	257,621	17,332	147	-	275,100	1,113,375	↑ 3.1%
MAY	245,734	16,272	253	3	262,262	1,375,637	↑ 10.9%
JUN	274,182	14,195	84	43	288,504	1,664,141	↑ 1.2%
JUL	249,316	18,325	-	-	267,641	1,931,782	↓ -8.2%
AUG	344,252	22,254	-	36	366,542	2,298,324	↑ 14.4%
SEP					-		
OCT					-		
NOV					-		
DEC					-		
TOTAL	2,140,210	157,395	568	151	2,298,324	2,298,324	
Market Share	93.12%	6.85%	0.02%	0.01%	100.00%		

Deplaned	FedEx	Key Lime	American	United	Total	YTD Total	Month over Month Inc/Dec
JAN	380,660	64,871	2,732	105	448,368	448,368	↑ 27.2%
FEB	362,156	67,111	927	119	430,313	878,681	↓ -7.2%
MAR	435,946	80,510	1,568	135	518,159	1,396,840	↓ -21.7%
APR	343,904	69,893	442	149	414,388	1,811,228	↓ -12.7%
MAY	377,914	62,714	338	455	441,421	2,252,649	↓ -3.3%
JUN	469,445	61,150	1,825	302	532,722	2,785,371	↓ -10.4%
JUL	452,206	60,345	248	178	512,977	3,298,348	↓ -3.6%
AUG	526,409	73,522	488	59	600,478	3,898,826	↑ 8.7%
SEP					-		
OCT					-		
NOV					-		
DEC					-		
TOTAL	3,348,640	540,116	8,568	1,502	3,898,826	3,898,826	
Market Share	85.89%	13.85%	0.22%	0.04%	100.00%		

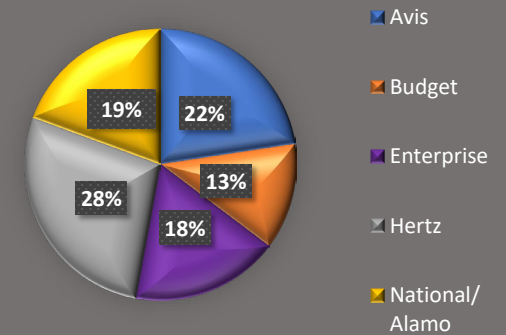
2023 Aircraft Operations

	Itinerant					LOCAL			
2023	Air Carrier	Air Taxi	General Aviation	Military	TOTAL ITINERANT	Local Civilian	Local Military	TOTAL LOCAL	TOTAL
JAN	625	647	1,410	74	2,756	1,278	20	1,298	4,054
FEB	552	476	1,411	128	2,567	820	70	890	3,457
MAR	619	721	1,608	132	3,080	1,222	88	1,310	4,390
APR	505	571	1,940	162	3,178	1,298	62	1,360	4,538
MAY	609	480	1,969	66	3,124	1,296	20	1,316	4,440
JUN	509	405	2,084	145	3,143	1,212	118	1,330	4,473
JUL	635	455	2,666	158	3,914	1,376	66	1,442	5,356
AUG	597	491	2,398	170	3,656	1,528	66	1,594	5,250
SEP					0			0	0
OCT					0			0	0
NOV					0			0	0
DEC					0			0	0
TOTAL	4,651	4,246	15,486	1,035	25,418	10,030	510	10,540	35,958
Historical Data	2018	2019	2020	2021	2022	2023	2022-2023 Inc/Dec		
JAN	3,320	3,425	3,713	4,904	4,477	4,054	↓ -9.45%		
FEB	2,945	3,473	4,378	4,195	4,672	3,457	↓ -26.01%		
MAR	3,931	4,119	3,241	4,710	4,636	4,390	↓ -5.31%		
APR	3,670	3,378	2,436	4,238	4,357	4,538	↑ 4.15%		
MAY	3,908	4,075	3,826	4,514	5,235	4,440	↓ -15.19%		
JUN	4,287	4,293	4,588	5,000	4,785	4,473	↓ -6.52%		
JUL	5,195	4,348	4,784	5,014	4,039	5,356	↑ 32.61%		
AUG	5,139	4,256	5,436	4,858	4,983	5,250	↑ 5.36%		
SEP	4,161	3,941	4,777	5,355	4,890	-			
OCT	4,600	4,004	5,216	5,095	5,171	-			
NOV	4,092	3,811	4,612	4,841	3,974	-			
DEC	3,612	4,216	4,532	4,269	3,746	-			
TOTAL	48,860	47,339	51,539	56,993	54,965	35,958			

