

Missoula County Airport Authority Regular Board Meeting

DATE: Tuesday, November 30, 2021
TIME: 1:30 p.m.
PLACE: Board Conference Room

PLEASE NOTE: To protect the health of the public and our employees during this public health emergency, this meeting will be in a call/video format.

Members of the public can submit comments by email to: lfagan@flymissoula.com.

Members of the public can call in and connect digitally to the meeting using the information below and will have the opportunity to comment prior to any vote of the Board as well as on any item not before the Board at the beginning of the meeting. We ask that, if possible, you turn your camera on if you wish to make a comment, as that will alert the Chair to call on you.

Documents will be available on the airport's website, www.flymissoula.com, by 9 a.m. on the meeting date.

Members of the public can view the meeting and documents relied on during the meeting by joining the meeting from their computer, tablet or smartphone at:

<https://global.gotomeeting.com/join/362010253>

You can also dial in using your phone.

United States: [+1 \(646\) 749-3112](tel:+16467493112)

Access Code: 362-010-253

Staff members will be present in the Conference room and a limited number of public attendants will be permitted with facial coverings and social distancing rules in place.

MASKS ARE STILL REQUIRED IN THE AIRPORT PURSUANT TO FEDERAL RULE

- Chair to call the meeting to order.
 - Advise the Public the meeting is being recorded.
 - Seating of Alternate Commissioner if needed.
 - Approval of the Agenda.
- Public Comment.
- Review and approve the minutes of the Regular Board meeting dated October 26, 2021. **-Pg 3**
- Approval of Claims for Payment – Teri Norcross **-Pg 13**
- Financial Report – Teri Norcross **-Pg 16**
- Director's Report – Brian Ellestad **-Pg 25**
- Legal Report – Lynn Fagan
- Committee Updates –

Business Development Committee: No Activity
Contract and Lease Committee: No Activity

Executive Committee: Met November 30, 2021
Facility and Operations Committee: No Activity
Finance Committee: No Activity
General Aviation Committee: No Activity
Legislative Committee: No Activity
Marketing Committee: No Activity

Unfinished Business

- Terminal Civil Construction Projects Balancing Change Orders – Tim Damrow **-Pg 27**
 - Martel Amendment No. 8 – Deductive Change Order #3 = (\$54,677)
 - Martel Amendment No. 8.2 – Deductive Change Order #2 = (\$41,600)
 - Martel Amendment No. 8.3 – Deductive Change Order #1 = (\$28,540)
 - Martel Amendment No. 14 – Additive Change Order #1 = \$116,407

New Business

- Fiscal Year 2021 Audit – Teri Norcross **-Pg 32**
- Award of Vending Request for Proposals – Lynn Fagan **-Pg 116**
- Purchase of PFAS Testing Solution for ARFF Trucks – Brian Ellestad **-Pg 117**
- Election of Board Officers – Board Chair **-Pg 119**

Information/Discussion Item(s)

December Board Meeting – Tuesday December 28, 2021 1:30 p.m.

Board Christmas Party
Monday December 13, 2021
Pangea, 223 North Higgins

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
October 26, 2021
1:30 pm, Airport Board Conference Room

THOSE PRESENT

BOARD:

Chair Matthew Doucette
Vice Chair Adriane Beck
Secretary/Treasurer Larry Anderson
Commissioner Jeff Roth via conference call
Commissioner Dori Brownlow via conference call
Commissioner Deb Poteet via conference call
Commissioner Shane Stack via conference call
Alternate Commissioner Winton Kemmis via conference call
Alternate Commissioner Pat Boyle
Honorary Commissioner Jack Meyer

STAFF:

Director Brian Ellestad
Deputy Director Tim Damrow
Finance Manager Teri Norcross
Administrative Manager Lynn Fagan
Public Safety Chief Justin Shaffer via conference call
Airfield Manager Nate Cole via conference call
Facilities Manager Thad Williams via conference call
Administrative Assistant Rick Reeve

OTHERS:

Gary Matson, Runway 25 Hangars via conference call
Shaun Shea, Morrison-Maierle
Martin Kidston, Missoula Current via conference call
Rick Pukis, Private Citizen
Steve Conway, Martel Construction via conference call
Jared Schmit, Blackfoot Communications via conference call
Taylor Heggen, Ferguson Law via conference call

Chair Matthew Doucette called the meeting to order and advised everyone that the meeting was being recorded.

Administrative Manager Lynn Fagan performed a roll call of Board members, staff members, and members of the public.

AGENDA

Motion: Commissioner Shane Stack moved to approve the agenda as presented.

Second: Commissioner Deb Poteet

Vote: Motion Passed Unanimously

PUBLIC COMMENT PERIOD

Rick Pukis, a private citizen, attended the board meeting in person. He read a prepared statement about how he feels the amount of air traffic over Missoula, and in the Orchard Homes

neighborhood in specific, has negatively affected his livelihood. He referred to the loud airplanes as “mechanical monsters” that have not had a positive outcome on the people or wildlife in Missoula. He asked that something be done to address this ongoing and increasingly disruptive issue. A copy of Mr. Pukis’ prepared statement is attached to these minutes.

Director Brian Ellestad thanked Mr. Pukis for his comments. Brian noted that the Airport does not control the airspace, but we do value community input. The Airport is in works to collect data to present to the FAA so that a determination can be made if any routes can be diverted. The upcoming Airport Master Plan will examine the noise issues that have been raised. Brian also noted that more and more folks are moving to Montana, and to Missoula, so air traffic is likely to increase as time goes on.

Mr. Pukis thanked Brian for his feedback and noted that he would love to be a part of any citizen representation if the Board was open to that. Chair Matthew Doucette stated that an opening was to be posted next week. Administrative Manager Lynn Fagan clarified that it was for one of the Alternate Commissioner positions. Lynn added that the County Commissioners are the ones that appoint Board members so the posting would be on the Missoula County website.

MINUTES

Chair Matthew Doucette asked if anyone had questions, edits, or public comments regarding the minutes for the Regular Board Meeting dated September 28, 2021. There were none.

Motion: Vice Chair Adriane Beck moved to approve the minutes of the Regular Board Meeting dated September 28, 2021, as presented.

Second: Secretary/Treasurer Larry Anderson

Vote: Motion Passed Unanimously

CLAIMS FOR PAYMENT

Finance Manager Teri Norcross mentioned that there are 9 credit cards that the Airport uses that get summarized each month. Regarding projects spending, check #1084 was to Office City for 50% down payment for office furniture for the new terminal. There was also a payment to First Call for some tech connections.

Teri mentioned that during the Executive Committee meeting earlier that day, she explained that the refund check to DGS was a result of some long, hard work by Office Administrator Donna Marie Robnett to balance old credits and aging. Chair Matthew Doucette expressed his thanks to Donna Marie and Teri for their efforts on that and similar Accounts Receivable issues.

Chair Matthew Doucette asked if there were any questions or public comments regarding the Claims for Payment; there were none.

Motion: Commissioner Deb Poteet moved to approve the Claims for Payment as presented.

Second: Commissioner Dori Brownlow

Vote: Motion Passed Unanimously

FINANCIAL REPORT

Finance Manager Teri Norcross started by talking about the balance sheet level of debt. In October, the Airport drew another \$1,150,00, meaning the current level of debt will increase to \$17 million, which will be shown on the end of October financials. Regarding Profit & Loss, FY2022 continues to look good and that operating revenues are very healthy. Compared to the first quarter of 2020 (Pre-Covid), FY2022 is 39% ahead of those numbers for revenue.

Director Brian Ellestad noted that those numbers are aided by the restructuring of the payment schedule from Republic Parking. They now pay a percentage of gross each month rather than triuing up at the end of each fiscal year. So, Republic may or may not be down in total cars at the end of the year; that remains to be seen.

There was a meeting of the Finance/Audit Committee prior to the Board meeting today. The draft of the audit was reviewed, and the full audit will be brought to the full Board in November.

Chair Matthew Doucette asked if anyone had additional questions or public comments regarding the Financial Report; there were none.

Motion: Vice Chair Adriane Beck moved to accept the Financial Report as presented.

Second: Commissioner Jeff Roth

Vote: Motion Passed Unanimously

DIRECTOR'S REPORT

Director Brian Ellestad began by noting that MSO has been reclassified from a Non-hub to a Small Hub airport. This is a result based on the percentage of US air traffic that comes through the Missoula Montana Airport. Small Hubs are classified as having .05% to .25% of US air traffic. MSO was 154th in the country in 2010 with 289,000 enplanements, peaking at 455,000 enplanements in 2019. So, the Small Hub status is definitely a result of MSO doing better than other parts of the country since COVID. This will likely lead to our status fluctuating between Non and Small hub as air traffic returns.

Vice Chair Adriane Beck asked if MSO would yo-yo between Non and Small Hub status. Brian responded that the numbers are not static, and that it is based on percentage of overall US air traffic. So, it is likely that we go back and forth over then next few years. Although, it is just as likely we stay in the Small Hub status since traffic to Missoula and surrounding areas is increasing.

Adriane also asked about a transition/grace period in complying with new regulations that accompany the Small Hub status. Brian replied that the expectation is to comply by March/April 2022 in accordance with the next grant cycle. MSO has a tool in place (Veoci) where most of the newly required items are being done already. These tasks would just now need formal documentation in order to meet the requirements.

Secretary/Treasurer Larry Anderson asked if there were any signs of dropoff due to the latest COVID variant. Brian said the short answer was yes, but less than the rest of the country. Brian added that while Payroll Protection ended in September and less seats became available, the flights have been fuller. Airlines are seeing overbooked flights to the point where they are asking folks to volunteer to take other flights. Load Factors have increased from around 70% to more than 80% as a result.

Regarding air service, Christmas schedules have been finalized. Notably, American kept their double departures to DFW. Brian estimated that overall, the holiday season should be at about 2019 numbers. Brian and Deputy Director Tim Damrow attended an Allegiant meeting, and the carrier was happy with our core markets. Brian noted that the Airport Master Plan should start sometime in March 2022 after the FAA grant money has been received. The potential Infrastructure Bill currently in Congress is something to keep an eye on for the Airport. The General Aviation camera at MSO is now active; this will aid pilots. MSO is the first commercial airport in Montana to have this feature.

Deputy Director Tim Damrow began his report by updating progress on the new terminal project. The new Exit Plaza should be finished by early November. The heated sidewalks have been finished. Framing for the new bar is in place. Numerous interior finishes continue to progress. The location of the temporary rental car facility will be near the existing flagpole in the parking lot.

Chair Matthew Doucette asked if anyone had any further questions or comments for Brian or Tim; there were none.

LEGAL REPORT

Administrative Manager Lynn Fagan explained that she was in Washington DC last week for an Airport Law Conference. One of the big topics of discussion was the proposed Infrastructure Bill. The main points to be decided on that legislation were the size of the bill and if it would pass in 2021. Brian Bell, the House Transportation and Infrastructure Committee Counsel, seemed to think it would pass before the end of December.

The Committee was also looking into increasing fines for unruly passengers since that has become a bigger issue since COVID and the mask requirements. Reducing emissions was also a hot topic for the aviation industry, as it is the fastest growing transportation sector. The FAA Reauthorization is up in 2023.

The General Counsel from TSA also spoke at the event. She talked about the priorities of handling COVID, cyberterrorism attacks and possible unarmed aircraft/drone attacks.

The Vaccine mandate was discussed, as the federal government has continued to push those mandates to include as many people as possible. MSO Airport / MCAA is not currently included in the mandate, but it is likely that it will be in the future.

Chair Matthew Doucette asked if anyone had any questions or public comments regarding the Legal Report; there were none.

COMMITTEE UPDATES

Executive Committee: Met October 26, 2021, to review the Board agenda.

Finance Committee: Met October 26, 2021 to review draft of audit.

Business Development: No Activity

Contract & Lease Committee: No Activity

Facility & Operations Committee: No Activity

Marketing Committee: No Activity

General Aviation Committee: No Activity

Legislative Committee: No Activity

UNFINISHED BUSINESS

Purchase of Temporary Rental Car Facility and Components

Deputy Director Tim Damrow explained that MCAA's Procurement Policy, approved by the Missoula County Airport Board in November 2019, permits staff to procure goods through cooperative purchasing groups, such as General Services Administration (GSA). As construction of the South Concourse nears completion in early 2022, we will need to relocate our last remaining tenants (rental cars) out of the old terminal to a temporary facility. The airport team and rental car partners evaluated several phasing and facility options to accommodate operations during construction.

The proposed Sprung Structure facility will more than double the space available for rental car operations, provide easy access to the vehicle ready lot and simplify project phasing. This purchase also includes a restroom trailer to be located adjacent to the facility in addition to office furniture for rental car tenants. The upcoming Martel Contract Amendment #21 will complete assembly of the structure, outfit the facility with tenant offices, ticket counters and complete all site civil work items. Procurement of these items is being completed by staff in accordance with procurement policy to reduce overall projects costs. A contingency amount of 5% has been added to help cover any additional product adjustments that may occur.

Chair Matthew Doucette asked if anyone had any questions or public comments; there were none.

Motion: Commissioner Jeff Roth moved to accept the lease agreements for the Temporary Rental Car Facility in the amount of \$293,827.

Second: Commissioner Deb Poteet

Vote: Motion Passed Unanimously

Contract Amendment No. 22 to the Master Agreement with Martel Construction for Temporary Rental Car Facility Construction and Site Improvements

Deputy Director Tim Damrow explained that as part of Martel Construction's contract amendment #22, they have provided a Guaranteed Maximum Price (GMP) to construct and complete site civil work for the airport purchased temporary rental car facility. The scope of this amendment will cover all necessary items to bring the airport purchased structure and support facilities online and ready for operations. A copy of the summarized work has been included with Martel's Contract Amendment. Individual bid proposals are on file with Martel Construction and Morrison-Maierle. Due to current market supply and labor conditions, we are holding several allowances and contingencies at elevated levels. The project team believes there are still several opportunities to decrease the overall cost of this project phase and will continue to work with sub-contractors to find these opportunities.

Secretary/Treasurer Larry Anderson asked if there would be some sort of covered walkway from the bag claim area to the temporary facility location. Tim responded that this was a topic of discussion throughout the process, but the answer is no. Given the length between the building and the temporary nature of the rental car facility, the covered walkway was not feasible, but there should be a limited time of outdoor exposure for customers. Director Brian Ellestad added that summer is the peak time for car rentals, meaning that good weather should accompany the high demand period.

Larry asked if there would be any type of traffic control devices for passengers to get across the road to the rental car facility. Tim noted this was also a highly discussed item with the rental car companies. Automotive traffic does tend to move slow during peak times for passenger pickup/dropoff, so at this time, no traffic control devices will be installed. Shaun Shea of Morrison-Maierle added that new signage that is to be installed should help avoid the current issue of double parking in front of the terminal. Once the new terminal curb front is open, the length of area for cars to park in the “drop zone” will greatly increase. These 2 items should help to improve passenger experience as it relates to travel to/from the temporary car rental facility.

