



# Board Packet

**Board Meeting**

*November 19, 2019*

**Grand Junction Regional Airport Authority**



**Date: November 19, 2019**

**Location:**

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

**Time: 5:15 PM**

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**REGULAR MEETING AGENDA**

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

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

**VI. Consent Agenda**

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

- A. October 15, 2019 Meeting Minutes \_\_\_\_\_ 1
  - Approval of October 15, 2019 Board Meeting Minutes
- B. November 05, 2019 Special Board Meeting Minutes \_\_\_\_\_ 2
  - Approval of November 05, 2019 Special Board Meeting Minutes

- C. Airline Use and Lease Agreement Draft and Rates and Charges Update Invoice \_\_\_\_ 3
  - Approval of DKMG invoice for \$10,875 to make revisions to the airline use and lease agreement draft and update the rates and charges tables with the 2020 Budget and 2019 forecast.

**VII. Action Items**

- A. Resolution No. 2019-006 to Adopt 2020 Budget and Appropriate Funds for 2020 \_\_ 4
  - Board approval of Resolution No. 2019-006 to adopt the 2020 Budget and appropriate funds for 2020.
- B. Auditor Request for Proposal Review and Selection \_\_\_\_\_ 5
  - Board approval of Finance and Audit committee recommendation to select Plante Moran as the independent auditor for 2019 and authorize the Executive Director to sign the engagement letter.
- C. TSA Grant Application - Consolidate Baggage Screening Room \_\_\_\_\_ 6
  - Approve submittal of the TSA Grant Application and grant signing authority to the Executive Director.
- D. Flooring Design \_\_\_\_\_ 7
  - Approval of the Terminal Flooring Project Budget of \$950,000 including approval of the contract with FCI Constructors Inc., and grant signing authority to the Executive Director.

**VIII. Discussion**

**IX. Staff Reports**

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

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

**XI. Executive Session**

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

**XII. Adjournment**



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**Grand Junction Regional Airport Authority Board**  
**Regular Board Meeting**  
Meeting Minutes  
October 15, 2019

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**REGULAR BOARD MEETING**

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**I. Call to Order**

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

<p><b><u>Commissioners Present:</u></b> Tom Benton (Chairman) Chuck McDaniel (Vice-Chairman) Clay Tufly Erling Brabaek Thaddeus Shrader Linde Marshall Ron Velarde</p> <p><b><u>Airport Staff:</u></b> Joseph Burtard (Clerk) Karl Hanlon (Counsel) Sarah Menge Angela Padalecki (Executive Director) Mark Papko Ben Peck Eric Trinklein</p>	<p><b><u>Guests:</u></b> Joe Vaccarelli, Daily Sentinel Mason Short, KLJ Jeremy Lee, Mead &amp; Hunt Jennifer Boehm, Mead &amp; Hunt Mike Lum, Volaire Colon Bible, Garver</p>
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**II. Pledge of Allegiance**

**III. Approval of Agenda**

*Commissioner Brabaek made a motion to move 2019 and 2020 Airport Goals to November 5, 2019 Board Workshop and approve the October 15, 2019 Board Agenda. Commissioner Tufly second the motion. Voice Vote. All Ayes.*

**IV. Commissioner Comments**

*No Commissioner comments were made.*

**V. Citizen Comments**

*No citizen comments were made.*

**VI. Consent Agenda**

- A. September 17, 2019 Meeting Minutes  
Approval of September 2019 Board Meeting Minutes
- B. West Terminal Apron and Run-Up Pad Reconstruction – Design Only  
Approval of the West Terminal Apron and Run-Up Pad design contract for Garver for \$466,685 and authorize the Executive Director to sign. Contract is for engineering services and includes packaging bid documents for the West Terminal Apron and temporary Run-Up Pad.

*Commissioner Marshall moved to adopt the Consent Agenda. Commissioner Tuflly seconded. Voice Vote. All Ayes.*

**VII. Action Items**

Chief Ted Balbier Retirement Commemoration

*Chairman Benton formally recognize Chief Ted Balbier’s retirement after 45 years of service at Grand Junction Regional Airport. Commissioner Shrader made a motion to dedicate the access road to the ARFF facility as “Honorary Chief Balbier Way”. Commissioner Tuflly seconded the motion. Voice Vote. All Ayes.*

Equipment Rental Contract for 2020 Airport Emergency Plan Exercise

*Commissioner Brabaek made a motion to authorize Executive Director to execute \$19,995.00 equipment rental contract from 139 Fire, LLC for the 2020 Full-scale Airport Emergency Plan. Commissioner Tuflly seconded the motion. Voice Vote. All Ayes.*

GJRAA/GJASA Agreement

*Commissioner Marshall made a motion to approve of GJRAA/GJRASA Agreement and authorize the Executive Director to sign. The agreement defines how monies will flow between GJRAA and the Grand Junction Regional Air Service Alliance (GJRASA) under the Small Community Air Service Development (SCASD) grant program. Commissioner Tuflly seconded the motion. Voice Vote. All Ayes.*

**VIII. Discussion Items**

Air Service Update by Mike Lum

Air service update provide by Mike Lum, Managing Partner with Volaire Aviation, Inc.

### 2020 Budget Hearing

Board conduct a public hearing on the Budget, accept public comments and consider them, complete final review and provide comments and/or recommended changes on the Draft 2020 Budget. *Chairman Benton moved the meeting into a public hearing to solicit public comments on the Grand Junction Regional Airport Authority's proposed 2020 Budget. No comments were received. Chairmen Benton closed the public hearing.*

### Rental Car Leases

Discussion on extending the current rental care leases that are schedule to expire in April 2020.

### 2019 and 2020 Airport Goals

#### **IX. Staff Reports**

- A. Director's Report (Angela Padalecki)
- B. Operations Report (Mark Papko)
- C. Finance and Activity Report (Sarah Menge)
- D. Facilities Report (Ben Peck)
- E. Project Report (Eric Trinklein)

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

No additional business was discussed.

#### **XI. Executive Session**

*Commissioner McDaniel made a motion to go into executive session to conduct a conference with the Executive Director and General Counsel for the purpose of discussing the Airport's purchase, lease, transfer or sale of real property; determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators pursuant to CRS 24-6-402(4)(a) regarding the Sky Adventures Building. Furthermore an Executive Session for discussion of a personnel matter under C.R.S. Section 24-6-402(4)(f) and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees; more specifically to discuss leave for the Airport Manager. Commissioner Marshall seconded the motion. Voice Vote. All Ayes.*

*Commissioner Tufly made a motion to move out of executive session back into an open meeting. Commissioner Marshall seconded the motion. Voice Vote. All Ayes.*

#### **XII. Adjournment**

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

The meeting adjourned at approximately 7:51 PM.