2023 Rental Car Revenues



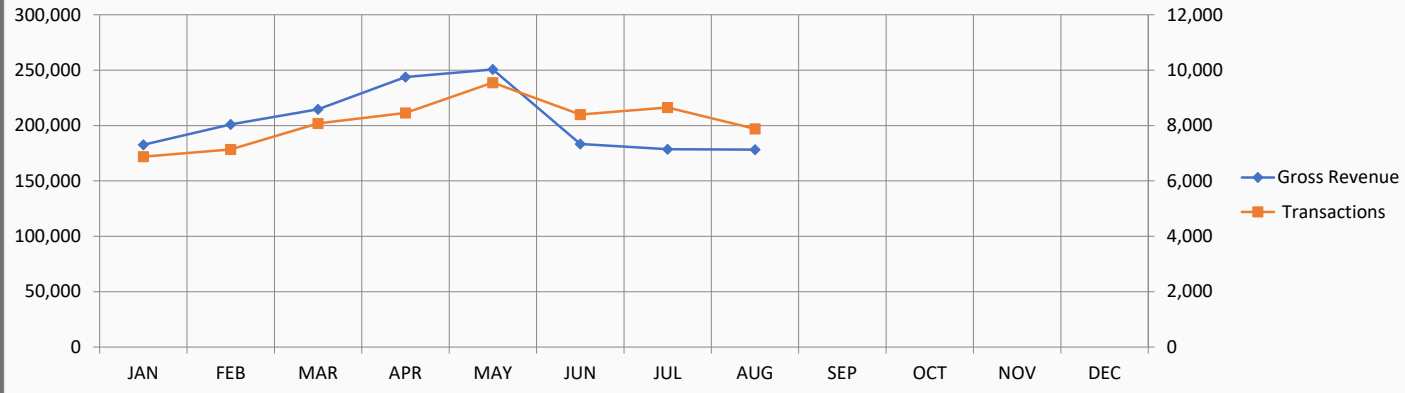
2023 Market Share



2023	Avis	Budget	Enterprise	Hertz	National/ Alamo	Total	YTD Total	Annual YTD Inc/Dec	
JAN	181,827	65,487	123,652	188,798	143,046	702,810	702,810	↑	2.0%
FEB	190,145	75,821	107,590	206,867	142,539	722,962	1,425,772	↑	8.8%
MAR	254,342	104,412	134,608	247,316	183,427	924,105	2,349,877	↑	6.5%
APR	274,156	134,658	196,094	217,265	208,603	1,030,775	3,380,652	↑	7.0%
MAY	214,029	146,630	233,204	272,627	246,679	1,113,171	4,493,823	↑	5.6%
JUN	220,371	155,734	214,896	351,403	195,591	1,137,994	5,631,817	↑	2.8%
JUL	216,754	165,221	204,004	369,830	207,560	1,163,369	6,795,186	↑	2.3%
AUG	240,821	157,859	184,695	345,047	209,632	1,138,054	7,933,240	↑	2.9%
SEP						0			
OCT						0			
NOV						0			
DEC						0			
TOTAL	1,792,444	1,005,823	1,398,743	2,199,153	1,537,077	7,933,240	7,933,240		
Market Share	22.59%	12.68%	17.63%	27.72%	19.38%	100.00%			

2022	Avis	Budget	Enterprise	Hertz	National/ Alamo	Total	YTD Total
JAN	176,166	89,345	95,880	224,219	103,471	689,081	689,081
FEB	143,863	96,759	72,822	214,043	93,316	620,803	1,309,884
MAR	240,024	122,561	88,755	319,526	126,531	897,398	2,207,282
APR	227,825	135,356	118,265	321,883	149,140	952,468	3,159,751
MAY	253,564	154,634	139,193	388,020	159,108	1,094,518	4,254,269
JUN	307,601	188,738	141,273	410,136	176,650	1,224,398	5,478,667
JUL	291,685	163,564	133,813	412,711	162,717	1,164,489	6,643,157
AUG	272,047	144,127	119,251	386,339	141,719	1,063,483	7,706,640
SEP	279,133	162,152	169,651	350,376	165,881	1,127,193	8,833,832
OCT	305,409	150,280	206,331	378,976	227,963	1,268,961	10,102,793
NOV	163,151	72,511	148,808	253,682	143,677	781,830	10,884,623
DEC	125,971	54,498	132,123	193,037	127,754	633,383	11,518,006
TOTAL	2,786,439	1,534,525	1,566,164	3,852,949	1,777,929	11,518,006	
Market Share	24.19%	13.32%	13.60%	33.45%	15.44%	100.00%	