Chair Matthew Doucette asked if anyone had any other questions or public comments; there were none.

Motion: Secretary/Treasurer Larry Anderson moved to accept Martel Contract Amendment #22 for the amount not to exceed \$915,535.82 for Temporary Rental Car Facility construction and site improvements.

Second: Commissioner Dori Brownlow

Vote: Motion Passed Unanimously

Task Order No. 41 to the Master Agreement for Professional Engineering Services with Morrison-Maierle.

Deputy Director Tim Damrow explained that in continuation of the phased construction approach to this project, Morrison-Maierle is submitting this Task Order to provide construction management services for the temporary rental car facility project. This Task Order will include part time on-site observation, construction survey staking and architectural services to assist with the construction process (submittals, RFIs, inspections, etc.) on an as-needed basis.

Notice to Proceed will begin immediately with the review of shop drawings and site-civil work items. Construction of this facility is estimated to be completed by March 2022 and will allow for rental car operations to be temporarily relocated in preparation for East Concourse construction.

Chair Matthew Doucette asked if anyone had any questions or public comments; there were none.

Motion: Commissioner Deb Poteet moved to approve Task Order No. 41 with Morrison-Maierle in the amount of \$72,500.

Second: Vice Chair Adriane Beck

Vote: Motion Passed Unanimously

NEW BUSINESS

South Concourse Telecommunications Contract

Deputy Director Tim Damrow stated that on August 13th, 2021, MCAA requested quotes to provide telecommunications services (phone/internet) for the South Concourse. In this request, MCAA asked respondents to provide unit price options for multiple different service levels in addition to sample service level agreements and contract terms for a 5-year service period. MCAA received two responses to provide these services, both of which were evaluated and scored by a selection committee. This contract will allow us to migrate our existing phone line counts from the

current terminal and will substantially increase internet service levels to support the increased systems demand of the new terminal. Overall, this contract will be a substantial savings from our existing agreement even with a heavily upgraded internet service level. The required amount for this contract is an existing budgeted line item expense and will replace the existing service contract upon final commissioning of the South Concourse.

Chair Matthew Doucette asked if anyone had any questions or public comments; there were none.

Motion: Commissioner Shane Stack moved to approve the telecommunications contract with Blackfoot Communications to provide phone and internet service for the South Concourse as presented.

Second: Vice Chair Adriane Beck

Vote: Motion Passed Unanimously

*Commissioner Jeff Roth noted that he abstained from voting due to a conflict with a client.

Airport Condos, LLC Lease Extension

Administrative Manager Lynn Fagan explained that Airport Car Condos, LLC original lease with MSO began on September 1, 2001, with a 20-year term and one 5-year extension. In 2009, the lease was extended until July 1, 2035. Since that time, the Lessees have constructed 23 new units and are in the process of constructing another 12 units. The total capital investment for these units exceeds \$500,000.00. Pursuant to the Primary Guiding Documents, a lessee can request an extension and lease terms should be commensurate with the level of capital improvement/investment made in order to allow the lessee to amortize capital investment and make a reasonable return. However, Montana statute limits lease terms to a maximum of 40 years. Based on the Montana statute and the number of addendums to the original lease, staff felt it prudent to enter into a new lease. The lease is in the same format as other airport leases and includes updated provisions. Lynn noted that as a non-aviation lease, the rental rate will increase based on the Consumer Price Index every 3 years.

Chair Matthew Doucette asked if anyone had any questions or public comments; there were none.

Motion: Commissioner Jeff Roth moved to approve the Lease Agreement with Airport Car Condos, LLC with a term ending June 30, 2050.

Second: Secretary/Treasurer Larry Anderson

Vote: Motion Passed Unanimously

Memorandum of Agreement between City of Missoula and MCAA – Hellgate Irrigation Ditch shares replacement well

Administrative Manager Lynn Fagan explained that with increased development in the area to the east of the Airport, the City of Missoula has been working to acquire the assets of the Hellgate Valley Irrigation Company (HVIC), including the water rights, easements, and headgates for the Flynn-Lowney Ditch. MCAA owns shares in HVIC, which were acquired with the Pruyn property purchase. Staff has been working with the City separate from the HVIC because the City would like to possibly lease land for municipal water wells on airport property. This agreement provides that the City will drill an 8" well for the airport in exchange for its HVIC shares, and MCAA will allow the City to use the well as a test well to determine the feasibility of potential future municipal

supply wells in the area. Lynn also noted that the surface water rights will be converting to sub-surface rights, which are more valuable.

Chair Matthew Doucette asked if anyone had any other questions or public comments; there were none.

Motion: Commissioner Deb Poteet moved to approve to approve the Memorandum of Agreement Between the City of Missoula and Missoula County Airport Authority.

Second: Commissioner Dori Brownlow

Vote: Motion Passed Unanimously

Charles and Nancy Deschamps Buy Sell and Closing Documents

Administrative Manager Lynn Fagan explained the Deschamps gave the airport notice back in May 2021 of their intent to exercise their rights under a 2011 Settlement Agreement to purchase 154.2 acres. The price for the property was set in the Settlement Agreement at \$3,935.00 per acre for 35.4 acres and \$6,054.00 per acre for 118.8 acres, plus 4.35% interest from October 5, 2011. The attached Agreement to Sell and Purchase Land is in the name of the Deschamps LLC, Pine Hollow Estates, and provides for a closing date before November 15, 2021. The Deschamps have agreed to pay for survey costs. The airport is responsible for the cost of ALTA title insurance, and the parties will split closing costs. The agreement includes a Resolution authorizing the Airport Director to execute the closing documents for the purchase and sale. Lynn noted that if the sale was not closed by November 15th, 2021, the interest would start up again.

Chair Matthew Doucette asked if anyone had any other questions or public comments; there were none.

Motion: Secretary/Treasurer Larry Anderson moved to approve the Agreement to Sell and Purchase Land between MCAA and Pine Hollow Estates, LLC and adopt MCAA Resolution No. 2022-01.

Second: Vice Chair Adriane Beck

Vote: Motion Passed Unanimously

Chair Matthew Doucette mentioned that there were no other discussions items on the agenda, and that the October Board Meeting will be held in the Airport Conference Room and remotely via GoToMeeting on Tuesday, November 30, 2021, at 1:30 pm.

There being no further business, the meeting was adjourned.

Rick Pukis' Public Comment

Everyday more and more mechanical monsters fill the sky over our little valley. They come over my home daily in a deafening swarm, 24 hours a day spewing unbearable levels of noise pollution. Much louder than the 85 decibels that scientific research proves causes **serious health issues**. My db meter cannot measure all of the levels of the mechanical monsters because their engines scream louder than the meter's 120 decibel limit. These mechanical monsters are passenger aircraft, commercial aircraft, transport aircraft, military aircraft, private aircraft, fire-fighting aircraft and helicopters. Blasts from these invaders are so loud, not only does their noise drive you mad, but your body shudders as their sound waves penetrate deep into your body.

Why do we live in Montana? We live here for a high quality of life. To connect and enjoy our country's last functioning ecosystems.

Missoula County's Mission:

"Provide quality public service to protect and enhance the **well-being** of the people, communities and environment of Missoula County."

Vision:

"Missoula County is a trusted community leader **enhancing quality of life** so people can thrive and realize individual and collective potential."

About 30 years ago I moved from the Northside to the historic Orchard Homes neighborhood on Third Street. One could experience dozens of great blue herons flying daily over my place. I was awoken at 6am my first morning in my new old home by the roar of a mechanical monster. Back then the number of mechanical monsters was significantly lower. Now 30 years later, I'm lucky to even see a heron. Have you ever heard the flapping of a bird's wings when flying overhead. Now that's an amazing sound. One that can no longer be heard in Orchard homes. It's a good example of what made this neighborhood special and why we live in

Montana. It's been lost to the ear piercing after burners of mechanical monsters. Almost 200 a day during the busy months fly directly over my property. Imagine 200 mechanical monsters a day screaming & swarming **directly** over your property. The control tower directs these mechanical monsters to turn and scream directly over my house on takeoff. And not only takeoffs but now these invaders circle overhead from East to West and fly overhead coming in for landings. This airport has created more misery than a Stephen King novel yet it brags as it brings in **more** monsters, **bigger** monsters and yet takes little to no responsibility for their negative impacts ruining the lives of Missoula's citizens.

What of the future? Will these mechanical monsters, spewing air and noise pollution continue to grow in such great numbers they will completely darken our little valley's skies? They have already laid bare a valley once so wonderful to a cacophony of noise so loud, Missoula no longer represents the values of Montana. It's no longer one of the last best places. My two long time neighbors who lived on Third street for over 30 years finally had enough and left for quieter pastures in Idaho & Washington. The county, the airport and its leadership should turn a new leaf and realize how much harm it's doing to many citizens of Missoula. We need leadership not to continue to create more problems but find solutions for the place we call home.

Missoula County Airport Authority
Claims For Payment
October 26, 2021 through November 29, 2021

Note

Per Airport policy, checks for prepaid invoices were mailed on October 13th
They are highlighted in the Check Register list for the General Checking Account

Credit Card Charges - by Expense Type (paid with check # 47674)

Communication R&M	276.00
Office Supplies	706.64
Postage	194.10
Computer Equipment Expense	159.34
Vehicle R&M	1,173.08
Contracted Maintenance - license, software, web hosting	2,584.46
Building R&M	324.63
Rent Car R&M	318.24
Snow and Ice Removal	842.42
Employee Training Expense - boiler certification	231.00
Travel Expense - G4 conference, AA CSA, PSO recertification	2,283.47
Safety Supplies	184.48
Wildlife Mitigation	2,849.45
Meals & PR - hotels for AA CSA training	2,952.51
Consultants Expense - job posting	183.17
COVID-19 Expense	280.00
Miscellaneous expenses	192.84
	<u>\$ 15,735.83</u>

Project Checking Account

Check Number	Vendor Name	Amount
85	MARTEL	1222958.38
86	MORRISON MAIERLE	178784.45
87	MARTEL	411720.29
88	MORRISON MAIERLE	7880.33
89	MARTEL	233969.79
90	MORRISON MAIERLE	39947.38
91	KNIFE RIVER	190118.31
92	MARTEL	1383059.67
93	MORRISON MAIERLE	159721.77
1087	MISC TAX DIVISION	12353.11
1088	MISC TAX DIVISION	4158.79
1089	THEBOOKPC.COM, INC.	14477
1090	MISC TAX DIVISION	1920.39
1091	MISC TAX DIVISION	2363.32
1092	GREAT FLOORS	2124
1093	FIRST CALL	855
		<u>\$ 3,866,411.98</u>

Missoula County Airport Authority
Check Register
General Checking Account
October 26, 2021 through November 29, 2021

Check	Vendor Name	Description	Amount
47659	Stefanie Hathaway	Travel Expense - cash advance for meals at AA CSA initial class Phoenix	194.00
47660	BLACKFOOT COMMUNICATIONS	Phone Charges	546.41
47661	CENTURYLINK	Phone Charges	653.23
47662	City of Missoula	Utility Expense (combined water & sewer)	7,142.21
47663	ENERGY WEST	Electric / Gas Expense	2,225.98
47664	LEXIS NEXIS	Legal Services - October monthly subscription	103.00
47665	MSLA ELECTRIC COOP	Electric / Gas Expense	807.05
47666	MURDOCHS	Vehicle R&M, Uniform Expense	528.18
47667	QUADIENT	Postage	200.00
47668	REPUBLIC SERVICES	Disposal Expense	3,777.75
47669	RISING FAST v	Custodial Services	17,860.00
47670	TFS-KELLEY IMAGING SYSTEMS	Contracted Maintenance - printer lease	284.19
47671	VERIZON	Phone Charges	846.58
47672	WESTERN STATES EQUIP	Equipment - landside loader (capital budget)	128,377.00
47673	NORTHWESTERN ENERGY	Electric / Gas Expense	20,446.51
47674	FIRST NATIONAL BANK	Credit Card Charges	15,735.83
47675	N500SE	Refund customer overpayment	34.72
47676	4G PLUMBING & HEATING, INC.	Rent Car R&M	10,759.05
47678	Delta - RENT	Refund customer overpayment - see below	589,358.66
47679	AAAE	Memberships 12/01/2021 to 11/30/2022	525.00
47680	APPLIED INDUSTRIAL TECH	Rent Car R&M	105.14
47681	ASSOCIATED EMPLOYER	Consultants Expense - HR AAP plan preparation	2,484.00
47682	AZ & CO, PC	Accounting Expense - progress billing for FY2021 audit	5,000.00
47683	BITTERROOT FLOWERS	Meals & PR	75.00
47684	COLE, NATE	Travel Expense - cash advance for broom inspection training Appleton	147.00
47685	COPPER STATE BOLT	Custodial Supplies	28.89
47686	CREATIVE P & G, INC	Contracted Maintenance - replacement windows	2,887.00
47687	CRESCENT ELECTRIC	Electric Maintenance, Rent Car R&M	1,497.87
47688	CULLIGAN	Contracted Maintenance - water service	132.50
47689	CUSTOM STITCH AND PRINT	Uniform Expense - shirts for GH employees	673.40
47690	CUSTOM WEST PEST CONTROL	Contracted Maintenance - pest control	165.00
47691	EXACT IMAGE	Uniform Expense - shirts for Field employees	411.10
47692	FAGAN, LYNN v	Travel Expense - reimburse travel expenses for AAAE legal conference	156.12
47693	FASTSIGNS	Marketing - parking lot signage	11,630.25
47694	FERGUSON	Mechanical Supplies	2,606.03
47695	FIRST CALL	Contracted Maintenance - technology	661.25
47696	GELDERSMA, AUGUSTUS	Employee Training Expense - private pilot license tuition assistance	2,000.00
47697	GENESIS LAMP CORP	Airfield Lighting R&M	1,041.83
47698	GRAINGER	Mechanical Supplies, Tools/Equipment, Rent Car R&M	2,037.36
47700	HELENA REGIONAL A/P	Employee Training Expense - ARFF recertification	935.00
47701	HILLYARD INC	Custodial Supplies - cleaning supplies	4,592.67
47702	HOTSY	Vehicle R&M	85.00
47703	INLAND TRUCK PARTS	Vehicle R&M	224.52
47704	ITW GSE, INC.	Jet Bridge R&M	5,433.00
47705	JODSAAS, DYHLAN	Travel Expense - cash advance for Daniel defense armorer training Savannah	209.00
47706	KENT D. BRUCE COMPANY	CIP PSO Vehicle - radio for command vehicle	693.72
47707	L.N. CURTIS	Uniform Expense - gear for PSO employees	90.90
47708	LIFE-ASSIST INC	Safety Supplies	60.39
47709	LOWE'S	Plumbing Expense	9.50
47710	M-B COMPANIES, INC.	Snow and Ice Removal - replacement brushes	13,556.82
47711	MORRISON MAIERLE	Consultants Expense - surveying for Car Condo and Washington	2,831.50
47712	MOTOROLA SOLUTIONS INC	Communication R&M - radio for fire truck	6,773.74
47713	MOUNTAIN SUPPLY	Plumbing Expense	232.65
47714	MSLA CNTY TREAS	Disposal/Industrial - water quality district	86.50
47715	MSLA CVB	Marketing - full page ad in Destination Missoula	4,890.75
47716	MSLA TEXTILE, INC	Uniform Expense, Contracted Maintenance - cleaning	444.27
47717	MT ACE	Snow and Ice Removal, Plumbing Expense	161.96
47718	MT DEPT OF TRANSPORTATION	Marketing - webcam	7,664.33
47719	MT ELECTRONICS	Communication R&M	86.25
47720	MURDOCHS	Petroleum Products, Landscaping, Uniforms Expense	278.53
47721	N/S CORPORATION	Rent Car R&M	1,237.43
47722	NAPA	Vehicle R&M	1,520.42
47723	NASI (NACHURS ALPINE SOLUTIONS)	Snow and Ice Removal - sodium formate	25,396.92