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

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Tom Benton, Board Chairman

***ATTEST:***

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Joseph R. Burtard, Clerk to the Board



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**Grand Junction Regional Airport Authority Board**  
**Regular Board Meeting**  
Meeting Minutes  
November 5, 2019

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**REGULAR BOARD MEETING**

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**I. Call to Order**

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

<p><b><u>Commissioners Present:</u></b> Tom Benton (Chairman) Chuck McDaniel (Vice-Chairman) Clay Tuflly Thaddeus Shrader Linde Marshall Ron Velarde</p> <p><b><u>Airport Staff:</u></b> Joseph Burtard (Clerk) Karl Hanlon (Counsel) Sarah Menge Angela Padalecki (Executive Director) Mark Papko Ben Peck Eric Trinklein Cameron Reece Shelagh Flesh</p>	<p><b><u>Guests:</u></b>  Shannon Kinslow, TOIL Joe Vaccarelli, Daily Sentinel Jeremy Lee, Mead &amp; Hunt</p>
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**II. Pledge of Allegiance**

**III. Approval of Agenda**

*Commissioner Velarde made a motion approve the November 5, 2019 Special Board Agenda. Commissioner Tuflly second the motion. Voice Vote. All Ayes.*

**IV. Commissioner Comments**

*No Commissioner comments were made.*

**V. Citizen Comments**

*No citizen comments were made.*



## **VII. Action Items**

### Administration Building Demo – Notice of Award

*Commissioner Tufly made a motion to approve the Contract Agreement and the Notice of Award to FCI Constructors, Inc. for \$630,723, approve an additional \$50,457 in Owner Contingency, approve \$68,820 Landscape Allowance, and authorize the Executive Director to sign. Commissioner Marshall seconded the motion. Voice Vote. All Ayes.*

### Resolution No. 2019-005 Delegation of GRJAA Signing Authority

*Commissioner Shrader made a motion to adoption of Resolution No 2019-005 which delegates signing authority from Executive Director, Angela Padalecki, to Finance Director, Sarah Menge. The delegation of signing authority valid during the Executive Director's maternity leave and will be rescinded on the date the Executive Director returns to work. Commissioner Tufly seconded the motion. Roll Call Vote. Commissioner Velarde, Yes; Commissioner Marshall, Yes; Commissioner Shrader, Yes; Commissioner Tufly, Yes; Commissioner McDaniel, Yes; Commissioner Benton. The motion carries.*

## **VIII. Adjournment**

*Commissioner McDaniel moved for adjournment of the Special Board Meeting and to move into the Board Workshop. Commissioner Shrader seconded. Voice Vote. All Ayes.*

The Special Board Meeting adjourned at approximately 5:33 PM.

## **IX. Executive Session**

*Commissioner Tufly made a motion to go into executive session to conduct a conference with the Executive Director and General Counsel for the purpose of discussing the Airport's purchase, lease, transfer or sale of real property; determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators pursuant to CRS 24-6-402(4)(a) regarding the Sky Adventures Building. Commissioner Velarde seconded the motion. Voice Vote. All Ayes.*

*Commissioner Shrader made a motion to move out of executive session back into an open meeting. Commissioner Tufly seconded the motion. Voice Vote. All Ayes.*

## **X. Adjournment**

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

The Executive Session adjourned at approximately 7:15 PM.

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

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Tom Benton, Board Chairman

***ATTEST:***

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Joseph R. Burtard, Clerk to the Board

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

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TOPIC:	Airline Use and Lease Agreement Draft and Rates and Charges Update Invoice – DKMG		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Board approve payment of DKMG Invoice No. 270 in the amount of \$10,875 for services rendered related to the Airline Use and Lease Agreement.		
SUMMARY:	<p>This invoice represents a billing for services performed by DKMG including, but not limited to:</p> <ul style="list-style-type: none"><li>• Revising the draft Airline Use and Lease Agreement (ULA),</li><li>• Updating rate tables to reflect the 2019 forecast and 2020 budget,</li><li>• Participating on multiple conference calls with Staff and legal counsel, and</li><li>• Participating in the Airline meeting.</li></ul> <p>Staff has reviewed the invoice and concurs with the stated number of hours and recommends paying the invoice.</p> <p>Estimated remaining costs for completion of the negotiations is \$4,125.</p>		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	\$10,875 – Professional Services Operating Expense		
ATTACHMENTS:	DKMG Invoice 270		
STAFF CONTACT:	Sarah Menge <a href="mailto:smenge@gjairport.com">smenge@gjairport.com</a> (970) 248-8581		

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6368 Cook Road  
 Guilford, IN 47022

# Invoice

Date	Invoice No.
11/01/19	270
Project	
GJT Airline Neg-Task 3 R&C	

Bill To:
Sarah Menge Finance Director 2828 Walker Field Drive, Suite 301 Grand Junction, CO 81506

Item	Description	Hours	Rate	Amount
Julie Mattlin, Labor		20.5	250.00	5,125.00
Rhona DiCamillo, Labor		23	250.00	5,750.00

<b>Total</b>	<b>\$10,875.00</b>
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Budget	<b>\$15,000.00</b>
Invoiced to Date	<b>\$10,875.00</b>
Remaining Balance	<b>\$4,125.00</b>

## Grand Junction Regional Airport Authority

### Agenda Item Summary

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TOPIC:	Approval of the 2020 Budget
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	The Board pass resolution no. 2019-006 to adopt the 2020 Budget and appropriate funds for 2020.
SUMMARY:	<p>The 2020 Budget was originally presented to the Finance and Audit Committee in September for their review and comments. A Draft budget was then presented to the full board at the October 1, 2019 Board Workshop.</p> <p>Following the presentation at the workshop, a notice of budget hearing was advertised and commissioner and public comment was available at the October 15, 2019 board meeting.</p> <p>The Finance Committee has reviewed and recommended approval of the Budget.</p>
REVIEWED BY:	Executive Director and Legal Counsel
FISCAL IMPACT:	The 2020 Budget appropriates the following amounts:  Operating – 5,369,000 Capital – 18,812,000 Debt Service – 1,506,000
ATTACHMENTS:	Resolution 2019-006 Budget Summary
STAFF CONTACT:	Sarah Menge 970-248-8581 <a href="mailto:smenge@gjairport.com">smenge@gjairport.com</a>