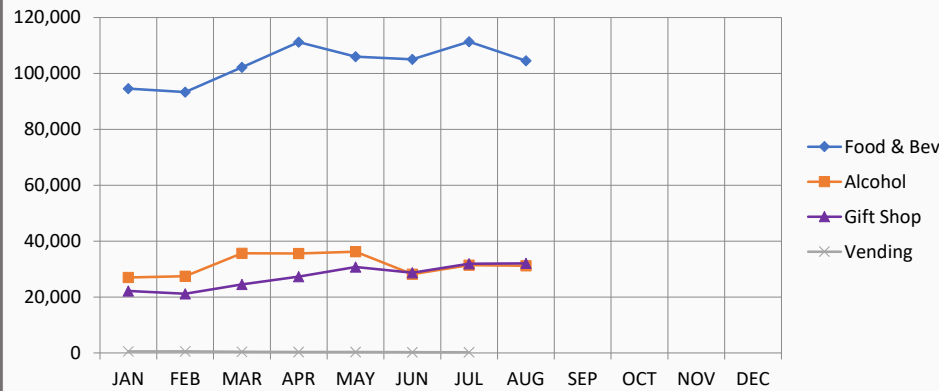
2023 Parking Revenues



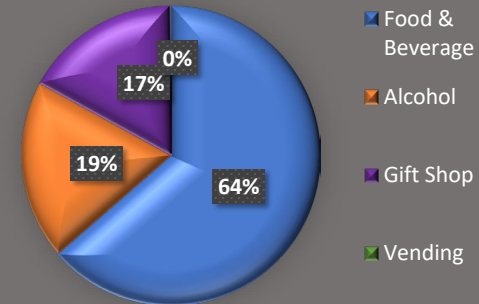
2023	Gross Revenue	Transactions	YTD Gross Revenue	YTD Transactions	Revenue per Transaction	Annual YTD Inc/Dec
JAN	182,662	6,875	182,662	6,875	\$ 26.57	↑ 31.1%
FEB	201,062	7,137	383,724	14,012	\$ 28.17	↑ 34.3%
MAR	214,738	8,079	598,462	22,091	\$ 26.58	↑ 38.2%
APR	243,795	8,458	842,257	30,549	\$ 28.82	↑ 42.0%
MAY	250,617	9,550	1,092,874	40,099	\$ 26.24	↑ 33.1%
JUN	183,350	8,396	1,276,224	48,495	\$ 21.84	↑ 34.3%
JUL	178,577	8,650	1,454,801	57,145	\$ 20.64	↑ 23.3%
AUG	178,228	7,882	1,633,029	65,027	\$ 22.61	↑ 26.2%
SEP						
OCT						
NOV						
DEC						
TOTAL	1,633,029	65,027	1,633,029	65,027	\$ 25.11	

2022	Gross Revenue	Transactions	YTD Gross Revenue	YTD Transactions	Revenue per Transaction	
JAN	121,929	6,017	121,929	6,017	\$ 20.26	
FEB	122,490	5,838	244,419	11,855	\$ 20.98	
MAR	132,255	6,876	376,674	18,731	\$ 19.23	
APR	144,445	7,116	521,119	25,847	\$ 20.30	
MAY	156,412	7,935	677,531	33,782	\$ 19.71	
JUN	123,087	7,568	800,618	41,350	\$ 16.26	
JUL	137,341	8,201	937,959	49,551	\$ 16.75	
AUG	145,288	8,109	1,083,247	57,660	\$ 17.92	
SEP	153,041	8,447	1,236,288	66,107	\$ 18.12	
OCT	178,323	8,716	1,414,611	74,823	\$ 20.46	
NOV	202,956	7,939	1,617,567	82,762	\$ 25.56	
DEC	166,129	7,221	1,783,696	89,983	\$ 23.01	
TOTAL	1,783,696	89,983	1,783,696	89,983	\$ 19.82	

2023 Terminal Concessions Revenues



2023 Market Share



2023	Food & Beverage	Alcohol	Gift Shop	Vending	Total	Annual Inc/Dec
JAN	94,581	27,001	22,149	542	\$ 144,273	↑ 63.8%
FEB	93,333	27,432	21,176	525	\$ 142,465	↑ 40.5%
MAR	102,174	35,647	24,536	433	\$ 162,790	↑ 41.2%
APR	111,201	35,582	27,274	344	\$ 174,402	↑ 46.2%
MAY	106,032	36,213	30,735	316	\$ 173,296	↑ 45.3%
JUN	105,070	28,173	28,665	271	\$ 162,180	↑ 44.3%
JUL	111,353	31,433	31,937	237	\$ 174,960	↑ 40.1%
AUG	104,513	31,181	32,036		\$ 167,729	↑ 15.0%
SEP						
OCT						
NOV						
DEC						
TOTAL	828,258	252,661	218,508	2,668	1,302,095	-15%