Missoula County Airport Authority
Check Register
General Checking Account
October 26, 2021 through November 29, 2021

Check	Vendor Name	Description	Amount
47724	NORCO INDUSTRIAL	Safety Supplies, Vehicle R&M	298.51
47725	OTTE, ROBERT	Uniform Expense - reimburse for work shoes	23.99
47726	PAYNEWEST	Prepaid Insurance - insurance for additional vehicles	1,258.00
47727	PLATT ELECTRIC	Electric Maintenance	13.40
47728	QUOTIENT GROUP	Marketing - 3 month social media and newsletter support	4,250.00
47729	RDO EQUIPMENT CO.	Vehicle R&M	65.94
47730	SABRE	Contracted Maintenance - monthly Flight Explorer September	150.00
47731	SAFETY-KLEEN	Disposal - Industrial - solvents, filters, oils	363.03
47732	SOL, JAKE	Travel Expense - cash advance for broom inspection training Appleton	147.00
47733	STANDARD SIGNS, INC.	Airfield Lighting R&M	551.38
47734	SYSTEMS NW	Contracted Maintenance - modified paging message	172.50
47735	TEAR IT UP	Office Supplies - shredding service	54.20
47736	TIME RENTAL, LLP	Equipment Rental - air compressor	164.45
47737	TREMPER DISTRIBUTING	Petroleum Products Expense	4,806.72
47738	TRI-ARC INC.	Fog Abatement	2,880.00
47739	VECTOR AIRPORT SYSTEMS LLC	Consultant Expense - PlanePass system implementation fee	9,000.00
47740	VW ICE INC	Office Supplies - ice for Ground Handling	375.00
47741	WATCHGUARD	Tools / Equipment - remote system setup and configure	2,245.00
47742	WE DUST	Snow and Ice Removal - liquid magnesium chloride	3,680.80
47743	WESTERN MANAGEMENT GROUP	Consultants Expense - DataCentral access	225.00
47744	HILL, LAYLA	Travel Expense - cash advance for meals at AA CSA initial class Phoenix	546.00
47745	VAN NICE, CHRIS	Travel Expense - cash advance for meals at AA CSA initial class Phoenix	596.00
			<u>\$ 943,507.78</u>

Reconciliation of Delta Refund

11/01/21 beginning balance	Short-paid Sep landing fees \$32.24 then repaid the shortage 2x's, invoice G2021-1016	32.24
11/04/21 payment received	ach110421-2	608,393.16
11/04/21 applied payment to October landing fees	invoice G2021-1126	(19,066.74)
Refund owed to Delta		<u>\$ 589,358.66</u>

Missoula County Airport Authority - Financial Report

For Period Ended: 10/31/21



*On the **Balance Sheet**:*

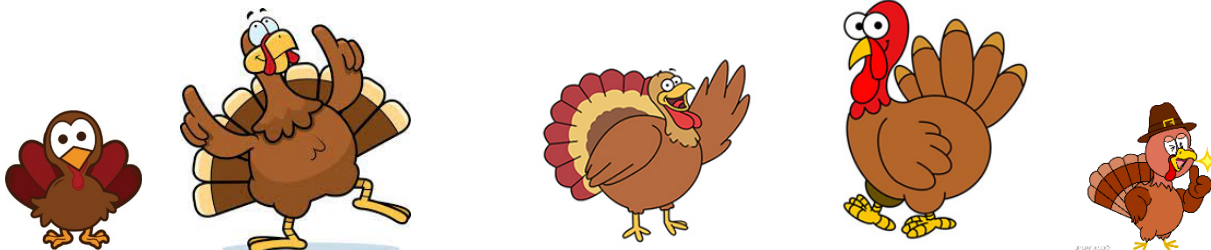
- 🍎 **Accounts Receivables** for general revenues at 10/31/21 were \$655,217, down from \$967,610 at 9/30/21.
- 🍎 **Accounts Receivables** for ground services was \$208,788, down from \$393,203.80 at 9/30/21.
- 🍎 **Grants Receivable** primarily holds close out amounts on two AIP grants for the terminal project and the widening of Aviation Way totaling \$276,692. \$471,141 in costs of the Baggage Handling System which will be reimbursed by the TSA are also included.
- 🍎 **Terminal** projects costs to 10/31/21 are \$55,082,238.
- 🍎 **Accounts Payable** shows separate amounts for general AP and AP related to the capital projects
- 🍎 Additional debt of \$1,150,000 was drawn from **Notes 2019 A & B** during October. Month end debt balances total \$17,195,000.

*On the **Profit and Loss** reports:*

- 🍎 Revenues for the first quarter of fiscal year 2022 look healthy. They exceed the current budgeted revenues, as well as the first quarters of fiscal year 2021, 2020 and fiscal year 2019.
- 🍎 Operating expenses for the quarter are running under budget but over last fiscal year.
- 🍎 Net Operating Income is \$1,544,724.
- 🍎 Overall net income is \$4,356,781.

Other Financial Information:

- 🍎 Authority reserves are held in several local banks and in the STIP. Reserves are earning between .1011% to .35%.
- 🍎 Calculated conservatively, cash reserves are sufficient to cover approximately 7.7 months.
- 🍎 Who makes the pumpkin pies for your Thanksgiving celebration?
- 🍎 White meat or dark?
- 🍎 The draft audit report will be considered later of this meeting. Andersen Zurmuelen will be available to review and answer any questions.



Missoula County Airport Authority
Balance Sheet
As of October 31, 2021

	<u>Oct 31, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
10100 · Petty Cash	300.00
10500 · General Checking Acct	4,421,560.22
10511 · Project Checking Acct	5,000.00
10550 · USFS Account	50,002.47
10560 · Contingency Account- new	125,611.88
10580 · CFC Account	1,192,220.25
10590 · STIP Terminal Reserve	22,883.97
10600 · STIP	730,508.24
10604 · Money Market Accounts	
10605 · BANK of Montana Money Market	258,072.98
10610 · Stockman MM	250,317.64
10644 · Sweep Acct FSB	549,346.49
10645 · FSB Construction	1.00
Total 10604 · Money Market Accounts	1,057,738.11
10700 · Payroll Checking	22,609.46
10710 · Flex - FIB	11,057.15
10750 · PFC Cash at US BANK	1,901,124.47
Total Checking/Savings	9,540,616.22
Accounts Receivable	
10800 · Accounts Receivable	655,217.22
10807 · A/R Advertising	8,895.75
10809 · A/R Ground Handling	208,788.28
10810 · A/R Non-Based Landing Fees	11,747.42
Total Accounts Receivable	884,648.67
Other Current Assets	
10900 · AvSec Fingerprinting Account	845.75
11200 · Grants Receivable	747,834.95
11500 · Pre-Paid Expenses	96,533.18
11600 · Prepaid Insurance	88,047.32
11700 · Concession Contract Receivable	729,998.00
12000 · Undeposited Funds	4,310.64
Total Other Current Assets	1,667,569.84
Total Current Assets	12,092,834.73

Missoula County Airport Authority
Balance Sheet
As of October 31, 2021

	<u>Oct 31, 21</u>
Fixed Assets	
13000 · Land	12,682,498.97
13100 · Land Improvements	8,203,318.43
13200 · Buildings- Terminal	13,438,560.91
13300 · Buildings- Ops & Fire	6,184,039.07
13450 · Buildings - Other	7,858,137.38
13500 · Runways/Taxiways/Apron	70,814,746.05
13600 · Lighting/ Security System	3,910,737.11
13700 · Sewage System	298,102.06
13900 · ATCT	6,513,529.80
14000 · Equipment	3,105,263.70
14100 · Furniture & Fixtures	54,034.29
14300 · Vehicles	5,781,484.36
14400 · Studies	1,925,406.96
14500 · Allowance for Depreciation	-95,212,126.94
19400 · Construction in Progress	
19401 · GS Equipment	525.00
19402 · Exit Plaza	1,726,866.52
19415 · AIP 69 Aviation Way Widening	286,154.97
19416 · Parking Lot Re-Construct	2,313,829.32
19417 · AIP 74 PCI	57,995.00
19418 · TAR Parking Lot Mods	596,166.99
19420 · East Concourse	1,659,830.43
19421 · AIP 73 Widen Aviation Way	1,277,722.61
19423 · Rent Cars Temp Facility	13,212.29
19424 · Ramp Expansion	3,200.00
19425 · De-Ice Ramp Design	19,499.00
19427 · De-ice Truck AP8	21,155.92
19430 · CIP- Terminal	55,082,237.61
19455 · AIP 63 Access Road	1,938,308.50
19459 · CIP-Design access road/W GA	25,058.00
19466 · AIP 66 TAR	1,111,111.11
19400 · Construction in Progress - Other	30,000.00
Total 19400 · Construction in Progress	66,162,873.27
Total Fixed Assets	111,720,605.42
Other Assets	
19600 · Deferred Pension Outflows	948,581.00
19700 · Concession Contract Recvble	1,443,256.26
Total Other Assets	2,391,837.26
TOTAL ASSETS	126,205,277.41

Missoula County Airport Authority
Balance Sheet
As of October 31, 2021

	<u>Oct 31, 21</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20500 · Accounts Payable	259,342.63
20505 · Accounts Payable- Projects	2,285,076.27
Total Accounts Payable	<u>2,544,418.90</u>
Other Current Liabilities	
21600 · Accrued Vacation/Sick Payable	445,723.43
22150 · Deferred Income	1,500.00
24000 · Payroll Liabilities	-5,263.17
Total Other Current Liabilities	<u>441,960.26</u>
Total Current Liabilities	<u>2,986,379.16</u>
Long Term Liabilities	
25030 · 2019 Note A	13,582,750.00
25035 · 2019 Note B	3,612,250.00
25700 · Deferred Concession Contract	2,173,254.26
26000 · Pension Liability	4,147,737.66
26100 · Deferred Pension Inflows	118,590.00
Total Long Term Liabilities	<u>23,634,581.92</u>
Total Liabilities	<u>26,620,961.08</u>
Equity	
29500 · Unreserved	91,963,912.30
29510 · Reserved	3,263,622.83
Net Income	<u>4,356,781.20</u>
Total Equity	<u>99,584,316.33</u>
TOTAL LIABILITIES & EQUITY	<u><u>126,205,277.41</u></u>

Missoula County Airport Authority
Profit & Loss Budget Performance
October 2021

	Oct 21	Budget	Jul - Oct 21	YTD Budget	Annual Budget	
Ordinary Income/Expense						
Income						
30100 · Signatory Landing Fees	42,313.88	53,092.00	253,283.46	212,368.00	637,109.00	39.76%
30200 · Non Sig Landing Fees	16,355.15	16,973.00	117,437.85	67,892.00	203,681.00	57.66%
30210 · Cargo Landing Fees	3,513.66	3,666.00	12,572.27	14,664.00	43,995.00	28.58%
30220 · Charter Landing Fees	0.00	682.00	0.00	2,728.00	8,184.00	0.00%
30300 · Non-Based Landing Fees	6,576.73	2,273.00	36,373.24	9,092.00	27,280.00	133.33%
30400 · Signatory Rent	90,392.87	90,393.00	361,571.48	361,572.00	1,084,716.00	33.33%
30410 · Non-Sig Turn Fees	23,860.00	20,450.00	135,360.00	81,800.00	245,406.00	55.16%
30507 · Advertising Income	15,728.00	12,292.00	58,432.00	49,164.00	147,500.00	39.61%
30509 · Ground Handling	44,430.10	67,798.00	391,057.50	347,995.00	936,741.00	41.75%
30600 · FBO Rentals	21,516.10	21,667.00	86,064.40	86,668.00	260,000.00	33.10%
30800 · Fuel Flowage Fees	0.00	5,833.00	68,069.76	23,332.00	70,000.00	97.24%
30900 · Fuel Farm Leases	348.03	333.00	1,392.12	1,332.00	4,000.00	34.80%
31000 · Coffee Concession	7,972.60	7,771.00	47,454.53	38,941.00	86,507.00	54.86%
31100 · Restaurant	4,124.45	5,834.00	26,100.21	29,250.00	74,238.00	35.16%
31200 · Food Truck Concessions	0.00		269.00			-
31300 · Rental Car %	97,566.98	103,664.00	1,015,373.11	653,239.00	1,072,662.00	94.66%
31400 · Rent Car Rent	14,919.80	8,750.00	59,679.20	35,000.00	105,000.00	56.84%
31800 · USFS Landing Fees	0.00	0.00	0.00	0.00	24,800.00	0.00%
31900 · USFS Hangar Rent	20,688.33	20,000.00	82,753.32	80,000.00	240,000.00	34.48%
32100 · Gift Shop Faber	11,042.83	15,050.00	65,229.39	85,318.00	166,052.00	39.28%
32200 · Travel Agency	591.09	592.00	2,364.36	2,368.00	7,100.00	33.30%
32400 · Parking Lot	186,156.04	44,344.00	633,860.46	177,376.00	1,617,706.00	39.18%
32800 · Ag Land Leases	0.00	1,125.00	0.00	4,500.00	13,500.00	0.00%
32900 · Non-Aeronautical Ground Rent	23,704.73	23,000.00	94,325.06	92,000.00	276,000.00	34.18%
32910 · Aeronautical Ground Rent	8,835.33	3,750.00	35,969.37	15,000.00	45,000.00	79.93%
33000 · Vending	3,745.42	4,177.00	17,250.98	18,782.00	51,343.00	33.60%
33800 · Off Airport Rent Cars	2,798.33	3,002.00	11,385.27	19,883.00	33,006.00	34.49%
34000 · Utilities Reimbursement	3,310.69	2,600.00	8,218.56	10,400.00	31,200.00	26.34%
34200 · Miscellaneous Income	11,652.59	3,333.00	34,006.39	13,332.00	40,000.00	85.02%
81402 · TSA LEO Reimbursement	8,850.00	8,917.00	44,839.96	35,668.00	107,000.00	41.91%
85100 · Badging Fees Collected	1,158.00		7,893.00			
Total Income	672,151.73	551,361.00	3,708,586.25	2,569,664.00	7,659,726.00	48.42%