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**RESOLUTION NO. 2019-006**

**RESOLUTION TO ADOPT BUDGET  
AND  
APPROPRIATE SUMS OF MONEY.**

**A RESOLUTION OF THE GRAND JUNCTION REGIONAL AIRPORT AUTHORITY BOARD OF DIRECTORS FOR OPERATIONS, CAPITAL PROJECTS, DEBT SERVICE AND RESERVES, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY FOR THE GRAND JUNCTION REGIONAL AIRPORT AUTHORITY FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2020 AND ENDING ON THE LAST DAY OF DECEMBER 2020.**

**WHEREAS**, the Grand Junction Regional Airport Authority, a political subdivision of the State of Colorado, subject to the Local Government Budget Law of Colorado; and

**WHEREAS**, as required by State Statute, a proposed budget for fiscal year 2020 was submitted to the Board of Commissioners on October 1, 2019; and

**WHEREAS**, upon due and proper notice, published and posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 15, 2019, and interested parties were given the opportunity to file or register any objections to said proposed budget; and

**WHEREAS**, the Board considered such public comment; and

**WHEREAS**, the Budget attached hereto is a balanced budget which complies with all applicable State laws; and

**WHEREAS**, it is not only required by law, but also necessary to appropriate the revenues and reserves provided in the Budget for the purposes described therein, thereby establishing a limitation on expenditures for the operations of the Grand Junction Regional Airport Authority.

**NOW, THEREFORE**, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GRAND JUNCTION REGIONAL AIRPORT AUTHORITY, A POLITICAL SUBDIVISION OF THE STATE OF COLORADO:

**Section 1.** The recitals hereinabove are hereby adopted as findings and incorporated herein.

**Section 2.** That the budget as submitted, amended, and attached is approved and adopted as the budget of the Grand Junction Regional Airport Authority for the year stated above; and that the sums of money derived from revenues are appropriated for Operations, Capital Projects, Debt Service, and Reserves as set forth therein.

**Section 3.** The Executive Director is authorized to spend up to the approved capital, operating and expense budgets provided actual revenues are consistent with budgeted revenues.

**Section 4.** The Executive Director is authorized to transfer budgeted amounts between expense categories as necessary to meet operational needs provided: (1.) any transfers in excess of \$50,000 shall be reported to the Board at the next regular meeting, and (2.) no transfers shall be permitted in or out of personnel accounts without Board authorization.

**Section 5.** The Board delegates authority to the Executive Director to apply for all budgeted grants and non-budgeted grant applications not committing Authority funds, however, non-budgeted grant applications that commit additional Authority funds shall be approved by the Board.

ADOPTED on this 19<sup>th</sup> day of November 2019.

GRAND JUNCTION REGIONAL  
AIRPORT AUTHORITY

ATTEST:

\_\_\_\_\_  
Tom Benton, Chairman

\_\_\_\_\_  
Joseph Burtard, Clerk

Board Members Voting AYE:

Those Voting NAY:

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

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TOPIC:	Selection of Independent Auditor based on RFP		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Board accept the recommendation from the Finance and Audit committee to select Plante Moran as the independent auditor for 2019 and authorize the Executive Director to sign the engagement letter.		
SUMMARY:	<p>A Request for Proposal was initiated in October to select an independent audit firm to perform the required annual audit for the Authority. The RFP was open for 28 days, 13 different firms downloaded the proposal, and two firms (Eide Bailly and Plante Moran) submitted proposals.</p> <p>The proposals were reviewed by the members of the Finance and Audit Committee who considered the following criteria in making their recommendation:</p> <ul style="list-style-type: none"><li>• Approach to Audit Quality</li><li>• Team Knowledge and Experience</li><li>• Value Added Services</li><li>• Scope and Pricing of the Engagement</li></ul> <p>Based on the evaluation, the committee recommended Plante Moran.</p>		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	<b>\$39,500</b> – 2020 Contract Services Expense		
ATTACHMENTS:	None – however the submitted proposals are available upon request		
STAFF CONTACT:	Sarah Menge <a href="mailto:smenge@gairport.com">smenge@gairport.com</a> (970) 248-8581		

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

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TOPIC:	TSA Grant Application (Consolidated Baggage Room) – Design Only		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Approve submittal of the TSA Grant Application, and grant signing authority to the Executive Director.		
SUMMARY:	<p>This grant will provide funds for the design of a modern baggage screening room. The current configuration is very demanding on TSA and airline staff. A new system is needed to safely and efficiently process checked baggage, increase performance of equipment, separate TSA and airline operations, and maximize staff resources from TSA and the airlines. Design work will be completed under the on-call planning consultant services. The design contract will be negotiated following airport policies for professional services and will be presented to the Board in calendar year 2020.</p> <p>This grant will utilize funds from TSA for federal fiscal year 2020. A second grant application for construction will be provided in federal fiscal year 2021, once the design is complete. If a grant is not awarded by TSA, the project will be postponed until funding can be identified.</p>		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	TSA \$360,000 GJT \$40,000 <b>Total \$400,000</b>		
ATTACHMENTS:	None		
STAFF CONTACT:	Eric Trinklein <a href="mailto:etrinklein@gjairport.com">etrinklein@gjairport.com</a> Office: 970-248-8597		

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

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TOPIC:	Terminal Flooring Construction Contract
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PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
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RECOMMENDATION:	Approval of the Terminal Flooring Project budget of \$950,000 including approval of the contract with FCI Constructors Inc., and grant signing authority to the Executive Director.
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SUMMARY:	This project will replace the flooring in the public areas on the first and second floor. A majority of the flooring was installed with original construction of the building in 1982. Design was completed under a separate task order over the summer and fall of 2019. FCI is the on-call general contractor. FCI advertised subcontractor work in the Daily Sentinel in accordance with Airport procurement requirements. FCI received multiple bids for the subcontractor trades needed for this project. The addition of electrical scope of work is the only substantial change to cost from estimates presented in October. The electrical work will enhance customer experience at the Airport and provide additional connectivity for our tenants. Work is anticipated to begin in January 2020 and be completed by June 2020.
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REVIEWED BY:	Executive Director and Legal Counsel
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FISCAL IMPACT:	<b>Total \$950,000</b> (Includes Owner and Contractor contingency)
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ATTACHMENTS:	FCI Cost Summary
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STAFF CONTACT:	Eric Trinklein <a href="mailto:etrinklein@gairport.com">etrinklein@gairport.com</a> Office: 970-248-8597
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# FCI Constructors, Inc.