2022	Food & Beverage	Alcohol	Gift Shop	Vending	Total
JAN	51,472	20,758	12,776	3,070	\$ 88,076
FEB	58,525	24,891	15,427	2,525	\$ 101,369
MAR	65,297	28,772	18,980	2,206	\$ 115,255
APR	60,875	34,303	21,927	2,208	\$ 119,314
MAY	58,830	32,478	25,633	2,317	\$ 119,257
JUN	58,144	27,597	24,343	2,305	\$ 112,388
JUL	63,414	31,535	27,593	2,331	\$ 124,872
AUG	83,768	29,995	30,164	1,900	\$ 145,826
SEP	92,577	34,068	30,497	1,791	\$ 158,933
OCT	101,481	35,545	31,633	1,115	\$ 169,773
NOV	89,651	32,333	25,552	577	\$ 148,112
DEC	81,532	27,861	23,943	543	\$ 133,878
TOTAL	865,567	360,134	288,467	22,886	1,537,054
Market Share	56%	23%	19%	1%	100%

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

As of Date:

08/31/2023

		Month			Budget Variance		Prior Year Variance	
		08/31/2023	08/31/2023	08/31/2022				
		Budget	Actual	PY Actual	Budget \$ Var	Budget % Var	PY \$ Var	PY % Var
Operating revenue								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	59,000	65,028	51,284	6,028	10.22 %	13,744	26.80 %
2	Terminal rent	116,417	116,966	99,330	549	0.47 %	17,636	17.75 %
3	Other (boarding bridge)	2,617	5,699	2,280	3,082	117.77 %	3,419	149.96 %
	Total Passenger airline revenue	178,034	187,693	152,894	9,659	5.43 %	34,799	22.76 %
Non-passenger airline revenue								
4	Non-passenger landing fees	10,200	20,799	12,207	10,599	103.91 %	8,592	70.39 %
5	Cargo and hangar rentals	5,002	5,284	4,904	282	5.64 %	380	7.75 %
6	Fuel tax	17,552	21,427	40,457	3,875	22.08 %	(19,030)	(47.04) %
7	Fuel Flowage Fees and Sales	48,600	42,942	31,118	(5,658)	(11.64) %	11,824	38.00 %
8	Other (ramp parking, rapid refuel)	667	1,215	810	548	82.16 %	405	50.00 %
	Total Non-passenger airline revenue	82,021	91,667	89,496	9,646	11.76 %	2,171	2.43 %
	Total Aeronautical revenue	260,055	279,360	242,390	19,305	7.42 %	36,970	15.25 %
Non-aeronautical revenue								
9	Land and building leases	51,563	51,944	51,727	381	0.74 %	217	0.42 %
10	Terminal - restaurant & retail	16,000	17,396	14,992	1,396	8.73 %	2,404	16.04 %
11	Terminal - other	15,116	15,407	15,369	291	1.93 %	38	0.25 %
12	Rental cars	138,972	153,107	143,919	14,135	10.17 %	9,188	6.38 %
13	Parking	153,383	157,315	128,183	3,932	2.56 %	29,132	22.73 %
14	Ground Transportation	5,243	5,307	4,700	64	1.22 %	607	12.91 %
15	Other (advertising, security fee, vending, etc.)	9,153	6,099	4,705	(3,054)	(33.37) %	1,394	29.63 %
	Total Non-aeronautical revenue	389,430	406,575	363,595	17,145	4.40 %	42,980	11.82 %
	Total Operating revenues	649,485	685,935	605,985	36,450	5.61 %	79,950	13.19 %

Variance Explanations -August 2023 Revenue Compared to Budget - Preliminary Financial Statements

	Aug-23 Budget	Aug-23 Actual	Aug-22 Actual	Budget Variance	PY Variance
Seat Capacity	27,652	26,640	24,970	(1,012) -4%	1,670 7%
Passenger Landed Weight	27,946,872	30,100,900	24,921,025	2,154,028 8%	5,179,875 21%
Enplanements	21,848	20,300	20,100	(1,548) -8%	200 1%
Load Factor	79%	76%	80%	-3%	-4%

Note that expenses have not been presented and compared on a monthly basis, because the timing of incurring expenses are more difficult to estimate and the YTD variances are more meaningful. Variance explanations and account explanations have been provided below for revenue accounts that have a budget-to-actual variance of more than 5% and where the revenue account makes up at least 5% of the monthly budgeted operating revenue for August (\$32K), plus any other with impactful variances.