Missoula County Airport Authority
Profit & Loss Budget Performance
October 2021

	Oct 21	Budget	Jul - Oct 21	YTD Budget	Annual Budget	
Gross Profit	672,151.73	551,361.00	3,708,586.25	2,569,664.00	7,659,726.00	
Expense						
40100 · Wages	241,976.18	249,718.00	983,139.84	1,145,635.00	3,229,771.00	30.44%
40330 · Overtime Wages	1,627.70	3,847.00	11,535.72	17,302.00	50,000.00	23.07%
40600 · Fringe Benefits Expense	94,767.09	92,922.00	402,331.81	418,400.00	1,201,171.00	33.49%
40800 · Legal Services	103.00	1,250.00	1,211.00	5,000.00	15,000.00	8.07%
41200 · Insurance Expense	11,005.92	11,667.00	44,023.68	46,668.00	140,000.00	31.45%
41300 · Accounting Expense	0.00	4,000.00	25,531.00	23,000.00	31,750.00	80.41%
41400 · Phone Charges	3,893.59	4,296.00	16,430.89	17,184.00	51,550.00	31.87%
41600 · Phone R&M	0.00	16.00	47.99	64.00	200.00	24.00%
41800 · Communication R&M	7,049.74	1,492.00	10,507.22	5,968.00	17,905.00	58.68%
42000 · Office Supplies	1,597.50	3,529.00	8,297.28	14,116.00	42,357.00	19.59%
42100 · Computer Equipment Expense	3,383.20	2,066.00	12,864.44	8,264.00	24,800.00	51.87%
42200 · Electricity/Gas Expense	22,966.51	31,220.00	92,286.78	120,570.00	394,513.00	23.39%
42400 · Water Expense	5,410.41	5,963.00	24,953.67	35,299.00	78,790.00	31.67%
42500 · Sewer Expense	1,731.80	2,359.00	22,062.76	19,171.00	47,758.00	46.20%
42600 · Disposal Expense	3,777.75	3,959.00	17,098.19	15,836.00	47,506.00	35.99%
42800 · Disposal-Industrial	-260.00	485.00	-1,040.00	1,940.00	5,825.00	-17.85%
43000 · Petroleum Products Expense	4,982.27	3,542.00	23,515.55	19,817.00	76,052.00	30.92%
43400 · Vehicle R&M	5,561.34	10,065.00	36,012.28	35,210.00	92,440.00	38.96%
43600 · Equipment Rental	164.45	635.00	418.60	2,540.00	7,625.00	5.49%
43800 · Tools/Equipment	843.03	4,989.00	5,756.57	19,956.00	59,875.00	9.61%
44000 · Landscaping Expense	668.20	0.00	1,673.62	3,003.00	7,925.00	21.12%
44100 · Custodial Services	17,860.00	17,860.00	71,440.00	71,440.00	214,320.00	33.33%
44200 · Contracted Maintenance	28,745.18	20,758.00	89,035.32	83,032.00	249,079.00	35.75%
44302 · Jet Bridge R&M	5,446.56	583.00	25,834.82	2,332.00	7,000.00	369.07%
44400 · Electric Maintenance	383.77	976.00	-600.46	3,904.00	11,700.00	-5.13%
44600 · Plumbing Expense	9.50	691.00	1,238.06	2,764.00	8,300.00	14.92%
44800 · Mechanical/Supplies	4,187.20	1,792.00	11,600.21	7,168.00	21,500.00	53.95%
45000 · Building General R&M	586.85	1,547.00	6,522.64	6,188.00	18,575.00	35.12%
45104 · Rent Car R&M	14,423.17	667.00	23,038.90	2,668.00	8,000.00	287.99%
45106 · USFS Hangar R&M	0.00	288.00	2,470.72	1,152.00	3,455.00	71.51%
45203 · Airfield Maintenance	0.00	5,797.00	648.77	18,788.00	51,085.00	1.27%
45400 · Landside Maintenance	0.00	121.00	4,215.68	10,488.00	22,400.00	18.82%
45600 · Airfield Lighting R&M	1,041.83	1,325.00	1,890.26	5,300.00	15,900.00	11.89%
45703 · Fog Abatement	2,880.00	1,151.00	2,880.00	1,151.00	4,240.00	67.92%
45800 · Snow & Ice Removal	49,317.29	13,114.00	57,553.29	23,518.00	192,306.00	29.93%
46000 · Custodial Supplies	5,738.27	4,504.00	25,341.29	23,177.00	56,155.00	45.13%
46400 · Uniform Expense	1,057.73	3,582.00	5,741.05	12,297.00	41,275.00	13.91%
46600 · Employee Training Expense	2,310.93	5,734.00	8,547.44	22,936.00	68,810.00	12.42%
46800 · Travel Expense	5,381.99	1,175.00	9,037.70	19,737.00	63,400.00	14.26%
47000 · Memberships	6,341.95	1,782.00	6,616.95	7,128.00	21,377.00	30.95%
47200 · Safety Supplies/Equipment	450.69	2,425.00	10,449.69	9,700.00	29,113.00	35.89%
47303 · Wildlife Mitigation	2,855.43	667.00	2,855.43	2,668.00	8,000.00	35.69%
47400 · Meals & PR	2,869.06	1,482.00	5,756.57	5,928.00	17,790.00	32.36%
47501 · Marketing	23,490.08	12,917.00	44,977.58	51,668.00	155,000.00	29.02%
47600 · Consultants Expense	183.17	2,765.00	2,449.68	11,060.00	33,190.00	7.38%
47707 · Display Expenses	0.00	229.00	669.81	916.00	2,750.00	24.36%
47717 · VIC Expenses	0.00	125.00	0.00	500.00	1,500.00	0.00%
47999 · COVID-19 Expense	280.00		1,077.88			-
49100 · Fingerprint/STA Charges	444.00		2,915.50			-
66000 · Payroll Expenses	0.00		0.06			-
66900 · Reconciliation Discrepancies	0.00		0.02			-
80600 · Miscellaneous Expense	0.00	138.00	-741.89	552.00	1,650.00	-44.96%
80611 · BANK Charges	570.25	379.00	1,740.68	1,516.00	4,550.00	38.26%
Total Expense	588,104.58	542,594.00	2,163,862.54	2,384,619.00	6,955,233.00	31.11%
Net Ordinary Income	84,047.15	8,767.00	1,544,723.71	185,045.00	704,493.00	

Missoula County Airport Authority
Profit & Loss Budget Performance
October 2021

	Oct 21	Budget	Jul - Oct 21	YTD Budget	Annual Budget
Other Income/Expense					
Other Income					
70200 - Interest Income-Unrestricted	273.26	833.00	1,361.84	3,332.00	10,000.00
70400 - Project Restricted Interest	8.97		52.87		
89200 - CARES	0.00	0.00	0.00	0.00	0.00
89400 - Capital Contributions					
31500 - CFCs	58,504.00	70,000.00	383,764.00	280,000.00	840,000.00
89000 - Federal Contributions					
89204 - CRRSA Revenues	0.00	0.00	2,000,000.00	2,000,000.00	2,000,000.00
89000 - Federal Contributions - Other	60.47	0.00	1,296,411.67	1,296,351.22	1,296,351.22
Total 89000 - Federal Contributions	60.47	0.00	3,296,411.67	3,296,351.22	3,296,351.22
89100 - TSA OTA contribution	143,449.92	143,449.92	691,230.15	691,230.25	691,230.25
89500 - PFC Contributions	131,039.88	140,000.00	404,913.25	269,400.00	1,500,000.00
Total 89400 - Capital Contributions	333,054.27	353,449.92	4,776,319.07	4,536,981.47	6,327,581.47
Total Other Income	333,336.50	354,282.92	4,777,733.78	4,540,313.47	6,337,581.47
Other Expense					
80140 - Note 2019A Interest Expense	0.00	0.00	102,563.25	134,300.00	1,036,524.00
80145 - Note 2019 B Interest Expense	0.00	0.00	20,837.11	35,700.00	275,531.00
80300 - Depreciation	495,608.73	495,608.73	1,842,275.93	1,842,275.83	1,842,275.83
Total Other Expense	495,608.73	495,608.73	1,965,676.29	2,012,275.83	3,154,330.83
Net Other Income	-162,272.23	-141,325.81	2,812,057.49	2,528,037.64	3,183,250.64
Net Income	-78,225.08	-132,558.81	4,356,781.20	2,713,082.64	3,887,743.64

Missoula County Airport Authority
Profit & Loss for Current to Prior Year
July through October 2021

	Jul - Oct 21	Jul - Oct 20	\$ Change
Ordinary Income/Expense			
Income			
30100 · Signatory Landing Fees	253,283.46	126,423.58	126,859.88
30200 · Non Sig Landing Fees	117,437.85	57,531.57	59,906.28
30210 · Cargo Landing Fees	12,572.27	17,250.44	-4,678.17
30220 · Charter Landing Fees	0.00	1,000.59	-1,000.59
30300 · Non-Based Landing Fees	36,373.24	41,134.13	-4,760.89
30400 · Signatory Rent	361,571.48	361,571.48	0.00
30410 · Non-Sig Turn Fees	135,360.00	62,940.00	72,420.00
30500 · Equipment/Space/Services	0.00	0.00	0.00
30507 · Advertising Income	58,432.00	46,487.00	11,945.00
30509 · Ground Handling	391,057.50	207,471.66	183,585.84
30600 · FBO Rentals	86,064.40	86,497.84	-433.44
30800 · Fuel Flowage Fees	68,069.76	44,479.00	23,590.76
30900 · Fuel Farm Leases	1,392.12	1,349.92	42.20
31000 · Coffee Concession	47,454.53	12,291.30	35,163.23
31100 · Restaurant	26,100.21	33,153.13	-7,052.92
31200 · Food Truck Concessions	269.00	0.00	269.00
31300 · Rental Car %	1,015,373.11	603,541.67	411,831.44
31400 · Rent Car Rent	59,679.20	59,759.20	-80.00
31900 · USFS Hangar Rent	82,753.32	81,447.72	1,305.60
32100 · Gift Shop Faber	65,229.39	17,303.73	47,925.66
32200 · Travel Agency	2,364.36	2,364.36	0.00
32400 · Parking Lot	633,860.46	183,302.14	450,558.32
32900 · Non-Aeronautical Ground Rent	94,325.06	91,004.20	3,320.86
32910 · Aeronautical Ground Rent	35,969.37	35,144.68	824.69
33000 · Vending	17,250.98	8,242.95	9,008.03
33800 · Off Airport Rent Cars	11,385.27	17,163.18	-5,777.91
34000 · Utilities Reimbursement	8,218.56	11,260.02	-3,041.46
34200 · Miscellaneous Income	34,006.39	19,169.88	14,836.51
81402 · TSA LEO Reimbursement	44,839.96	27,140.00	17,699.96
81403 · TSA Checkpoint OTA	0.00	2,785.07	-2,785.07
85100 · Badging Fees Collected	7,893.00	4,192.00	3,701.00
89201 · Payroll Support Funds	0.00	89,660.34	-89,660.34
Total Income	<u>3,708,586.25</u>	<u>2,353,062.78</u>	<u>1,355,523.47</u>
Gross Profit	3,708,586.25	2,353,062.78	1,355,523.47
Expense			
40100 · Wages	983,139.84	883,998.48	99,141.36
40330 · Overtime Wages	11,535.72	15,792.10	-4,256.38
40600 · Fringe Benefits Expense	402,331.81	348,852.78	53,479.03
40800 · Legal Services	1,211.00	550.00	661.00
41200 · Insurance Expense	44,023.68	42,494.00	1,529.68
41300 · Accounting Expense	25,531.00	23,800.00	1,731.00
41400 · Phone Charges	16,430.89	17,168.60	-737.71
41600 · Phone R&M	47.99	0.00	47.99
41800 · Communication R&M	10,507.22	830.82	9,676.40
42000 · Office Supplies	8,297.28	6,686.57	1,610.71
42100 · Computer Equipment Expense	12,864.44	2,931.43	9,933.01
42200 · Electricity/Gas Expense	92,286.78	93,450.91	-1,164.13
42400 · Water Expense	24,953.67	21,026.47	3,927.20
42500 · Sewer Expense	22,062.76	24,453.40	-2,390.64
42600 · Disposal Expense	17,098.19	14,047.96	3,050.23
42800 · Disposal-Industrial	-1,040.00	-495.92	-544.08
43000 · Petroleum Products Expense	23,515.55	8,662.47	14,853.08
43400 · Vehicle R&M	36,012.28	9,018.95	26,993.33
43600 · Equipment Rental	418.60	241.31	177.29
43800 · Tools/Equipment	5,756.57	7,360.20	-1,603.63
44000 · Landscaping Expense	1,673.62	448.50	1,225.12

Missoula County Airport Authority
Profit & Loss for Current to Prior Year
July through October 2021