Date: November 13, 2019  
 Project:

## GRAND JUNCTION REGIONAL AIRPORT FLOORING REPLACEMENT

### CD (GMP) ESTIMATE

DESCRIPTION	PHASE 1		NOTES
	NEW CONSTR. RENOVATION	- 28,915	
	TOTAL SF	28,915	
	TOTAL COST	COST/SF	
010000 GENERAL CONDITIONS	\$ 56,488	\$ 1.95	
310000 SITEWORK	\$ -	\$ -	N/A - EXCLUDED
020000 SITEWORK - BUILDING	\$ 140,002	\$ 4.84	
030000 CONCRETE	\$ 43,621	\$ 1.51	
040000 MASONRY	\$ -	\$ -	N/A - EXCLUDED
050000 METALS	\$ 5,692	\$ 0.20	
060000 WOOD & PLASTICS	\$ -	\$ -	N/A - EXCLUDED
070000 THERMAL & MOISTURE PROTECTION	\$ -	\$ -	N/A - EXCLUDED
080000 DOORS & WINDOWS	\$ 1,453	\$ 0.05	
090000 FINISHES	\$ 450,859	\$ 15.59	
100000 SPECIALTIES	\$ 1,500	\$ 0.05	
120000 FURNISHINGS	\$ -	\$ -	N/A - EXCLUDED
130000 SPECIAL CONSTRUCTION	\$ -	\$ -	N/A - EXCLUDED
210000 FIRE SUPPRESSION SYSTEMS	\$ -	\$ -	N/A - EXCLUDED
220000 PLUMBING	\$ -	\$ -	N/A - EXCLUDED
230000 HVAC	\$ -	\$ -	N/A - EXCLUDED
260000 ELECTRICAL	\$ 13,485	\$ 0.47	
280000 LOW VOLTAGE SPECIAL SYSTEMS	\$ -	\$ -	N/A - EXCLUDED
<b>SUBTOTAL - DIRECT COST</b>	<b>\$ 713,099</b>	<b>\$ 24.66</b>	
ESTIMATING CONTINGENCY	\$ -	\$ -	0.00%
CONSTRUCTION CONTINGENCY	\$ 21,393	\$ 0.74	3.00%
GENERAL LIABILITY INSURANCE	\$ 5,993	\$ 0.21	0.75%
CM/GC PAYMENT/PERFORMANCE BONDS	\$ 6,193	\$ 0.21	
CM/GC FEE	\$ 52,267	\$ 1.81	7.00%
OWNERS CONTINGENCY	\$ 70,500	\$ 2.44	10.00%
BUILDING PERMIT	\$ 3,500	\$ 0.12	
SOFT COST	\$ -	\$ -	INCLUDED UNDER SEPARATE AGREEMENT
<b>TOTAL ESTIMATED COST</b>	<b>\$ 872,945</b>	<b>\$ 30.19</b>	

ALTERNATE'S FOR PHASE 1			
ALTERNATE #1: FLOORING REPLACEMENT IN RENTAL CAR BEHIND COUNTER AREA/OFFICE	\$ 26,942	\$ 0.93	Yes Approved 10/14/19
ALTERNATE #2: REPLACEMENT OF REFINISHING OF WALL-MOUNTED RADIATOR COVERS	\$ 21,725	\$ 0.75	Yes Approved 10/14/19
ALTERNATE #3: PROVIDE & INSTALL KOVARA UNDERLAYMENT UNDER CARPET	\$ -	\$ -	No \$85090
ALTERNATE #4: NEW ADDED FLOOR POWER OUTLETS AND WALKER DUCT SYSTEM	\$ 74,852	\$ 2.59	Yes Approved 10/14/19
ALTERNATE #5: TILE FLOORING VE OPTION	\$ (65,000)	\$ (2.25)	ASSUME HALF OF CHANGE TILE BASE AND 2ND/3RD FLOOR IN 16" X 36" TILES
ALTERNATE #6 - ADDITIONAL SLAB RAISING	\$ 10,000	\$ 0.35	Added for Additional Slab Raising at Departures
<b>TOTAL ESTIMATED ALTERNATE COSTS</b>	<b>\$ 68,520</b>	<b>\$ 2.37</b>	

<b>TOTAL ESTIMATED COST W/ ALTERNATES</b>	<b>\$ 941,465</b>	<b>\$ 32.56</b>	
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# GRAND JUNCTION REGIONAL AIRPORT ACTIVITY REPORT

Report Date: 9/30/2019

PY Comparison Date: 9/30/2018

September, 2019

PASSENGER ENPLANEMENTS:	CURRENT MONTH			YEAR-TO-DATE		
	2018	2019	PERCENT CHANGE	2018	2019	PERCENT CHANGE
AMERICAN	8,593	9,447	9.94%	76,396	78,234	2.41%
ALLEGIANT	960	1,836	91.25%	12,872	18,556	44.16%
UNITED	7,071	7,484	5.84%	48,172	60,469	25.53%
DELTA	3,689	3,691	0.05%	30,977	33,153	7.02%
DENVER AIR CONNECTION	572	461	-19.41%	6,819	5,378	-21.13%
Misc Charters	143	145		691	1,097	58.76%
<b>TOTAL ENPLANEMENTS</b>	<b>21,028</b>	<b>23,064</b>	<b>9.68%</b>	<b>175,927</b>	<b>196,887</b>	<b>11.91%</b>
<b>TOTAL SEAT CAPACITY</b>	<b>25,500</b>	<b>29,552</b>	<b>15.89%</b>	<b>222,898</b>	<b>253,498</b>	<b>13.73%</b>
PASSENGER DEPLANEMENTS:	2018	2019	CHANGE	2018	2019	CHANGE
AMERICAN	8,145	8,904	9.32%	77,848	78,589	0.95%
ALLEGIANT	927	1,757	89.54%	12,696	17,952	41.40%
UNITED	6,722	7,365	9.57%	53,280	71,650	34.48%
DELTA	3,836	3,680	-4.07%	33,681	36,168	7.38%
DENVER AIR CONNECTION	628	452	-28.03%	6,788	5,338	-21.36%
Misc Charters	-	147	N/A	548	1,010	84.31%
<b>TOTAL DEPLANEMENTS</b>	<b>20,258</b>	<b>22,305</b>	<b>10.10%</b>	<b>184,841</b>	<b>210,707</b>	<b>13.99%</b>
<b>TOTAL PASSENGERS</b>	<b>41,286</b>	<b>45,369</b>	<b>9.89%</b>	<b>360,768</b>	<b>407,594</b>	<b>12.98%</b>