Operating Revenues: Operating revenues were 5% (\$33K) ahead of budget in August 2023

- 1 **Passenger airline landing fees** - Passenger landing fees were 10% (\$6K) higher than budget because of 34 diversions and 22 more scheduled landings than budgeted on larger aircraft. Most of the diverted flights were narrow-body jets bound for DEN that diverted due to thunderstorms at DEN.
- 4 **Non-passenger landing fees** - Non-passenger landing fees were \$11K above budget driven by a busy month for BLM wildland firefighting operations.
- 7 **Fuel flowage fees and fuel sales** – Fuel flowage fees are collected from non-commercial fueling at the airport and therefore are driven by GA operations. Fuel flowage fees and sales were unfavorable to budget in August by 12% (\$6K) caused by below average military activity.
- 12 **Rental Cars** - Rental car revenues exceeded budget by 10% (\$14K) driven by higher rates, as rental car days and number of transactions remain consistent.

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

		Year to Date			Budget Variance		Prior Year Variance	
		08/31/2023	08/31/2023	08/31/2022				
		Budget	Actual	PY Actual	Budget \$ Var	Budget % Var	PY \$ Var	PY % Var
Operating revenue								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	\$ 430,000	\$ 502,159	\$ 355,588	\$ 72,159	16.78 %	\$ 146,571	41.22 %
2	Terminal rent	931,336	935,735	782,765	4,399	0.47 %	152,970	19.54 %
3	Other (boarding bridge)	17,974	41,916	18,620	23,942	133.20 %	23,296	125.11 %
	<i>Total Passenger airline revenue</i>	<i>1,379,310</i>	<i>1,479,810</i>	<i>1,156,973</i>	<i>100,500</i>	<i>7.29 %</i>	<i>322,837</i>	<i>27.90 %</i>
Non-passenger airline revenue								
4	Non-passenger landing fees	73,700	116,779	82,241	43,079	58.45 %	34,538	42.00 %
5	Cargo and hangar rentals	39,722	41,128	38,365	1,406	3.54 %	2,763	7.20 %
6	Fuel tax	140,418	248,489	263,443	108,071	76.96 %	(14,954)	(5.68) %
7	Fuel Flowage Fees and Sales	326,100	345,304	298,186	19,204	5.89 %	47,118	15.80 %
8	Other (ramp parking, rapid refuel)	5,336	11,685	8,730	6,349	118.98 %	2,955	33.85 %
	<i>Total Non-passenger airline revenue</i>	<i>585,276</i>	<i>763,385</i>	<i>690,965</i>	<i>178,109</i>	<i>30.43 %</i>	<i>72,420</i>	<i>10.48 %</i>
	<i>Total Aeronautical revenue</i>	<i>1,964,586</i>	<i>2,243,195</i>	<i>1,847,938</i>	<i>278,609</i>	<i>14.18 %</i>	<i>395,257</i>	<i>21.39 %</i>
Non-aeronautical revenue								
9	Land and building leases	431,423	432,389	424,456	966	0.22 %	7,933	1.87 %
10	Terminal - restaurant & retail	116,000	157,883	107,232	41,883	36.11 %	50,651	47.23 %
11	Terminal - other	120,928	123,248	122,953	2,320	1.92 %	295	0.24 %
12	Rental cars	1,038,110	1,070,070	1,032,525	31,960	3.08 %	37,545	3.64 %
13	Parking	1,124,049	1,388,281	894,405	264,232	23.51 %	493,876	55.22 %
14	Ground Transportation	38,426	55,043	36,217	16,617	43.24 %	18,826	51.98 %
15	Other (advertising, security fee, etc.)	76,183	55,599	25,988	(20,584)	(27.02) %	29,611	113.94 %
	<i>Total Non-aeronautical revenue</i>	<i>2,945,119</i>	<i>3,282,513</i>	<i>2,643,776</i>	<i>337,394</i>	<i>11.46 %</i>	<i>638,737</i>	<i>24.16 %</i>
	Total Operating Revenues	\$ 4,909,705	\$ 5,525,708	\$ 4,491,714	\$ 616,003	12.55 %	\$ 1,033,994	23.02 %