	Jul - Oct 21	Jul - Oct 20	\$ Change
44100 · Custodial Services	71,440.00	71,605.00	-165.00
44200 · Contracted Maintenance	89,035.32	78,114.58	10,920.74
44302 · Jet Bridge R&M	25,834.82	23.48	25,811.34
44400 · Electric Maintenance	-600.46	1,664.97	-2,265.43
44600 · Plumbing Expense	1,238.06	596.39	641.67
44800 · Mechanical/Supplies	11,600.21	7,662.92	3,937.29
45000 · Building General R&M	6,522.64	3,707.01	2,815.63
45104 · Rent Car R&M	23,038.90	856.19	22,182.71
45106 · USFS Hangar R&M	2,470.72	263.95	2,206.77
45203 · Airfield Maintenance	648.77	5,807.34	-5,158.57
45400 · Landside Maintenance	4,215.68	252.69	3,962.99
45600 · Airfield Lighting R&M	1,890.26	0.00	1,890.26
45703 · Fog Abatement	2,880.00	751.10	2,128.90
45800 · Snow & Ice Removal	57,553.29	17,555.21	39,998.08
46000 · Custodial Supplies	25,341.29	14,222.01	11,119.28
46400 · Uniform Expense	5,741.05	7,068.57	-1,327.52
46600 · Employee Training Expense	8,547.44	5,189.95	3,357.49
46800 · Travel Expense	9,037.70	2,234.02	6,803.68
47000 · Memberships	6,616.95	6,550.00	66.95
47200 · Safety Supplies/Equipment	10,449.69	7,116.32	3,333.37
47303 · Wildlife Mitigation	2,855.43	13.98	2,841.45
47400 · Meals & PR	5,756.57	4,543.36	1,213.21
47501 · Marketing	44,977.58	7,760.75	37,216.83
47600 · Consultants Expense	2,449.68	13,366.16	-10,916.48
47707 · Display Expenses	669.81	709.66	-39.85
47999 · COVID-19 Expense	1,077.88	30,178.27	-29,100.39
49100 · Fingerprint/STA Charges	2,915.50	2,639.00	276.50
66000 · Payroll Expenses	0.06	0.00	0.06
66900 · Reconciliation Discrepancies	0.02	0.00	0.02
80600 · Miscellaneous Expense	-741.89	180.79	-922.68
80611 · BANK Charges	1,740.68	745.88	994.80
Total Expense	2,163,862.54	1,812,698.58	351,163.96
Net Ordinary Income	1,544,723.71	540,364.20	1,004,359.51
Other Income/Expense			
Other Income			
70200 · Interest Income-Unrestricted	1,361.84	6,710.36	-5,348.52
70400 · Project Restricted Interest	52.87	93.52	-40.65
89200 · CARES	0.00	935,512.15	-935,512.15
89202 · COVID-19 Relief Revenue	0.00	6,132.54	-6,132.54
89400 · Capital Contributions			
31500 · CFCs	383,764.00	390,204.00	-6,440.00
89000 · Federal Contributions			
89204 · CRRSA Revenues	2,000,000.00	0.00	2,000,000.00
89000 · Federal Contributions - Other	1,296,411.67	5,676,546.00	-4,380,134.33
Total 89000 · Federal Contributions	3,296,411.67	5,676,546.00	-2,380,134.33
89100 · TSA OTA contribution	691,230.15	24,498.81	666,731.34
89500 · PFC Contributions	404,913.25	135,695.18	269,218.07
89400 · Capital Contributions - Other	0.00	155,381.95	-155,381.95
Total 89400 · Capital Contributions	4,776,319.07	6,382,325.94	-1,606,006.87
Total Other Income	4,777,733.78	7,330,774.51	-2,553,040.73
Other Expense			
80140 · Note 2019A Interest Expense	102,563.25	4,196.44	98,366.81
80145 · Note 2019 B Interest Expense	20,837.11	864.62	19,972.49
80300 · Depreciation	1,842,275.93	1,716,018.40	126,257.53
Total Other Expense	1,965,676.29	1,721,079.46	244,596.83
Net Other Income	2,812,057.49	5,609,695.05	-2,797,637.56
Net Income	4,356,781.20	6,150,059.25	-1,793,278.05



Director's Report November 23, 2021

Director's Statement: The holidays are quickly approaching; hard to believe that 2021 will be in our rear-view mirror shortly. Nationwide, October finished at 79.3% of 2019. MSO once again exceeded the national number and came in at 86% of 2019. I believe we would have been higher if we had not seen a reduction of seats in our market due to a nationwide pilot shortage. Several of our airlines all had over 86% load factors, which calls for more available seats.

December 2021 and 1st Quarter Air Service Update: Flight schedules appear to be final now through first quarter of 2022. It seems that we will be down about 15% each month in available seats as compared to same months in 2019. With that said, our overall load factors have been over performing 2019 due to lack of available seats. So, I would expect to only be down slightly in overall passengers as we move forward and way ahead of our 2020 and 2021 numbers. Looking even further ahead, I would expect to see our 2022 passenger numbers to exceed 2019, which was a record year for MSO.

Washington DC: We continue to watch our legislators as federal funding now expires on December 3rd. I would expect another continuing resolution that would expire just prior to Christmas - or best case carry us into early January. Infrastructure Investment and Jobs Act was signed into law on November 15th which is great news for Missoula and our industry. Below are some of the top bullet points that will help the second phase of our new terminal move forward sooner.

Airport Infrastructure Grants: \$15 billion/\$3 billion annually FYs 2022 through 2026

- Primary Airports:
 - \$12.4 billion/\$2.48 billion annually for primary commercial service airports.
 - Project Eligibility: Unlike the regular AIP program, airports would be allowed to use these federal funds for terminals and other PFC-eligible projects, except debt service.
 - Distribution: Modified AIP apportionment run similar to CRSSA and ARPA coronavirus relief bills with remaining funds via enplanements. FAA to use enplanements in CY 2019 to determine funding in FYs 2022, 2023; funding in FYs 24, 25, 26 based on the most recent calendar year.
 - Local Match: Same as AIP.

New Airport Terminal Program: \$5 billion/\$1 billion annually for a new “airport terminal program.”

- Competitive Grants: DOT to distribute funds through competitive grant program
- Distributed by Hub Size:
 - 55% to LH 15% to MH 20% to SH
 - 10% to NH and nonprimary airports
- Eligible Projects: Terminal projects, including multimodal terminal development/on-airport rail projects. DOT required to consider projects that increase capacity, improve passenger access, replace aging infrastructure, expand accessibility for persons with disabilities, and improve airport access for historically disadvantaged populations.
- Preferences and Priorities: DOT to provide a preference to projects that “achieve a complete development objective” even if those projects are phased over multiple years. It would also require DOT to prioritize projects that “have received partial awards.”
- Local Match: Federal share is 80% for LH, MH and 95% for SH and smaller.

Board Agenda: We will have several balancing Martel change orders on the agenda that Tim will be presenting. Three task orders had balances left that total slightly more than \$116,000 and we would like to supplement our contingency in our Core, Shell and Interior task order. Teri will have our audit for your review as she closes out our past fiscal year. Lynn put out a vending RFP for our new terminal that we hope to award. I will ask for foam testing solution for our fire trucks that will protect our staff and the environment. Lastly, it is the time of year for you to elect new officers for next year.

2022 State Aviation Conference: Planning continues for the state aviation conference that will be held March 3-5th 2022 in Missoula at the Downtown Holiday Inn. This will be a great opportunity to highlight our new terminal, and staff are working through the logistics to offer tours to as many of the attendees as possible.

Construction: Terminal work continues to move forward; Tim will have lots of updated pictures to share. When you enter the new building, you will see that the airline ticket counters are now set in place and ready to be fitted with countertops and final wood finishes. The TSA baggage screening system is now installed, and the contractor has started testing the equipment. They have also installed our new temporary inbound baggage claim carousel. Final finishes are happening on the third floor and tile work in the post security bathrooms are finishing up. The food and beverage areas are now shaping up and you will see lots of progress on those areas over the next couple of months.

Eastern Airlines Charter: Last item I would like to mention is that we handled a 767-300 that was a charter for the University of Montana Western. This was a last-minute scramble for Eastern Airlines and for the University. From my understanding, Eastern Airlines had a maintenance problem on the originally scheduled aircraft and had to substitute a larger aircraft on the route. The National Association of Intercollegiate Athletics had to postpone the playoff football game from Saturday to Sunday due to Eastern Airlines’ inability to find a suitable airport to handle the upgraded aircraft. Our staff stepped up and provided the required firefighting requirements that the airline/aircraft required. NorthStar and our ground handling staff worked together to service the passengers. Our staff got nothing but praise from Eastern Airlines and University of Montana Western for stepping in and helping service the aircraft.

**Missoula County Airport Authority
Agenda Action Sheet**

Meeting Date: November 30th, 2021

1. **TITLE:** Terminal Civil Construction Projects Balancing Change Orders

Review, discussion, and possible approval of three (3) deductive change orders and one (1) additive to change order to respective contract GMP's for Martel Construction.

ACTION ITEM

2. **AGENDA CATEGORY:** (Please highlight)
UNFINISHED BUSINESS NEW BUSINESS COMMITTEE REPORTS
INFORMATION/DISCUSSION ITEM

3. **TIME REQUIRED:** 3 Minutes

4. **BACKGROUND INFORMATION:** With the recent completion this fall of terminal civil construction projects (Aviation Way Widening, Access Road, Parking Lot Modifications) we are needing to reconcile project balances and closeout these units of work. Each of these respective projects is requiring a deductive change order to effectively close out the project and balance unused funds. Upon initial GMP formulation, these projects contained several allowances to cover unknown/unbid items that subsequently came in under budget. In addition, we also saw a reduction in overall quantities on several project items leading to additional cost savings. The deductive change orders are listed below for reference:

Martel Amendment No. 8 – Deductive Change Order #3 = (\$54,677)
Martel Amendment No. 8.2 – Deductive Change Order #2 = (\$41,600)
Martel Amendment No. 8.3 – Deductive Change Order #1 = (\$20,130)
Total Deductive Change Orders – (\$116,407)

As this portion of the project ends, we are looking to augment existing project contingencies (Martel Contract Amendment #14, Vertical Construction) with the unspent funds from previously mentioned civil project components (Martel Contract Amendments 8, 8.2, 8.3) in the amount of \$116,407.

Martel Amendment No. 14 – Additive Change Order #1 = \$116,407
Total Additive Change Orders – \$116,407

5. **BUDGET INFORMATION:** N/A

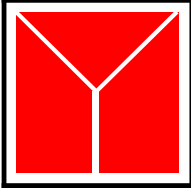
6. **SUPPLEMENTAL AGENDA INFORMATION:**

Martel Amendment #8 – Change Order #3
Martel Amendment #8.2 – Change Order #2
Martel Amendment #8.3 – Change Order #1
Martel Amendment #14 – Change Order #1

7. **RECOMMENDED MOTION:** Move to accept the deductive change orders to Martel Contract Amendment's 8, 8.2 and 8.3 in the amount of (\$116,407) and accept the additive change order to Martel Contract Amendment 14 in the amount of \$116,407.

8. **PREPARED BY:** Tim Damrow

9. **COMMITTEE REVIEW:** None



MARTEL CONSTRUCTION, INC.

MAIN OFFICE
1203 SOUTH CHURCH AVENUE
BOZEMAN, MONTANA 59715-5801
(406) 586-8585 FAX (406) 586-8646

Change Order

November 11, 2021

PROJECT #	18-025
MSO Terminal Access Road 5225 HWY 10 West Missoula, MT 59808 Contract Amendment #8	

Owner
Missoula MT Airport 5225 HWY 10 West Missoula MT 59808

Attn: Shaun Shea

Change Order # 3

The Contract is changed as follows:

Deductive Change Order for Contingency and Allowance funds, which have not been used in Contract Amendment #8.	-54,677.00
Subtotal:	(54,677.00)

Total Amount of Change Order

(54,677.00)

The Original Contract Sum was	3,186,552.00
Net Change by Previously Authorized Change Orders	400,147.00
The Contract Sum Prior to this Change Order	3,586,699.00
The Amount of this Change Order is	(54,677.00)
The New Contract Sum Including this Change Order	3,532,022.00

CONTRACTOR:

Martel Construction, Inc.

By: _____

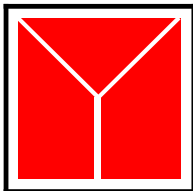
Date: _____

OWNER:

Missoula MT Airport

By: _____

Date: _____



MARTEL CONSTRUCTION, INC.

MAIN OFFICE
1203 SOUTH CHURCH AVENUE
BOZEMAN, MONTANA 59715-5801
(406) 586-8585 FAX (406) 586-8646

Change Order

November 11, 2021

PROJECT #	20-007
MSO Aviation Way Widening 5225 HWY 10 West Missoula, MT 59808 Contract Amendment #8.2	

Owner
Missoula MT Airport 5225 HWY 10 West Missoula MT 59808

Attn: Shaun Shea

Change Order # 2

The Contract is changed as follows:

Deductive Change Order for Contingency and Allowance funds, which have not been used in Contract Amendment #8.2.	-41,600.00
Subtotal:	(41,600.00)

Total Amount of Change Order

(41,600.00)

The Original Contract Sum was	1,035,182.00
Net Change by Previously Authorized Change Orders	(159,500.00)
The Contract Sum Prior to this Change Order	875,682.00
The Amount of this Change Order is	(41,600.00)
The New Contract Sum Including this Change Order	834,082.00

CONTRACTOR:

Martel Construction, Inc.

By: _____

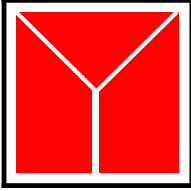
Date: _____

OWNER:

Missoula MT Airport

By: _____

Date: _____



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1203 SOUTH CHURCH AVENUE
BOZEMAN, MONTANA 59715-5801
(406) 586-8585 FAX (406) 586-8646

Change Order

November 11, 2021

PROJECT #	20-006
MSO Parking Lot Improvements 5225 HWY 10 West Missoula, MT 59808 Contract Amendment #8.3	

Owner
Missoula MT Airport 5225 HWY 10 West Missoula MT 59808

Attn: Shaun Shea

Change Order # 2

The Contract is changed as follows:

Deductive Change Order for Contingency and Allowance funds, which have not been used in Contract Amendment #8.3.	-20,130.00
Subtotal:	(20,130.00)

Total Amount of Change Order

(20,130.00)

The Original Contract Sum was	611,503.00
Net Change by Previously Authorized Change Orders	(28,540.00)
The Contract Sum Prior to this Change Order	582,963.00
The Amount of this Change Order is	(20,130.00)
The New Contract Sum Including this Change Order	562,833.00

CONTRACTOR:

Martel Construction, Inc.

By: _____

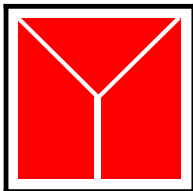
Date: _____

OWNER:

Missoula MT Airport

By: _____

Date: _____



MARTEL CONSTRUCTION, INC.

MAIN OFFICE
1203 SOUTH CHURCH AVENUE
BOZEMAN, MONTANA 59715-5801
(406) 586-8585 FAX (406) 586-8646

Change Order

November 11, 2021

PROJECT #	20-001
MSO Core, Shell, Interiors 5225 HWY 10 West Missoula, MT 59808 Contract Amendment #14	

Owner
Missoula MT Airport 5225 HWY 10 West Missoula MT 59808

Attn: Shaun Shea

Change Order # 1

The Contract is changed as follows:

Additive Change Order for Contingency and Allowance funds, which have not been used in Contract Amendments #8, 8.2, & 8.3.	116,407.00
Subtotal:	116,407.00

Total Amount of Change Order

116,407.00

The Original Contract Sum was	36,039,184.00
Net Change by Previously Authorized Change Orders	0.00
The Contract Sum Prior to this Change Order	36,039,184.00
The Amount of this Change Order is	116,407.00
The New Contract Sum Including this Change Order	36,155,591.00

CONTRACTOR:

Martel Construction, Inc.

By: _____

Date: _____

OWNER:

Missoula MT Airport

By: _____

Date: _____

**Missoula County Airport Authority
Agenda Action Sheet**

Meeting Date: November 30, 2021

TITLE: Fiscal year 2021 Audit Report Approval

AGENDA CATEGORY: (Please highlight)

UNFINISHED BUSINESS **NEW BUSINESS** COMMITTEE REPORTS
INFORMATION/DISCUSSION ITEM

TIME REQUIRED: 5 minutes

BACKGROUND INFORMATION: The annual audit report is required by the state and by the Authority's federal programs. The auditors express an opinion as to whether the Authority financial statements for the periods ending June 30, 2021 and 2020 fairly present the financial position of the Authority. The auditors also provide opinions as to whether the Authority complied with requirements of the Airport Improvement Program and the Passenger Facility Charge program for the period ended June 30, 2021. All audit opinions were unmodified = good!