LOAD FACTOR:(OUTBOUND ONLY)	CURRENT MONTH			YEAR-TO-DATE		
	2018	2019	Difference	2018	2019	Difference
AMERICAN	81.78%	78.32%	-3.46%	79.69%	78.06%	-1.64%
ALLEGIANT	76.92%	61.26%	-15.66%	81.86%	72.35%	-9.51%
UNITED	90.26%	86.59%	-3.67%	82.69%	82.14%	-0.55%
DELTA	81.98%	82.02%	0.04%	80.36%	80.18%	-0.17%
DENVER AIR CONNECTION	45.40%	38.42%	-6.98%	48.51%	45.16%	-3.35%
<b>GJT TOTAL</b>	<b>82.46%</b>	<b>78.05%</b>	<b>-4.42%</b>	<b>78.93%</b>	<b>77.67%</b>	<b>-1.26%</b>

# Grand Junction Regional Airport Authority

## Statements of Changes in Net Position

Unaudited - subject to change

As of Date:

09/30/2019

	Month			Budget Variance		Prior Year Variance		
	09/30/2019	09/30/2019	9/30/2018	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var	
	Budget	Actual	PY Actual					
<b>Operating revenue</b>								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	40,972	49,316	43,288	8,344	20.37 %	6,028	13.93 %
2	Terminal rent	98,487	98,874	98,487	387	0.39 %	387	0.39 %
3	Other (boarding bridge)	6,943	8,940	7,635	1,997	28.76 %	1,305	17.09 %
	<b>Total Passenger airline revenue</b>	<b>146,402</b>	<b>157,130</b>	<b>149,410</b>	<b>10,728</b>	<b>7.33 %</b>	<b>7,720</b>	<b>5.17 %</b>
Non-passenger airline revenue								
4	Non-passenger landing fees	7,069	8,237	9,833	1,168	16.52 %	(1,596)	(16.23) %
5	Cargo and hangar rentals	4,438	4,483	4,372	45	1.01 %	111	2.54 %
6	Fuel tax & flowage fees	50,451	72,387	71,003	21,936	43.48 %	1,384	1.95 %
7	Other (ramp parking, rapid refuel)	370	1,710	780	1,340	362.16 %	930	119.23 %
	<b>Total Non-passenger airline revenue</b>	<b>62,328</b>	<b>86,817</b>	<b>85,988</b>	<b>24,489</b>	<b>39.29 %</b>	<b>829</b>	<b>0.96 %</b>
	<b>Total Aeronautical revenue</b>	<b>208,730</b>	<b>243,947</b>	<b>235,398</b>	<b>35,217</b>	<b>16.87 %</b>	<b>8,549</b>	<b>3.63 %</b>
Non-aeronautical revenue								
8	Land and building leases	49,644	48,614	49,627	(1,030)	(2.07) %	(1,013)	(2.04) %
9	Terminal - restaurant & retail	11,421	12,975	12,291	1,554	13.61 %	684	5.57 %
10	Terminal - other	15,857	15,042	15,041	(815)	(5.14) %	1	0.01 %
11	Rental cars	117,484	123,044	136,444	5,560	4.73 %	(13,400)	(9.82) %
12	Parking and ground transportation	132,630	140,091	118,623	7,461	5.63 %	21,468	18.10 %
13	Other (security fee, overtime fee, etc)	5,633	1,910	5,697	(3,723)	(66.09) %	(3,787)	(66.47) %
	<b>Total Non-aeronautical revenue</b>	<b>332,669</b>	<b>341,676</b>	<b>337,723</b>	<b>9,007</b>	<b>2.71 %</b>	<b>3,953</b>	<b>1.17 %</b>
	<b>Total Operating revenues</b>	<b>541,399</b>	<b>585,623</b>	<b>573,121</b>	<b>44,224</b>	<b>8.17 %</b>	<b>12,502</b>	<b>2.18 %</b>

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

Unaudited - subject to change

As of Date:

09/30/2019

		Month			Budget Variance		Prior Year Variance	
		09/30/2019	09/30/2019	9/30/2018				
		Budget	Actual	PY Actual	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var
<b>Operating expenses</b>								
14	Personnel compensation and benefits	201,840	196,477	225,371	(5,363)	(2.66) %	(28,894)	(12.82) %
15	Communications and utilities	28,271	28,248	25,416	(23)	(0.08) %	2,832	11.14 %
16	Supplies and materials	36,659	40,811	35,087	4,152	11.33 %	5,724	16.31 %
17	Contract services	52,057	36,287	33,690	(15,770)	(30.29) %	2,597	7.71 %
18	Repairs & maintenance	26,451	32,007	19,918	5,556	21.00 %	12,089	60.69 %
19	Insurance	7,864	8,678	7,678	814	10.35 %	1,000	13.02 %
20	Other (travel, marketing, air service, etc)	8,840	20,625	17,573	11,785	133.31 %	3,052	17.37 %
	<b>Total Operating expenses</b>	<b>361,982</b>	<b>363,133</b>	<b>364,733</b>	<b>1,151</b>	<b>0.32 %</b>	<b>(1,600)</b>	<b>(0.44) %</b>
<b>Non-operating revenue (expenses)</b>								
21	Passenger facility charges	83,000	91,226	92,058	8,226	9.91 %	(832)	(0.90) %
22	Interest income	5,000	20,016	17,994	15,016	300.32 %	2,022	11.24 %
23	Interest expense	(67,515)	(67,515)	(69,816)	-	0.00 %	2,301	(3.30) %
24	Customer facility charges	77,000	78,104	75,536	1,104	1.43 %	2,568	3.40 %
25	Capital contributions	1,610,558	-	1,297,776	(1,610,558)	(100.00) %	(1,297,776)	100.00 %
25	Capital expenditures	(2,071,212)	(83,448)	(305,647)	1,987,764	(95.97) %	222,199	(72.70) %
26	Debt principal payments	-	-	(112,675)	-	0.00 %	112,675	0.00 %
	<b>Total Non-operating revenue (expenses)</b>	<b>(363,169)</b>	<b>38,383</b>	<b>995,226</b>	<b>401,552</b>	<b>(110.57) %</b>	<b>(956,843)</b>	<b>(96.14) %</b>
	<b>Excess of revenue over (under) expense</b>	<b>(183,752)</b>	<b>260,873</b>	<b>1,203,614</b>	<b>444,625</b>	<b>(241.97) %</b>	<b>(942,741)</b>	<b>(78.33) %</b>