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

		Year to Date			Budget Variance		Prior Year Variance	
		08/31/2023	08/31/2023	08/31/2022				
		Budget	Actual	PY Actual	Budget \$ Var	Budget % Var	PY \$ Var	PY % Var
Operating expenses								
16	Personnel compensation and benefits	\$ 1,994,367	\$ 1,752,795	\$ 1,717,153	(241,572)	(12.11) %	35,642	2.08 %
17	Communications and utilities	300,563	268,866	251,418	(31,697)	(10.55) %	17,448	6.94 %
18	Supplies and materials	403,623	411,431	389,701	7,808	1.93 %	21,730	5.58 %
19	Contract services	557,995	407,235	426,429	(150,760)	(27.02) %	(19,194)	(4.50) %
20	Repairs & maintenance	433,420	337,352	285,195	(96,068)	(22.17) %	52,157	18.29 %
21	Insurance	100,664	107,648	88,622	6,984	6.94 %	19,026	21.47 %
22	Training, Travel, & Air Service Development	116,463	96,969	65,481	(19,494)	(16.74) %	31,488	48.09 %
23	Other Expense (marketing, professional dues, et	76,818	34,805	39,640	(42,013)	(54.69) %	(4,835)	(12.20) %
24	Contingency Expense	-	-	-	-	0.00 %	-	0.00 %
<i>Total Operating expenses</i>		3,983,913	3,417,101	3,263,639	(566,812)	(14.23) %	153,462	4.70 %
Excess of Operating revenue over (under) expense		\$ 925,792	\$ 2,108,607	\$ 1,228,075	1,182,815	127.76 %	880,532	71.70 %
Non-operating revenue (expenses)								
25	Passenger facility charges	650,300	671,622	615,440	21,322	3.28 %	56,182	9.13 %
26	Interest income	22,000	637,392	27,643	615,392	2,797.24 %	609,749	2,205.80 %
27	Interest expense	(472,672)	(518,620)	(492,832)	(45,948)	(9.72) %	(25,788)	(5.23) %
28	Customer facility charges	442,139	417,468	428,584	(24,671)	(5.58) %	(11,116)	(2.59) %
29	Capital contributions	34,843,823	15,276,513	2,810,077	(19,567,310)	(56.16) %	12,466,436	443.63 %
29	Capital expenditures	(40,764,795)	(16,363,152)	(3,697,305)	24,401,643	59.86 %	(12,665,847)	(342.57) %
30	Non-Capital Contributions	47,336	56,359	45,658	9,023	19.06 %	10,701	23.44 %
31	Debt principal payments	-	-	-	-	0.00 %	-	0.00 %
32	Other	-	-	3,159	-	0.00 %	(3,159)	(100.00) %
<i>Total Non-operating revenue (expenses)</i>		(5,231,869)	177,582	(259,576)	5,409,451	103.39 %	437,158	168.41 %
Excess of revenue over (under) expense		\$ (4,306,077)	\$ 2,286,189	\$ 968,499	6,592,266	153.09 %	1,317,690	136.05 %

Variance Explanations - August 31, 2023 Preliminary Financial Statements

Below are variance explanations for revenue and expense accounts with a budget variance of more than 5% and when the revenue or expense category makes up at least 5% of the YTD operating budget of \$245K for revenue and \$255K for all non-capital expenses and non-operating revenues and other impactful variances.

	YTD Aug -23 Budget	YTD Aug -23 Actual	YTD Aug -22 Actual	Budget Variance		PY Variance	
Seat Capacity	202,871	207,386	177,781	4,515	2%	29,605	17%
Passenger Landed Weight	200,796,754	230,686,618	191,996,385	29,889,864	15%	38,690,233	20%
Enplanements	160,108	163,347	127,386	3,239	2%	35,961	28%
Load Factor	79%	79%	72%	0%		7%	

Operating Revenues: Operating revenues were 13% (\$616K) ahead of budget through August 2023

- 1 **Passenger airline landing fees** - Passenger landing fees were 17% (\$72K) ahead of budget due to more scheduled flights on larger aircraft and more diversions.
- 6 **Fuel Tax** - Fuel tax revenue was 77% (\$108K) ahead of budget driven by higher fuel prices and higher sales compared to budget.
- 10 **Terminal - restaurant & retail** – Terminal restaurant and retail was 36% (\$42K) ahead of budget due to higher per-passenger sales and higher passenger levels than budgeted. The restaurant was significantly expanded in Q3 2022, driving the increase in per-passenger sales.
- 13 **Parking** - Parking revenue was 24% (\$264K) above budget. The variance is attributable to more transactions than budgeted and conservatism incorporating the November 1, 2022 parking rate adjustments into the 2023 budget.