BUDGET INFORMATION: Amount Required: Contracted fees for audit of fiscal year 2021 are \$25,000 and are included in the Fiscal year 2021 budget. The Authority has agreed to pay an additional \$5,000 to cover the extra time required by the audit team to audit new sources and requirements of federal funding.

SUPPLEMENTAL AGENDA INFORMATION: The draft audit report is attached. Will Parnell of Anderson ZurMuehlen will be attending the board meeting virtually to discuss highlights of the audit report, additional deliverables and to answer any questions the Board may have.

Also attached is a letter presenting required formal communication to the Authority's governing board regarding Significant Audit Matters and the Management Representation Letter.

COMMITTEE REVIEW: The draft report was reviewed by the audit/finance committee on October 26, 2021.

RECOMMENDED MOTION: Move to approve the annual audit report for fiscal years 2021 and 2020.

PREPARED BY: Teri Norcross, Finance Manager



**MISSOULA COUNTY AIRPORT
AUTHORITY**

FINANCIAL REPORT

June 30, 2021 and 2020

DRAFT





FINANCIAL REPORT

June 30, 2021 and 2020

DRAFT

C O N T E N T S

	<u>PAGE</u>
ORGANIZATION – BOARD OF COMMISSIONERS AND ADMINISTRATION.....	1
INDEPENDENT AUDITOR’S REPORT	2 through 4
MANAGEMENT’S DISCUSSION AND ANALYSIS	5 through 9
FINANCIAL STATEMENTS	
Statements of Net Position	10 and 11
Statements of Revenues, Expenses, and Changes in Net Position	12
Statements of Cash Flows	13 and 14
Notes to Financial Statements.....	15 through 41
REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT’S DISCUSSION AND ANALYSIS	
Schedule of Proportionate Share of the PERS Net Pension Liability for the Last Ten Fiscal Years	42
Schedule of PERS Contributions for the Last Ten Fiscal Years	43
Notes to Required Supplementary Information	44 and 45
SUPPLEMENTAL INFORMATION	
Operating Revenues	46
Operating Expenses.....	47
Revenue Bond Coverage	48
Airport Operations Information	49

CONTENTS
(CONTINUED)

	<u>PAGE</u>
SUPPLEMENTAL INFORMATION (CONTINUED)	
Insurance in Force.....	50
Federally Funded Airport Projects.....	51
Schedule of Expenditures of Federal Awards	52
Notes to Schedule of Expenditures of Federal Awards.....	53
Schedule of Passenger Facility Charges (PFC) Collected and Expended.....	54
Graphs	55
SINGLE AUDIT SECTION	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	56 and 57
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	58 and 59
Schedule of Findings and Questioned Costs	60 and 61
OTHER COMPLIANCE REPORTS	
Independent Auditor's Report on Compliance for the Passenger Facility Charge Program and on Internal Control over Compliance Applicable to the Passenger Facility Charge Program	62 and 63

**MISSOULA COUNTY AIRPORT AUTHORITY
MISSOULA, MONTANA**

ORGANIZATION

Board of Commissioners

Matt Doucette Chairman
Adriane Beck Vice-Chairman
Larry Anderson Secretary/Treasurer
Jeffery Roth Commissioner
Dori Brownlow Commissioner
Shane Stack Commissioner
Deb Poteet Commissioner
Jack Meyer Honorary
Patrick Boyle Alternate
Winston Kemis Alternate

Administration

Brian Ellestad Acting Director
Teri Norcross Finance Manager
Lynn Fagan Administrative Manager
Andrew Bailey Grounds Handling Manager
Justin Shaffer Chief of Public Safety
Nate Cole Airfield Operations Manager
Thad Williams Facility Operations Manager
Amanda Jacobson Advertising Manager
Dan Neuman Business Development
Rick Reeve Administrative Assistant
Donna Marie Robnett Office Administrator
Brianna Brewer Accounting Clerk
Tim Damrow Project Manager

INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Missoula County Airport Authority
Missoula, Montana

Report on the Financial Statements

We have audited the accompanying financial statements, including the Passenger Facility Charge (PFC) quarterly reports, of Missoula County Airport Authority (the Authority) as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of June 30, 2021 and 2020, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9, the schedule of proportionate share of the PERS net pension liability on page 42 and the schedule of PERS contributions on page 43 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The schedules of operating revenues, operating expenses, revenue bond coverage, and the schedule of federally funded airport projects listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements. The schedule of passenger facility charges collected and expended is required by the *Passenger Facility Charge Audit Guide for Public Agencies* issued by the Federal Aviation Administration.

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

The airport operations information, insurance in force schedule, and graphs listed in the accompanying table of contents have not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated _____, 2021, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Missoula, Montana
_____, 2021



**MISSOULA COUNTY AIRPORT AUTHORITY
MISSOULA, MONTANA**

MANAGEMENT'S DISCUSSION AND ANALYSIS

We are pleased to present Missoula County Airport Authority's (the Authority) audited financial statements for the fiscal years ended June 30, 2021 and 2020. Independent Certified Public Accountants have issued an unmodified opinion on these financial statements. The discussion and analysis that follows provides an overview of the Missoula County Airport Authority's financial activities for the fiscal year ended June 30, 2021.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position report information about the Authority as a whole and about its activities. These statements include all assets and liabilities of the Authority using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Revenues and expenses are recorded when they are earned or incurred regardless of when cash is received or paid.

These two statements report the Authority's fund net position and changes in net position. Net position is the difference between assets and deferred outflows, and liabilities and deferred inflows, which is one way to measure the Authority's financial health, or financial position. Over time, increases or decreases in the Authority's fund net position is one indicator of whether its financial health is improving or deteriorating.

MISSOULA COUNTY AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2021 and 2020

FINANCIAL HIGHLIGHTS

As shown on the **Statements of Net Position**:

	<u>2021</u>	<u>2020</u>	<u>Increase (Decrease)</u>	<u>%</u>	<u>2019</u>	<u>Increase (Decrease)</u>	<u>%</u>
Current Assets	\$ 10,969,289	\$11,267,833	\$ (298,544)	-2.6%	\$10,566,277	\$ 701,556	6.6%
Restricted Cash	2,214,658	2,581,192	(366,534)	-14.2%	2,093,624	487,568	23.3%
Capital Assets, Net	103,498,574	78,696,359	24,802,215	31.5%	65,468,290	13,228,069	20.2%
Other Assets	1,443,256	2,125,559	(682,303)	-32.1%	2,782,919	(657,360)	-23.6%
Deferred Outflows	<u>948,581</u>	<u>556,634</u>	<u>391,947</u>	<u>70.4%</u>	<u>699,080</u>	<u>(142,446)</u>	<u>-20.4%</u>
Total Assets and Deferred Outflows	<u>119,074,358</u>	<u>95,227,577</u>	<u>23,846,781</u>	<u>25.0%</u>	<u>81,610,190</u>	<u>13,617,387</u>	<u>16.7%</u>
Current Liabilities	6,082,305	2,931,486	3,150,819	107.5%	2,488,648	442,838	17.8%
Long-term Liabilities	15,472,738	3,715,165	11,757,573	316.5%	2,827,318	887,847	
Deferred Inflows	<u>2,291,844</u>	<u>3,014,195</u>	<u>(722,351)</u>	<u>-24.0%</u>	<u>3,850,746</u>	<u>(836,551)</u>	<u>-21.7%</u>
Total Liabilities and Deferred Inflows	<u>23,846,887</u>	<u>9,660,846</u>	<u>14,186,041</u>	<u>146.8%</u>	<u>9,166,712</u>	<u>494,134</u>	<u>5.4%</u>
Net Investment In Capital Assets	92,173,574	78,196,359	13,977,215	17.9%	65,468,290	12,728,069	19.4%
Restricted	2,214,658	2,581,192	(366,534)	-14.2%	2,093,624	487,568	23.3%
Unrestricted	<u>839,239</u>	<u>4,789,180</u>	<u>(3,949,941)</u>	<u>-82.5%</u>	<u>4,881,564</u>	<u>(92,384)</u>	<u>-1.9%</u>
Total Net Position	<u>95,227,471</u>	<u>85,566,731</u>	<u>9,660,740</u>	<u>11.3%</u>	<u>72,443,478</u>	<u>13,123,253</u>	<u>18.1%</u>
Total Liabilities, Deferred Inflows & Net Position	<u>\$ 119,074,358</u>	<u>\$95,227,577</u>	<u>\$23,846,781</u>	<u>25.0%</u>	<u>\$81,610,190</u>	<u>\$ 13,617,387</u>	<u>16.7%</u>

Total assets and deferred outflows of \$119,074,358 includes:

- Current assets and restricted assets consisting of \$5,529,144 in cash and cash equivalents, \$2,214,658 in restricted cash, \$1,133,786 in accounts receivable and \$4,306,359 in other current assets which includes grants receivable, passenger facility charges (PFC), prepaid expenses, and the current portion of a concession contract receivable (explained in the notes to the financial statements).
- Net capital assets of \$103,498,574.
- Other assets equal to \$1,443,256 related to a concession contract receivable as explained in the notes to the financial statements.
- Deferred outflows of resources of \$948,581, are related to pension contributions and are explained in the notes to the financial statements.
- Overall assets and deferred outflows increased by 25%.

Total liabilities and equity includes:

- Current liabilities included accounts payable of \$5,386,832 and liabilities related to payroll and leave balances of \$618,696. An advanced payment of \$70,873 and unearned revenue of \$5,904 are also included in current liabilities.
- Long-term liabilities include notes payable of \$11,325,000, as well as the Authority's share of the unfunded pension liability in the Public Employees Retirement System of \$4,147,738.
- Deferred inflows of resources include pension adjustments of \$118,590 and the service concession arrangement of \$2,173,254 both of which are discussed in the notes to the financial statements.
- The net position of \$95,227,471 includes \$92,173,574 invested in capital assets net of related debt, \$2,214,658 in restricted equity and \$839,239 in unrestricted equity.

MISSOULA COUNTY AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2021 and 2020

FINANCIAL HIGHLIGHTS (CONTINUED)

As shown on the **Statements of Revenues, Expenses, and Changes in Net Position:**

Activities	2021	2020	Increase (Decrease)	%	2019	Increase (Decrease)	%
Operating Revenues	\$ 7,896,786	\$ 8,276,384	\$ (379,598)	-5%	\$ 9,566,032	\$(1,289,648)	-13%
Operating Expenses	(7,409,555)	(7,001,286)	(408,269)	6%	(6,459,652)	(541,634)	8%
Depreciation	(5,901,648)	(5,434,845)	(466,803)	9%	(5,462,316)	27,471	-1%
Net Non-Operating	(104,776)	(261,802)	157,026	-60%	(2,885,373)	2,623,571	-91%
Capital Contributions	<u>15,179,933</u>	<u>17,544,802</u>	<u>(2,364,869)</u>	-13%	<u>9,792,777</u>	<u>7,752,025</u>	79%
Change in Net Position	<u>\$ 9,660,740</u>	<u>\$13,123,253</u>	<u>\$(3,462,513)</u>		<u>\$ 4,551,468</u>	<u>\$ 8,571,785</u>	188%

Overall net position increased by \$9,660,740 resulting from:

- A net loss from operations of \$5,414,417, which is the net of operating income \$487,231, less depreciation of \$5,901,648.
- Capital contributions of \$15,179,933 include \$13,058,501 in federal grants, \$1,151,242 in PFC collections, \$213,620 in state grants, \$601,188 from an other transaction agreement, and contributed capital of \$155,382.
- Net non-operating revenue/expense includes interest expense of \$115,729 and interest income of \$10,953.

Net operations before depreciation include:

- Operating revenues of \$7,896,786 decreased by 5% from the previous fiscal year. Sources of operating revenue continue to be diversified over air carrier landing fees, terminal rent, car rentals including customer facility charges, parking fees, land leases, ground services, concessions and fuel flowage fees. Revenues for fiscal year 2021 continued to be adversely impacted by the COVID-19 pandemic as explained in the Notes to the Financial Statements.
- Operating expenses of \$7,409,555 (before depreciation) increased by \$408,269 or 5.8%.
- Detail of operating revenues and expense can be found in the Supplemental Information section of this report.
- At 70% of total operating expenses, employee compensation and related expenses continues to be the single largest operating expense. A current year expense of \$5,170,499 increased from last fiscal year by 9.7%.
- Detail of federally funded projects can be found in the Supplemental Information section of this report.
- No local property tax revenues were received by the Airport.

CAPITAL ASSETS

- At the end of fiscal year 2021 the Authority has \$196,868,425 of capital assets, comprised of \$69,006,995 in non-depreciable assets, and \$127,861,430 in depreciable assets. Capital assets at fiscal year end include land, airfield and other land improvements, buildings, equipment, vehicles, furniture/fixtures, studies and construction in progress. Additional information can be found in the Notes to the Financial Statements.

MISSOULA COUNTY AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2021 and 2020

CAPITAL ASSETS (CONTINUED)

- Annual depreciation expense was \$5,901,648. Estimated useful lives of depreciable existing terminal building assets were adjusted in fiscal year 2021 for the anticipated terminal removal in fiscal year 2022. The adjustments increased depreciation expense in fiscal year 2021 by \$650,555.
- The dollar amount of new capital asset investment during the year was \$30,703,864.
- Capital asset additions, deletions and depreciation resulted in a net increase to property and equipment of \$24,802,215.
- At year end, the amount invested in capital assets, net of related debt, totaled \$92,173,574.
- At year end, \$11,325,000 of debt existed related to capital assets.

The year end construction in progress balance consisted of expenditures made, or funds obligated, for general aviation improvements, parking modification, construction of a terminal access road and the terminal replacement project.

DEBT

- During fiscal year 2020 the Authority secured financing of \$35 million from a local lender, to partially fund the terminal replacement project. Further information regarding the terms and structure of the debt will be found in the notes to the financial statements.
- At fiscal year end the Authority had \$11,325,000 in debt related to the terminal replacement project.
- The current coverage ratio exceeds the minimum coverage required by the existing debt agreement of 1.25%.