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

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

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

- 6 ***Fuel tax & flowage fees*** – Based on discussions with CDOT, fuel flowage fees are typically collected by the State and remitted to the airports about two months after the activity occurred. However, the state does not remit funds until they are collected, so the lag time could be even greater than three months and delayed receipts by the state result in uneven payment streams to the airport. This unpredictability of the payment stream often makes the monthly financial statements year over year incomparable. Flowage fees are collected by West Star based on fuel sold to the airlines and GA community. In general, fuel tax revenue and flowage fees should correspond to changes in commercial operations since this is a significant portion of av gas sales. The variance from budget is directly related to the higher than expected activity levels which have resulted in more fuel tax revenue collections, fuel flowage fees, and airside fuel sales which are all ahead of budget in September 2019.
- 11 ***Rental Cars*** - The variance between the September Rental Car revenue to prior year reflects the decrease in the number of rental days from 2018 to 2019 of about 1,360 days (7%), however, the number of rental transactions actually increased by 22%.
- 12 ***Parking and Ground Transportation*** - Parking and GT Revenue out-performed budgeted expectations and prior year actual amounts. Most of the variance is due to the increase in passengers in September 2019 compared to 2018, but the total number of parking transactions increased and the average amount per ticket increased almost \$1 from the prior year.

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

- 14 ***Personnel Compensation & Benefits*** – The variance to prior year is primarily due to the fact that personnel expenses were recorded in the month paid in the prior year and in September 2018 there were 3 pay periods, resulting in a higher prior year actual expense. The 2019 actual expense reflects full accrual basis accounting where the payroll expense is recognized based on days worked. We are on track with our monthly and annual budget.
- 17 ***Contract Services*** – Contract services were below budget in multiple departments in September primarily due to the timing of when these services were performed. Spending in September is consistent with the prior year, and we are within budget for the year.
- 18 ***Repairs and Maintenance*** – Repairs and Maintenance activities were budgeted relatively evenly throughout the year, although the actual timing of these activities can vary. The spending in September 2019 was higher than 2018 primarily related to the pavement maintenance in the GA area.
- 20 ***Other (travel, marketing, air service)*** – The variance to budget for the other expenses is primarily a function of timing for when the travel is purchased for conferences and annual professional dues are paid. Spending for the month and year to date is ahead of budget and prior year, however, we budgeted to spend almost 40% of the annual budget in December because we could not predict what month the expenses would be incurred.

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

- 22 ***Interest Income*** - Interest income was budgeted conservatively and assuming that the bond funds would be spent down by now, however, we just completed the first bond draw in August 2019, therefore interest income exceeded expectations.
- 25 ***Capital Contributions & Expenditures*** – The timing of capital contributions (grant revenue) and capital expenditures is somewhat unpredictable. We had anticipated a number of costs to be incurred in the first quarter related to 2018 projects that rolled into 2019, and when the budget was completed, we anticipated an earlier start on the terminal renovation project. Currently, the terminal renovation project remains under budget, and we are in the process of closing out grants for projects that were started in prior years and beginning work on the 2019 grant projects. We will continue to provide updates on projects as they progress, and do not anticipate the need for any budget amendments as it relates to projects.
- 26 ***Debt principal Payments*** – The final payment for the SIB loan payment was due June 1, 2019 which accounts for the variance in payments compared to September 2018.

# Grand Junction Regional Airport Authority

## Statements of Changes in Net Position

Unaudited - subject to change

		Year to Date			Budget Variance		Prior Year Variance	
		09/30/2019	09/30/2019	9/30/2018				
		Budget	Actual	PY Actual	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var
<b>Operating revenue</b>								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	402,653	469,248	415,052	66,595	16.54 %	54,196	13.06 %
2	Terminal rent	886,383	887,156	886,383	773	0.09 %	773	0.09 %
3	Other (boarding bridge)	86,738	93,400	91,497	6,662	7.68 %	1,903	2.08 %
	<i>Total Passenger airline revenue</i>	<b>1,375,774</b>	<b>1,449,804</b>	<b>1,392,932</b>	<b>74,030</b>	<b>5.38 %</b>	<b>56,872</b>	<b>4.08 %</b>
Non-passenger airline revenue								
4	Non-passenger landing fees	65,638	70,897	152,658	5,259	8.01 %	(81,761)	(53.56) %
5	Cargo and hangar rentals	39,744	40,016	39,096	272	0.68 %	920	2.35 %
6	Fuel tax & flowage fees	496,572	557,899	568,959	61,327	12.35 %	(11,060)	(1.94) %
7	Other (ramp parking, rapid refuel)	3,330	6,330	4,110	3,000	90.09 %	2,220	54.01 %
	<i>Total Non-passenger airline revenue</i>	<b>605,284</b>	<b>675,142</b>	<b>764,823</b>	<b>69,858</b>	<b>11.54 %</b>	<b>(89,681)</b>	<b>(11.73) %</b>
	<i>Total Aeronautical revenue</i>	<b>1,981,058</b>	<b>2,124,946</b>	<b>2,157,755</b>	<b>143,888</b>	<b>7.26 %</b>	<b>(32,809)</b>	<b>(1.52) %</b>
Non-aeronautical revenue								
8	Land and building leases	450,621	443,321	447,143	(7,300)	(1.62) %	(3,822)	(0.85) %
9	Terminal - restaurant & retail	94,874	125,543	101,769	30,669	32.33 %	23,774	23.36 %
10	Terminal - other	142,713	135,371	154,135	(7,342)	(5.14) %	(18,764)	(12.17) %
11	Rental cars	910,734	990,447	936,901	79,713	8.75 %	53,546	5.72 %
12	Parking and ground transportation	1,034,493	1,174,793	1,017,323	140,300	13.56 %	157,470	15.48 %
13	Other (security fee, overtime fee, etc)	57,115	72,203	44,168	15,088	26.42 %	28,035	63.47 %
	<i>Total Non-aeronautical revenue</i>	<b>2,690,550</b>	<b>2,941,678</b>	<b>2,701,439</b>	<b>251,128</b>	<b>9.33 %</b>	<b>240,239</b>	<b>8.89 %</b>
	<b>Total Operating Revenues</b>	<b>4,671,608</b>	<b>5,066,624</b>	<b>4,859,194</b>	<b>395,016</b>	<b>8.46 %</b>	<b>207,430</b>	<b>4.27 %</b>