Operating Expenses: Operating expenses were 14% (\$567K) below budget through August 2023

- 16 **Personnel Compensation & Benefits** – Expenses were 12% (\$242K) below budget due to higher-than-anticipated position vacancy rates.
- 17 **Communications and Utilities** – Communications and utilities expenses were 11% (\$32K) below budget due to conservatism in budgeting utility expenses.
- 19 **Contract Services** – Contract services were 27% (\$151K) below budget driven by higher-than-budgeted AIP eligibility for planning and engineering services and the timing of contracted IT expenditures.
- 20 **Repairs & Maintenance** – Repairs and maintenance expenses were 22% (\$96K) under budget. The monthly budget reflects expenses for Repairs & Maintenance spread throughout the year. Actual expenses are incurred on an as-needed basis. This spending category is under budget through August, but we anticipate the full annual budget will be spent.

Non-Operating Revenues and Expenses:

- 26 **Interest Income** – Interest income was \$615K above budget due to higher-than-expected market yield and investments into the COLOTRUST investment accounts at the beginning of 2023. We expect this trend to continue as rates remain high and cash balances remain higher than expected because the timing of construction and invoicing is later than assumed.
- 27 **Interest Expense** – Interest expense was 10% (\$46K) above budget due to the \$3.7M State Infrastructure Bank (SIB) loan with a 3% interest rate that was approved in March 2023. The loan funded the general aviation pavement repairs not covered by the CDOT discretionary grant and the public parking lot expansion.
- 29 **Capital Contributions & Expenditures** – The differences to budgeted amounts in these accounts were attributed to construction activity. The construction work is budgeted in total for the entire year. These expenditures are largely driven by the phase of construction to be completed in the reporting period.

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

		Month Ending 08/31/2023	Month Ending 07/31/2023	Variance
Assets				
Current Assets				
	Cash and Cash Equivalents - Unrestricted	\$ 24,831,736	\$ 26,945,311	\$ (2,113,575)
	Cash and Cash Equivalents - Restricted	3,308,362	3,160,513	147,850
1	<i>Total Cash and Cash Equivalents</i>	<u>28,140,099</u>	<u>30,105,823</u>	<u>(1,965,725)</u>
Accounts Receivable				
	Accounts Receivable - Ops, net of allowance of \$24,000	5,402,892	5,805,133	(402,241)
	Accounts Receivable - Capital	11,229,557	9,639,403	1,590,154
2	<i>Total Accounts Receivable, Net</i>	<u>16,632,449</u>	<u>15,444,536</u>	<u>1,187,913</u>
3	Prepaid Expenses	560,110	574,880	(14,771)
	<i>Total Current Assets</i>	<u>45,332,657</u>	<u>46,125,240</u>	<u>(792,582)</u>
Non-Current Assets				
Capital Assets				
	Capital Assets not subject to depreciation	39,829,634	39,829,634	-
	Capital Assets subject to depreciation, net	49,506,456	49,905,407	(398,951)
4	<i>Total Capital Assets, Net</i>	<u>89,336,090</u>	<u>89,735,041</u>	<u>(398,951)</u>
5	Bond Project Fund	432,512	432,512	-
	<i>Total Non-Current Assets</i>	<u>89,768,602</u>	<u>90,167,553</u>	<u>(398,951)</u>
	Total Assets	<u>135,101,260</u>	<u>136,292,793</u>	<u>(1,191,533)</u>
6	Deferred Outflows of Resources - Pension Plan	<u>337,828</u>	<u>337,828</u>	<u>-</u>
Liabilities				
Current Liabilities				
7	Accounts Payable - Ops	324,780	423,706	(98,926)
7	Accounts Payable - Capital	7,002,142	8,224,927	(1,222,785)
8	Accrued Expenses	281,503	272,862	8,641
9	Lease Deposits	151,054	151,054	-
10	Deferred Revenue	25,067	25,067	-
11	Note Payable	372,751	363,407	9,344
12	Current portion of bonds payable	1,133,382	1,074,395	58,988
	<i>Total Current Liabilities</i>	<u>9,290,678</u>	<u>10,535,418</u>	<u>(1,244,740)</u>
Long Term Liabilities				
	CO SIB Payable	3,411,549	3,411,549	-
	Bond and capital lease payable	15,346,224	15,346,224	-
	Deferred Revenue	327,956	330,044	(2,089)
	Net Pension and OPEB Liability	(40,139)	(40,139)	-
13	<i>Total Long Term Liabilities</i>	<u>19,045,590</u>	<u>19,047,679</u>	<u>(2,089)</u>
	<i>Total Liabilities</i>	<u>28,336,268</u>	<u>29,583,096</u>	<u>(1,246,828)</u>
14	Deferred Inflows of Resources - Pension Plan	<u>6,114,433</u>	<u>6,114,433</u>	<u>-</u>
	Total Net Position	<u>\$ 100,988,387</u>	<u>\$ 100,933,091</u>	<u>\$ 55,295</u>