OTHER ECONOMIC INFORMATION

- In December 2019, the novel coronavirus (COVID-19) was identified in Wuhan, China. In March 2020, with the rapid spread of the virus into all regions of the world, the World Health Organization declared COVID-19 a global pandemic. The pandemic has had deleterious effects on the operations and revenues of the Authority. The implications of the pandemic are discussed more fully in the notes to the financial statements.
- Coronavirus Aid, Relief and Economic Security (CARES) legislation was enacted in late March 2020 that included funds to provide economic relief to U.S. Airports. The Authority received a CARES grant for approximately \$5.6 million. It is expected that these funds will assist with operating and project costs for an estimated 3 years. The CARES funds are discussed more fully in the notes to the financial statements.
- In December 2020, the Coronavirus Response and Relief Supplemental Appropriation Act (CRRSA) was enacted. The Authority received a CRRSA grant in the amount of \$3,293,668.
- The Authority continues to work on the project to replace the existing terminal. The project is estimated to be completed in April 2022.

MISSOULA COUNTY AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2021 and 2020

BUDGETARY VARIANCES

- Actual operating revenues of \$7,896,786 (excluding interest) exceeded budgeted amounts of \$5,899,048.
- Revenues were over budget with some recovery from fiscal year 2020, which exceeded the conservative budget.
- Actual operating expenses of \$7,409,555 exceeded the budgeted amounts of \$6,072,332.
- Expenses are over budget due primarily to an unbudgeted pension expense adjustment of \$714,198 related to the recognition of the Authority's share of unfunded liability and expense of the Public Employees Retirement System (PERS). This is discussed further in the Notes to the Financial Statements.
- No amounts for depreciation expense are included in the Authority Board approved budget. The approved budget is in the form of a model which is used to calculate rates and charges for the air carriers. These rates and charges include charges for capital expenditures that benefit the areas of the airport in which the air carriers operate but are not otherwise funded with contributions.
- This model also does not include budgets for Federal grants.

This financial report is designed to provide interested parties with a general overview of Missoula Montana Airport finances and to show the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Authority's Finance Manager, at Missoula Montana Airport, 5225 Hwy 10 West, Missoula, MT 59808.

FINANCIAL STATEMENTS

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MISSOULA COUNTY AIRPORT AUTHORITY
STATEMENTS OF NET POSITION
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS		
Cash and investments	\$ 5,529,144	\$ 6,221,405
Accounts receivable	1,133,786	1,677,150
Grants receivable	3,157,677	2,299,060
Passenger facility charge receivable	250,000	80,941
Current portion of concession contract receivable	729,998	729,998
Prepaid expenses	<u>168,684</u>	<u>259,279</u>
Total current assets	<u>10,969,289</u>	<u>11,267,833</u>
RESTRICTED ASSETS		
Cash	<u>2,214,658</u>	<u>2,581,192</u>
CAPITAL ASSETS		
Land available for sale	1,188,233	1,188,233
Other capital assets, net	<u>102,310,341</u>	<u>77,508,126</u>
Total capital assets, net	<u>103,498,574</u>	<u>78,696,359</u>
OTHER ASSETS		
Long-term portion of concession contract receivable	<u>1,443,256</u>	<u>2,125,559</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension contributions and adjustments	<u>948,581</u>	<u>556,634</u>
Total deferred outflows of resources	<u>948,581</u>	<u>556,634</u>
Total assets and deferred outflows of resources	<u>\$ 119,074,358</u>	<u>\$ 95,227,577</u>

MISSOULA COUNTY AIRPORT AUTHORITY
STATEMENTS OF NET POSITION (CONTINUED)
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 6,005,528	\$ 2,931,486
Advance payment	70,873	-
Unearned revenue	<u>5,904</u>	<u>-</u>
Total current liabilities	<u>6,082,305</u>	<u>2,931,486</u>
LONG TERM LIABILITIES		
Long-term debt	11,325,000	500,000
Pension liability	<u>4,147,738</u>	<u>3,215,165</u>
Total long-term liabilities	<u>15,472,738</u>	<u>3,715,165</u>
Total liabilities	<u>21,555,043</u>	<u>6,646,651</u>
DEFERRED INFLOWS OF RESOURCES		
Pension adjustments	118,590	158,638
Service concession arrangement - Republic Parking	<u>2,173,254</u>	<u>2,855,557</u>
Total deferred inflows of resources	<u>2,291,844</u>	<u>3,014,195</u>
NET POSITION		
Net investment in capital assets	92,173,574	78,196,359
Restricted	2,214,658	2,581,192
Unrestricted	<u>839,239</u>	<u>4,789,180</u>
Total net position	<u>95,227,471</u>	<u>85,566,731</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 119,074,358</u>	<u>\$ 95,227,577</u>

MISSOULA COUNTY AIRPORT AUTHORITY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
OPERATING REVENUES		
Landing field	\$ 732,681	\$ 953,826
Terminal	6,268,114	6,420,767
Fixed base/government	255,691	319,716
Industrial park	<u>640,300</u>	<u>582,075</u>
Total operating revenues	7,896,786	8,276,384
DIRECT OPERATING EXPENSES	<u>(7,409,555)</u>	<u>(7,001,286)</u>
INCOME FROM OPERATIONS BEFORE DEPRECIATION	487,231	1,275,098
DEPRECIATION	<u>(5,901,648)</u>	<u>(5,434,845)</u>
LOSS FROM OPERATIONS	<u>(5,414,417)</u>	<u>(4,159,747)</u>
OTHER INCOME (EXPENSE)		
Interest income	10,953	63,634
Interest expense	(115,729)	(9,953)
Debt issuance costs	<u>-</u>	<u>(315,483)</u>
Total other income (expense)	<u>(104,776)</u>	<u>(261,802)</u>
LOSS BEFORE CONTRIBUTIONS	<u>(5,519,193)</u>	<u>(4,421,549)</u>
CONTRIBUTIONS		
Federal government	10,468,187	13,366,049
CARES Act grants	2,590,314	2,341,101
State grants	-	21,461
Pension revenue – State aid	213,620	71,044
Other transaction agreement, non-operating	601,188	156,303
Contributed capital	155,382	188,085
Passenger facility charges	<u>1,151,242</u>	<u>1,400,759</u>
Total contributions	<u>15,179,933</u>	<u>17,544,802</u>
CHANGE IN NET POSITION	9,660,740	13,123,253
NET POSITION		
Beginning of year	<u>85,566,731</u>	<u>72,443,478</u>
Net position, end of year	<u>\$ 95,227,471</u>	<u>\$ 85,566,731</u>

The Notes to Financial Statements are an integral part of these statements.

MISSOULA COUNTY AIRPORT AUTHORITY
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 8,446,054	\$ 8,773,767
Cash paid to suppliers	(1,932,824)	(2,427,751)
Cash paid to employees and employee benefits	<u>(4,669,920)</u>	<u>(4,361,233)</u>
Net cash flows from operating activities	<u>1,843,310</u>	<u>1,984,783</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments for capital assets	(30,703,864)	(18,662,914)
Construction payable incurred	2,929,278	566,946
Interest paid on long-term debt	(115,729)	(9,953)
Proceeds on long-term debt	10,825,000	500,000
Debt issuance costs paid	-	(315,483)
Federal contributions	13,014,692	14,951,329
Capital contributions	155,382	188,085
State grants	<u>-</u>	<u>21,461</u>
Net cash flows from capital and related financing activities	<u>(3,895,241)</u>	<u>(2,760,529)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Passenger facility charges	<u>982,183</u>	<u>1,594,818</u>
Net cash flows from noncapital financing activities	<u>982,183</u>	<u>1,594,818</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and investment income	<u>10,953</u>	<u>63,634</u>
Net cash flows from investing activities	<u>10,953</u>	<u>63,634</u>
Net change in cash and investments	(1,058,795)	882,706
Cash and investments, beginning of year	<u>8,802,597</u>	<u>7,919,891</u>
Cash and investments, end of year	<u><u>\$ 7,743,802</u></u>	<u><u>\$ 8,802,597</u></u>

The Notes to Financial Statements are an integral part of these statements.

MISSOULA COUNTY AIRPORT AUTHORITY
STATEMENTS OF CASH FLOWS (CONTINUED)
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH AND CASH EQUIVALENTS ARE PRESENTED IN THE ACCOMPANYING STATEMENT OF NET POSITION UNDER THE FOLLOWING CAPTIONS		
Unrestricted cash	\$ 5,529,144	\$ 6,221,405
Cash restricted for debt reserves	<u>2,214,658</u>	<u>2,581,192</u>
	<u>\$ 7,743,802</u>	<u>\$ 8,802,597</u>
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Loss from operations	<u>\$ (5,414,417)</u>	<u>\$ (4,159,747)</u>
Adjustments to reconcile loss from operations to net cash flows from operating activities:		
Depreciation	5,901,648	5,434,845
Pension adjustments	500,579	351,102
Change in receivables	1,225,667	1,154,743
Change in prepaid expenses	90,595	(14,692)
Change in unearned revenue, advance payment, and deferred inflows	(605,526)	(657,360)
Change in accounts payable and accrued expenses	<u>144,764</u>	<u>(124,108)</u>
Total adjustments	<u>7,257,727</u>	<u>6,144,530</u>
Net cash flows from operating activities	<u>\$ 1,843,310</u>	<u>\$ 1,984,783</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES		
Change in pension liability, net	<u>\$ 500,579</u>	<u>\$ 351,102</u>

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Missoula County Airport Authority (the Authority) was established on December 29, 1980, through adoption of Resolution Number 80-183 by Missoula County, creating a municipal airport authority conferred with all the powers authorized by Title 67, Chapter 11, Montana Code Annotated. On March 23, 2005, the Missoula County Commissioners adopted Resolution Number 2005-033 to expand the Authority governing Board of Commissioners from five to seven members, two of whom are in the employ of Missoula County. The Commissioners of the Authority serve five-year staggered terms and are appointed by the Missoula County Commissioners.

The County Commissioners appoint the Authority's governing board, but cannot impose their will on the Authority, nor does the County derive any benefit or burden from the Authority. Therefore, the Authority is not considered to be a component unit of the County. Under criteria established by the Governmental Accounting Standards Board (GASB), there are no organizations that are considered to be component units of the Authority.

Nature of Operations

The Authority provides airfield, terminal and related facilities to air carriers, charter service operators and other transportation-related concessionaires under various use and lease agreements. These users are granted short-term credit on monthly billings for use fees, rentals and other services. The airport is also open to the public for general aviation use.

Basis of Presentation and Measurement Focus

The Authority's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units, and follow proprietary fund reporting. GASB is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The Authority's financial statements include a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows. The Authority's financial statements are presented using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (revenues) and decreases (expenses) in total Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they occur while expenses are recognized in the period incurred, regardless of the timing of related cash flows.

Operating revenues are those revenues that are generated from the primary operations of the Authority. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operation of the Authority. All other expenses are reported as non-operating expenses.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Accounting Pronouncements

The Authority has adopted the provisions of the following GASB pronouncement for the fiscal year 2021:

Statement No. 91, *Conduit Debt Obligations*. This Statement clarifies the existing definition of conduit debt, provides a single method of reporting conduit debt obligations by issuers, and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. As a result, issuers should not recognize a liability for items meeting the definition of conduit debt; however, a liability should be recorded for additional or voluntary commitments to support debt service if certain recognition criteria are met. The Statement also addressed the treatment of arrangements where capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by a third-party obligor. The requirements of this Statement have been applied prospectively.

Classification of Net Position

Net Investment in Capital Assets

This is the Authority's investment in capital assets, net of depreciation, related bonds and notes payable, as well as deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets and related debt.

Restricted Net Position

These are resources that are expendable only for specified purposes. The Authority's restricted net position amounts are primarily to be used for debt service payments.

Unrestricted Net Position

These are resources over which the governing board has discretionary control.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Authority considers all highly liquid instruments with an original maturity of three months or less to be cash equivalents, including Montana Short-term Investment Pool (STIP) amounts and restricted cash.

Investments

Investments consist of investments in certificates of deposit and debt service reserve amounts on deposit with the revenue bonds trustee. Under the terms of the related revenue bond indenture, bond fund investments are restricted to qualified investments, which generally consist of U.S. government obligations, obligations of U.S. agencies guaranteed by the full faith and credit of the United States, STIP investments, repurchase agreements, certificates of deposit, and institution deposits that are secured by appropriate securities or insurance. Investments are reported at fair value.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets are recorded at cost, including freight and delivery costs incidental to placing the assets into service. Repairs and maintenance are expensed when incurred and betterments costing more than \$15,000 are capitalized.

Depreciation is provided on a straight-line basis over the estimated useful lives of the related assets as follows:

Airfield improvements	5–15 years
Building and related improvements	5–30 years
Other land improvements	5–15 years
Equipment	5–15 years
Furniture and fixtures	3–5 years

Costs relating to the construction or expansion of Authority property and equipment are recorded as construction work-in-progress until the project is completed and placed into service.

Estimated useful lives of depreciable existing terminal building assets were adjusted in fiscal year 2021 for the anticipated terminal removal in fiscal year 2022. The adjustments increased depreciation expense and related accumulated depreciation in fiscal year 2021 by \$650,555.

Federal Capital Contributions

The Authority receives capital contributions from the U.S. Department of Transportation for airport construction, development and planning.

COVID-19

In December 2019, the novel coronavirus (COVID-19) was identified in Wuhan, China. In March 2020, with the rapid spread of the virus into all regions of the world, the World Health Organization declared COVID-19 a global pandemic.

Beginning in March 2020, COVID-19 significantly impacted worldwide passenger traffic based on the public health risk, government-imposed quarantines, and restrictions on travel. The Authority saw dramatic decreases in total passengers through the airport which resulted in severely reduced operating revenues.

The availability of vaccines and decreasing numbers of new COVID-19 cases resulted in a slow recovery during fiscal year 2021. However, total passengers through the terminal for fiscal year 2021 remained only a fraction of prior years, at only 95% of fiscal year 2020 and 54% of fiscal year 2019.

With waves of new COVID-19 variants, the full extent and duration of the impact of COVID-19 on the Authority's operations and financial performance remains unknown.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Federal Economic Relief for Airports related to COVID-19

The Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748, Public Law 116-136), signed into law by the President on March 27, 2020, includes \$10 billion in funds to be awarded as economic relief to eligible U.S. airports affected by the prevention of, preparation for, and response to the COVID-19 pandemic.

The CARES Act provides funds to increase the federal share to 100 percent for Airport Improvement Program (AIP) and supplemental discretionary grants for fiscal years 2021 and 2020. Under normal circumstances, AIP grant recipients contribute a matching percentage of the project costs. Providing this additional funding and eliminating the local share will allow critical safety and capacity projects to continue as planned regardless of airport sponsors' current financial circumstances.

Additionally, the CARES Act provides new funds distributed by various formulas for all airports that are part of the national airport system. This includes all commercial service airports, all reliever airports and some public-owned general aviation airports.

Under this new CARES Airport Program:

- Primary commercial service airports, with more than 10,000 annual passenger boardings, will receive additional funds based on the number of annual boardings, in a similar way to how they currently receive AIP entitlement funds.
- All commercial service airports will receive funds based on the number of passengers that board aircraft there, the amount of debt an airport has, and the amount of money the airport has in reserve.
- General aviation airports will receive funds based on their airport categories, such as National, Regional, Local, Basic and Unclassified.