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

Unaudited - subject to change

		Year to Date			Budget Variance		Prior Year Variance	
		09/30/2019	09/30/2019	09/30/2019				
		Budget	Actual	PY Actual	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var
<b>Operating expenses</b>								
14	Personnel compensation and benefits	1,871,775	1,767,867	1,608,145	(103,908)	(5.55) %	159,722	9.93 %
15	Communications and utilities	250,559	238,058	225,099	(12,501)	(4.99) %	12,959	5.76 %
16	Supplies and materials	399,864	377,416	319,520	(22,448)	(5.61) %	57,896	18.12 %
17	Contract services	502,543	455,968	415,376	(46,575)	(9.27) %	40,592	9.77 %
18	Repairs & maintenance	272,399	275,571	229,857	3,172	1.16 %	45,714	19.89 %
19	Insurance	69,101	82,956	70,325	13,855	20.05 %	12,631	17.96 %
20	Other (travel, marketing, air service, etc)	167,920	190,873	179,629	22,953	13.67 %	11,244	6.26 %
	<i>Total Operating expenses</i>	<b>3,534,161</b>	<b>3,388,709</b>	<b>3,047,951</b>	<b>(145,452)</b>	<b>(4.12) %</b>	<b>340,758</b>	<b>11.18 %</b>
<b>Non-operating revenue (expenses)</b>								
21	Passenger facility charges	652,500	797,904	683,086	145,404	22.28 %	114,818	16.81 %
22	Interest income	47,400	191,221	136,469	143,821	303.42 %	54,752	40.12 %
23	Interest expense	(609,637)	(609,642)	(632,565)	(5)	0.00 %	22,923	(3.62) %
24	Customer facility charges	538,600	566,264	517,720	27,664	5.14 %	48,544	9.38 %
25	Capital contributions	13,467,844	2,172,303	2,405,199	(11,295,541)	(83.87) %	(232,896)	(9.68) %
25	Capital expenditures	(18,474,523)	(7,196,184)	(3,113,270)	11,278,339	(61.05) %	(4,082,914)	131.15 %
26	Debt principal payments	(229,673)	(229,674)	(335,604)	(1)	0.00 %	105,930	(31.56) %
	<i>Total Non-operating revenue (expenses)</i>	<b>(4,607,489)</b>	<b>(4,307,808)</b>	<b>(338,965)</b>	<b>299,681</b>	<b>(6.50) %</b>	<b>(3,968,843)</b>	<b>1,170.87 %</b>
	<b>Excess of revenue over (under) expense</b>	<b>(3,470,042)</b>	<b>(2,629,893)</b>	<b>1,472,278</b>	<b>840,149</b>	<b>(24.21) %</b>	<b>(4,102,171)</b>	<b>(278.63) %</b>

## **Variance Explanations - 9/30/19 Year to Date Preliminary Financial Statements**

Variance explanations below are provided for those categories that had variances to budget or prior year actual of greater than \$30,000 and 10% YTD through September 2019. The threshold was increased to \$30,000 because this is approximately 1% of budgeted revenue through June 30 and is more meaningful than the \$10,000 threshold. We will look to adjust this each quarter.

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

- 1 **Passenger Landing Fees** - Passenger landing fees are 16.5% above budget and 13% above the prior year actual revenue due to the increase in commercial landings YTD through September 2019 compared to September 2018. United has had the largest increase, with 119 more landings YTD through September 2019 compared to YTD September 2018, a 10.5% increase.
- 4 **Non-Passenger Landing Fees** - Non-passenger landing fees are below the prior year actual revenue due to the change in flight schedules for Fed Ex and the decreased revenue related to the fire mitigation efforts staged from GJT. In the first part of 2018, Fed Ex had 2 regular flights, while they only have one in 2019. This was anticipated and budgeted for, therefore the YTD revenue through September 2019 meets expectations.
- 6 **Fuel Tax and Flowage Fees** - Fuel tax and flowage fees are below prior year, but exceeding budgeted expectations. This is due to the increase in commercial traffic which results in additional fuel tax and flowage fees that are passed on to the Authority.
- 9 **Restaurant & Retail** - Restaurant and retail revenue out performed the prior year and budgeted expectations due to the increased passenger traffic.
- 11 **Rental Cars** - Rental Car Revenue exceeded budget and prior year revenue year to date through September 2019 as a result of the higher than expected passenger traffic.
- 12 **Parking and Ground Transportation** - Parking and GT Revenue exceeded budget and prior year revenue year to date through September 2019 due to higher than expected passenger traffic. In addition to the increase in parking transactions, the average length of stay has also increased year over year.

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

- 16 **Supplies & Materials** – Most of the variance here is due to IT and camera upgrades that would have been capitalized under the prior capitalization policy but not the current one. Additional variances are due to the increase in fuel purchased for rental cars.
- 18 **Repairs & Maintenance** – Repairs and Maintenance activities were higher in 2019 than 2018 which was expected and budgeted for. This category will fluctuate month to month due to the unexpected nature of repairs and maintenance activity. Year to date we are still in line with our annual budget.

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

- 21 **PFC Revenue** – PFC revenue exceeded prior year actual and current year budget due to increased activity. We are seeing an increase in capacity and total enplaned passengers that we expect to continue throughout the year.
- 22 **Interest Income** - Interest income was budgeted conservatively and assuming that the bond funds would be spent down by now, however, we still have a strong cash balance and did not complete the bond draw until August, therefore interest income exceeded expectations.
- 25 **Capital Contributions & Expenditures** – The timing of capital contributions (grant revenue) and capital expenditures is somewhat unpredictable. We had anticipated a number of costs to be incurred in the first quarter related to 2018 projects that rolled into 2019, and when the budget was completed, we anticipated an earlier start on the terminal renovation project. The terminal renovation project was completed under budget, and we are in the process of closing out grants for projects that were started in prior years and beginning work on the 2019 grant projects. We will continue to provide updates on projects as they progress, and do not anticipate the need for any budget amendments as it relates to projects.
- 26 **Debt Principle Payments** – The variance from prior year in debt principle payments is due to the pay-off of the SIB loan in 2019.