GJRAA - Breakdown of Capital Expenditure Costs Year-to-Date through August 31, 2023

2023 GRANT FUNDED CAPITAL EXPENDITURES INCURRED AND GRANT REVENUE RECOGNIZED

Grant Number	Project/Grant Description	2023 Project Costs Incurred	Grant Revenue Recognized in 2023	2023 GJRAA Local Share
AIP 69	Airport Development Plan	74,112	74,112	-
AIP 72	Taxiway A and RWY 11-29 Construction	7,081,021	7,081,021	-
AIP 75	Runway Design -Schedule 4-7 Utility Infrastructure	93,950	84,555	9,395
AIP 76	RWY 11-29 Construction Schedule 4	3,786,812	3,510,753	276,059
AIP 77	NAVAIDs and Schedule 4a Grading and Drainage	939,011	845,110	93,901
AIP TBD	RWY 12-30 Pavement Design	87,222		87,222
CDOT	RWY 4-22 Rehab Construction	4,035,514	3,631,963	403,550
CDOT	Taxilane C1A Rehabilitation Construction	3,690	-	3,690
CDOT	RWY 4-22 Rehab Design	20,550		20,550
CDOT	Surplus Equipment Auction Grant	80,000	49,000	31,000
Total Grant Projects		\$ 16,201,882	\$ 15,276,514	\$ 894,368

2023 CAPITAL EXPENDITURES INCURRED FOR PROJECTS WITH NO GRANT FUNDING

Project Description	2023 Costs Incurred
Employee Parking Lot Expansion	113,138
Taxilane C1A Rehabilitation Design	3,949
2022 Eagle Drive Landscaping -East	4,003
Public Parking Lot Expansion	40,180
Total Non-AIP Projects	\$ 161,270
Total Capital Expenditures YTD \$ 16,363,152	

Variance Explanations - August 2023 Statement of Financial Position

Assets: Total Assets decreased by \$1.2 M from July 2023 to August 2023 primarily due to the grant reimbursements and capital accounts receivable cycles.

- 1 **Cash** – Unrestricted cash decreased by \$2.1M due to the timing of receipt of operating revenue payments and higher invoice payments made to contractors during the month. Restricted cash increased by \$148K due to PFC and CFC activity.
- 2 **Accounts Receivable** – Total receivables increased by \$1.2M as expected as the construction season ramped up on grant-funded projects.
- 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. The \$15K decrease in this account is the monthly amortization or use of these services.
- 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. Therefore, the only change in the fixed assets accounts that will be seen on a monthly basis is the regular monthly depreciation of assets in service as of December 31, 2022.
- 5 **Bond Project Fund** – The remaining bond project fund balance represents interest earnings that were accumulated on the project funds. The accumulated interest is still restricted in purpose, but is available to cover debt service.

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. The pension liability is only re-valued annually so there is no change from month to month. The change in these accounts represent accounting estimates and non-cash transactions. These amounts will only change once per year when the calculation is updated.

Liabilities: Total Liabilities decreased \$1.2M from July 2023 to August 2023 due to an decrease in accounts payable associated with the airfield projects.

- 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. The \$1.2M capital accounts payable decrease was due to payments made on Runway 12-30 construction and design and Runway 4-22 construction.
- 8 **Accrued Expenses** – This category is primarily made up of liabilities for un-used Paid Time Off (approximately \$192K) and payroll accruals to 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 **Note Payable** – This line is the amount due in the next year on the CO SIB loan taken to pay for the public parking lot expansion and rehabilitation of Taxilane C1A.
- 12 **Current Portion of capital lease and bonds payable** – This balance represents principal and interest due on the outstanding revenue bond in the current calendar year. We have semi-annual payments due June 1 and December 1 for the bonds. The change from the prior month is the standard monthly accrual of interest expense.
- 13 **Long-Term Liabilities** – The long-term bond payable and capital payable balance is updated annually in December to reflect the remaining portion due beyond one year, 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 airport's portion of the unfunded Pension liability for PERA. Long-term deferred revenue represents payments received by the airport for future rights of services or rent for periods farther out than 12 months.

Deferred Inflows of Resources:

- 14 **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.