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

		Month Ending 09/30/2019	Month Ending 08/31/2019	Variance
<b>Assets</b>				
Current Assets				
	Cash and Cash Equivalents - Unrestricted	\$ 6,774,744	\$ 6,722,531	\$ 52,213
	Cash and Cash Equivalents - Restricted	3,016,897	2,862,333	154,563
1	<i>Total Cash and Cash Equivalents</i>	<u>9,791,640</u>	<u>9,584,864</u>	<u>206,776</u>
Accounts Receivable				
	Accounts Receivable - Ops	781,523	710,454	71,069
	Accounts Receivable - Capital	1,997,232	2,317,894	(320,662)
2	<i>Total Accounts Receivable, Net</i>	<u>2,778,755</u>	<u>3,028,348</u>	<u>(249,593)</u>
3	Prepaid Expenses	99,929	120,282	(20,353)
	<i>Total Current Assets</i>	<u>12,670,324</u>	<u>12,733,494</u>	<u>(63,169)</u>
<b>Non-Current Assets</b>				
Capital Assets				
	Capital Assets not subject to depreciation	19,543,446	19,543,446	-
	Capital Assets subject to depreciation, net	46,608,338	46,969,278	(360,941)
4	<i>Total Capital Assets, Net</i>	<u>66,151,784</u>	<u>66,512,725</u>	<u>(360,941)</u>
5	Bond Project Fund	4,873,176	4,857,581	15,595
	<i>Total Non-Current Assets</i>	<u>71,024,960</u>	<u>71,370,306</u>	<u>(345,346)</u>
	<b>Total Assets</b>	<b><u>83,695,284</u></b>	<b><u>84,103,799</u></b>	<b><u>(408,515)</u></b>
6	<b>Deferred Outflows of Resources - Pension Plan</b>	<b><u>413,509</u></b>	<b><u>413,509</u></b>	<b><u>-</u></b>
<b>Liabilities</b>				
Current Liabilities				
7	Accounts Payable - Ops	115,022	165,778	(50,757)
7	Accounts Payable - Capital	997,190	1,333,090	(335,900)
8	Accrued Expenses	197,215	184,443	12,772
9	Lease Deposits	164,576	164,566	10
10	Deferred Revenue	16,319	18,408	(2,089)
11	Current portion of note and bonds payable	1,157,213	1,089,698	67,515
	<i>Total Current Liabilities</i>	<u>2,647,536</u>	<u>2,955,983</u>	<u>(308,448)</u>
Long Term Liabilities				
	Bond Payable	19,073,896	19,073,896	-
	Deferred Revenue	444,933	444,933	-
	Net Pension and OPEB Liability	2,775,984	2,775,984	-
12	<i>Total Long Term Liabilities</i>	<u>22,294,813</u>	<u>22,294,813</u>	<u>-</u>
	<i>Total Liabilities</i>	<u>24,942,349</u>	<u>25,250,797</u>	<u>(308,448)</u>
13	<b>Deferred Inflows of Resources - Pension Plan</b>	<b><u>518,872</u></b>	<b><u>518,872</u></b>	<b><u>-</u></b>
	<b>Total Net Position</b>	<b><u>\$ 58,647,572</u></b>	<b><u>\$ 58,747,640</u></b>	<b><u>\$ (100,068)</u></b>

## **Variance Explanations - 9/30/19 Statement of Financial Position**

***Assets: Total Assets decreased by approximately \$408k From August 2019 to September 2019 due primarily to monthly depreciation expense of approximately \$360k.***

- 1 **Cash** – The increase in cash is due to the collection of outstanding capital receivables of \$320k.
- 2 **Accounts Receivable** – Accounts receivable includes both operating receivables and capital receivables from grants. Operating receivables increased approximately \$70k in September due to the timing of regular receipts and billings. We collected \$320k of capital grant receivables from the FAA this period, although we still have approximately \$1.5M of receivables awaiting the final close-out process.
- 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.
- 4 **Capital Assets, Net** – Historically, the airport has not capitalized equipment throughout the year as it is purchased, but instead, expenses all purchases as part of capital expenditures and then capitalizes assets at year end. This allows us to track spending for budget purposes. We may look to change this practice going forward, but we are still working on making other improvements to the financial reporting and closing process first. Therefore, the only change in the fixed assets accounts that will be seen on a monthly basis is the regular monthly depreciation based on assets placed in service as of December 31, 2018.
- 5 **Escrows and Reserves** – The Escrow and reserve balance represents unused bond funds. The change in balance in September represents interest income as not draws were taken.

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

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

***Liabilities: Total Liabilities decreased \$308k from August 2019 to September 2019. This was driven almost entirely by payments made towards capital projects and outstanding payables.***

- 7 **Accounts Payable** – Similar to accounts receivable, the majority of the balance and the variance from month to month is caused by the capital expenses payable to contractors and engineers associated with our capital projects. In September, we paid down approximately \$335k more than we incurred for the month, resulting in a decrease in the balance. Accounts payable and receivable should have a positive correlation in periods when we are working primarily on AIP projects where the majority of the cost is funded by the FAA.
- 8 **Accrued Expenses** – This category is primarily made up of liabilities for un-used PTO (approximately 140,000) and payroll accruals to properly recognize payroll expenses in the periods that the employees have worked. Changes in this account month to month are almost entirely related to changes in the payroll accruals.
- 9 **Lease Deposits** – Lease deposits are primarily made up of General Aviation Lease deposits that were required in the standard ground lease based on a number of month's rent. We also hold deposits for parking passes held by airport tenant employees. These amounts are payable back to tenants at the end of the lease, or as parking passes are returned. The balance of deposits typically does not change materially from period to period as activity is limited.
- 10 **Deferred Revenue** – This liability represents rent received in advance and is primarily made up of a pre-payment received by the BLM in 2017. Prepaid rent is a liability because we have not provided our tenant with the space for the period of time that they paid us for.
- 11 **Current Portion of note and bonds payable** – This balance represents principal and interest due on the outstanding revenue bonds. The change from month to month is the accrued interest payable associated with the current month.
- 12 **Long-Term Liabilities** – The bond payable balance will only change as principle payments are made twice per 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 airports portion of the unfunded Pension liability for PERA. Long-term deferred revenue represents pre-paid revenues for years after 2019.

***Deferred Inflows of Resources:***

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