The Authority received a grant award totaling \$5,616,102 related to the CARES Act. As of June 30, 2021, the Authority has recognized \$3,811,685 as grant revenue on the CARES Act grant to reimburse eligible operating and project expenses. Additionally, the federal share of 2020 AIP grants was increased to 100 percent.

During 2021, legislation provided additional economic relief to airports in order to prevent, prepare for and respond to the COVID-19 pandemic. Coronavirus Response and Relief Supplemental Appropriation Act, 2021 (CRRSA) was signed into law on December 27, 2020.

The Authority received \$3,293,668 in CRRSA funds to reimburse operating costs, debt service payments, debt defeasance and eligible project costs. No CRRSA revenue was recognized in fiscal year 2021.

Also, to provide economic relief to airports, all 2021 AIP grants were issued for 100% of eligible project costs and required no local match.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Passenger Facility Charges

The Authority is authorized under Federal Aviation Administration (FAA) regulations to charge a passenger facility charge of four dollars and fifty cents (\$4.50) per enplaned passenger to fund designated capital projects. The passenger facility charges (PFCs) are collected by air carriers and remitted to the Authority on a monthly basis, net of an administrative fee retained by the carriers. PFCs are accounted for in a manner similar to federal capital contributions. PFC cash and related interest earnings are maintained in a separate bank account until disbursed for a qualified project.

Contributed Capital

The Authority occasionally receives capital contributions from airport tenants for capital improvement projects.

Compensated Absences

Employees of the Authority are compensated for vacation and sick leave absences. Unused vacation benefits are fully accrued and vested sick pay benefits are accrued based on 25 percent of accumulated unused sick leave. Annual vacation leave may be accumulated up to a total not to exceed two times the maximum number of days earned annually as of the end of the first pay period of the next calendar year. There is no maximum accrual for sick leave hours.

Airline Revenues

The Authority has executed airline use agreements with three carriers, while other carriers remain subject to rates and charges established by resolution. The resolution and use agreements specify a combination of compensatory and residual rate-making methods for various cost centers. The effects of differences between estimated and actual amounts in the residual cost center are reconciled and resolved once the annual audit has been substantially completed. The reconciliation revealed no amount due to the airlines at June 30, 2021 and 2020. The airline use agreements were executed effective July 1, 2014, and ended June 30, 2019. A three year extension to the agreements was agreed to by both the Authority and air carriers.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Marketing

Marketing costs represent expenditures related to air service development. These costs are charged to operations in the year incurred and totaled \$119,327 and \$210,056, in 2021 and 2020, respectively.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 2. CASH AND INVESTMENTS

Cash and investments at June 30 were as follows:

	<u>2021</u>	<u>2020</u>
Petty cash	\$ 300	\$ 300
Cash in checking, general	2,201,857	3,074,774
Project checking account	260,696	116
Undeposited funds	3,187	1,983
U.S. Forest Service account	50,001	50,000
Payroll checking account	203,390	211,370
PFC cash account	2,214,658	2,571,237
CFC account	872,746	238,330
STIP	753,114	951,176
Money market accounts	1,056,595	1,575,523
Flex - benefits	1,648	2,187
Contingency account	<u>125,610</u>	<u>125,601</u>
	<u>\$ 7,743,802</u>	<u>\$ 8,802,597</u>

Cash and investments are presented in the statements of net position as follows:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 5,529,144	\$ 6,221,405
Restricted assets		
Cash	<u>2,214,658</u>	<u>2,581,192</u>
Total cash and investments	<u>\$ 7,743,802</u>	<u>\$ 8,802,597</u>

The Authority reports certain investments at fair value in the statements of net position and recognizes the corresponding change in the fair value of investments in the year in which the change occurred in the statements of revenues, expenses, and changes in net position.

Fair Value Measurements

The Authority categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 input are quoted prices in active markets for identical assets (these assets are valued using quoted prices in active markets); Level 2 inputs are significant other observable inputs (these investments are valued using matrix pricing); Level 3 inputs are significant unobservable inputs (these investments are valued using consensus pricing). All of the Authority's investments are valued using Level 1 inputs.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 2. CASH AND INVESTMENTS (CONTINUED)

Deposits

Custodial Credit Risk for deposits is the risk that in the event of bank failure, the Authority's deposits may not be returned or the Authority will not be able to recover collateral securities in the possession of an outside party. The Authority's policy requires that all deposits are insured by an agency of the United States Government and deposits in excess of insurance require pledged securities in compliance with Section 7-6-207 of the Montana Code Annotated (MCA). Third-party safekeeping of collateral is mandatory and pledged securities are valued at market rather than face value. All deposits were insured or collateralized at June 30, 2021 and 2020.

Custodial credit risk for deposits is not formally addressed by bond indentures or pension trust policy. Indentures require that the trustee bank specified in the indenture maintain restricted deposits.

Investment Policies

Credit Risk is the risk that an issuer or other counterpart to an investment will not fulfill its obligations. Investing is performed in accordance with investment policies adopted by the Authority's Commissioners complying with State Statutes and any applicable Attorney General, County Attorney and Airport Authority-retained counsel's opinions. Authority funds may be invested in obligations of the U.S. Treasury and U.S. Government Agencies, interest-bearing certificates of deposit and repurchase agreements. Statutes require that securities underlying repurchase agreements must have a market value of at least 100% of the cost of the repurchase agreement.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Authority's investment policy requires the Authority's investment portfolio to be diversified in instruments, institutions, and maturity dates to preclude losses due to defaults or market price changes. The Authority may diversify by investing with local financial institutions, STIP, or by purchasing qualified U.S. government securities to the extent it is consistent with the policy objectives on safety of capital and return on investment.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the Authority's investments in a single issuer. The Authority's investment policy requires that investments be diversified in instruments, institutions, and maturity dates.

External Investment Pool

STIP is managed by a State agency, the Montana Board of Investments, and invests in short-term, highly liquid investments. Amounts invested may be redeemed at any date at the carrying value on that date. The STIP unit value is fixed at \$1 for both purchases and redemption. A purchased unit earns income on the purchase date and ceases to earn income on the day before the unit is sold. Income is distributed on the first calendar day of each month and is generally reinvested in additional units.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 2. CASH AND INVESTMENTS (CONTINUED)

External Investment Pool (Continued)

STIP is not registered with the Securities and Exchange Commission (SEC), but it operates in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940 (similar to a money market fund). The fair value of the pooled investments is determined annually and is based on year-end market prices.

Credit risk reflects the security quality rating, by investment security type. If a security type is not rated, the quality type is indicated by NR (not rated). Although the individual investment types in STIP have been rated, STIP, as an external investment pool, has not been rated by the Nationally Recognized Statistical Rating Organizations (NRSRO). The NRSRO consists of Standard and Poor (S&P), Moody's, Duff and Phelps, Fitch, IBCA, and Thompson's Bank Watch. The S&P rating service provides the short-term credit ratings. If an S&P rating is not available, a Moody's rating has been used. An A1+ rating is the highest short-term rating by the S&P rating service.

Audited financial statements for STIP may be obtained from: the State of Montana's Board of Investments, P.O. Box 200126, Helena, MT 59620-0126.

NOTE 3. ACCOUNTS RECEIVABLE

Accounts receivable include amounts due from air carriers, car rentals, and parking facilities. These receivables are due within one year. It is the Authority's policy to charge off receivables when management determines the receivable will not be collected. Based upon management's analysis, an allowance for uncollectible accounts is not considered necessary.

At June 30, accounts receivable consisted of the following:

	<u>2021</u>	<u>2020</u>
Trade	\$ 896,433	\$ 1,582,907
Advertising	7,682	278
Ground handling	225,310	88,544
Non-based landing fees	<u>4,361</u>	<u>5,421</u>
	<u>\$ 1,133,786</u>	<u>\$ 1,677,150</u>

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 4. CAPITAL ASSETS

A summary of capital assets at June 30, 2021, follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021
Capital assets not being depreciated:				
Land	\$ 11,494,266	\$ -	\$ -	\$ 11,494,266
Land available for sale	1,188,233	-	-	1,188,233
Construction in progress	<u>27,230,356</u>	<u>30,703,864</u>	<u>(1,609,724)</u>	<u>56,324,496</u>
Total capital assets not being depreciated	<u>39,912,855</u>	<u>30,703,864</u>	<u>(1,609,724)</u>	<u>69,006,995</u>
Capital assets being depreciated:				
Land improvements	12,502,391	-	(90,234)	12,412,157
Buildings	27,956,332	-	(475,595)	27,480,737
Runways, taxiways, apron	69,489,979	1,381,105	(56,338)	70,814,746
Air traffic control tower	6,513,530	-	-	6,513,530
Studies	2,162,444	30,000	(267,037)	1,925,407
Machinery and equipment	3,077,605	87,274	(85,667)	3,079,212
Office equipment	7,175	-	(7,175)	-
Vehicles	5,470,262	111,345	-	5,581,607
Furniture and fixtures	<u>112,602</u>	<u>-</u>	<u>(58,568)</u>	<u>54,034</u>
Total capital assets being depreciated	127,292,320	1,609,724	(1,040,614)	127,861,430
Less accumulated depreciation	<u>(88,508,816)</u>	<u>(5,901,648)</u>	<u>1,040,613</u>	<u>(93,369,851)</u>
Capital assets, net	<u>\$ 78,696,359</u>	<u>\$ 26,411,940</u>	<u>\$ (1,609,725)</u>	103,498,574
Less related debt				<u>(11,325,000)</u>
Net investment in capital assets				<u>\$ 92,173,574</u>

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 4. CAPITAL ASSETS (CONTINUED)

A summary of capital assets at June 30, 2020, follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Capital assets not being depreciated:				
Land	\$ 11,494,266	\$ -	\$ -	\$ 11,494,266
Land available for sale	1,188,233	-	-	1,188,233
Construction in progress	<u>8,927,536</u>	<u>18,621,057</u>	<u>(272,829)</u>	<u>27,230,356</u>
Total capital assets not being depreciated	<u>21,610,035</u>	<u>18,621,057</u>	<u>(272,829)</u>	<u>39,912,855</u>
Capital assets being depreciated:				
Land improvements	12,464,891	37,500	-	12,502,391
Buildings	27,744,586	211,746	-	27,956,332
Runways, taxiways, apron	69,489,741	238	-	69,489,979
Air traffic control tower	6,513,530	-	-	6,513,530
Studies	2,162,444	-	-	2,162,444
Machinery and equipment	2,996,582	81,023	-	3,077,605
Office equipment	7,175	-	-	7,175
Vehicles	5,440,675	29,587	-	5,470,262
Furniture and fixtures	<u>112,602</u>	<u>-</u>	<u>-</u>	<u>112,602</u>
Total capital assets being depreciated	126,932,226	360,094	-	127,292,320
Less accumulated depreciation	<u>(83,073,971)</u>	<u>(5,434,845)</u>	<u>-</u>	<u>(88,508,816)</u>
Capital assets, net	<u>\$ 65,468,290</u>	<u>\$ 13,546,306</u>	<u>\$ (272,829)</u>	78,696,359
Less related debt				<u>(500,000)</u>
Net investment in capital assets				<u>\$ 78,196,359</u>

Land in the amount of \$1,188,233 at June 30, 2021 and 2020, is available for sale as described in Note 12.

NOTE 5. LONG-TERM DEBT

Long-term debt from direct borrowings at June 30 consisted of the following:

	<u>2021</u>
Airport revenue note - series 2019A	\$ 8,945,450
Airport revenue note - series 2019B	<u>2,379,550</u>
	11,325,000
Current portion of long-term debt	<u>-</u>
	<u>\$ 11,325,000</u>

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 5. LONG-TERM DEBT (CONTINUED)

The Authority's outstanding notes from direct borrowings of \$11,325,000 are secured by net revenues, passenger facility charges and customer facility charges. The outstanding notes from direct borrowings require, among other things, that net operating revenues equal at least 125 percent of the debt service requirement (the rate covenant), minimum levels of insurance coverage, and compliance with PFC regulations. The notes are subject to redemption and prepayment in whole or in part at the option of the Authority on any date on or after July 1, 2022.

Airport Revenue Note Series 2019A was issued in August 2019 as a draw down obligation for \$27,500,000 with the principal amounts advanced as requested by the Authority. Interest on the unpaid principal is calculated on the basis of actual number of days elapsed in a 365 or 366 day year at a fixed annual interest rate of 3.98%. Interest is due and payable on the 1st day of each calendar quarter, beginning July 1, 2020. Principal is due and payable on the 1st day of each calendar quarter, beginning July 1, 2029. All unpaid principal and accrued interest is due and payable on July 1, 2044.

Airport Revenue Note Series 2019B was issued in August 2019 as a draw down obligation for \$7,500,000 with the principal amounts advanced as requested by the Authority. Interest on the unpaid principal is calculated on the basis of actual number of days elapsed in a 365 or 366 day year at a fixed annual interest rate of 3.04%. Interest is due and payable on the 1st day of each calendar quarter, beginning July 1, 2020. Principal is due and payable on the 1st day of each calendar quarter, beginning July 1, 2022. All unpaid principal and accrued interest is due and payable on April 1, 2029.

In July 2022, the holder of the Series 2019 Notes will provide the Authority an amortization schedule for each note based upon the principal amount of each note drawn down by the Authority as of July 1, 2022.

Changes in long-term debt were as follows:

	Balance	Proceeds		Balance	Amount
2021	July 1, 2020	from	Payments	June 30, 2021	Due in
		Borrowing			One Year
Note payable to First Security Bank of Missoula - series 2019A	\$ 393,700	\$ 8,551,750	\$ -	\$ 8,945,450	\$ -
Note payable to First Security Bank of Missoula - series 2019B	<u>106,300</u>	<u>2,273,250</u>	<u>-</u>	<u>2,379,550</u>	<u>-</u>
	<u>\$ 500,000</u>	<u>\$ 10,825,000</u>	<u>\$ -</u>	<u>\$ 11,325,000</u>	<u>\$ -</u>

NOTE 6. LEASE OF AIRPORT FACILITIES

The Authority is the lessor of various properties at Missoula International Airport which include a U.S. Forest Service Hangar, concessions, rental car, and airfield facilities. These leases generally provide for fixed rentals plus contingent rentals based on the lessees' gross revenues.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 6. LEASE OF AIRPORT FACILITIES (CONTINUED)

The public health emergency caused by the COVID-19 pandemic has caused a significant decrease in enplanements nationally and at the Authority. Based on the significant loss of revenue to the Authority's concessionaires caused by the decrease in volume of traffic, the Authority deemed it reasonable to provide for relief to concessionaires.

The Authority also revised the rental car concession agreements as follows: The term of the agreement is redefined to match the fiscal year of the Authority and will run from July 1, 2020 through June 30, 2025. This agreement effectively eliminated the minimum annual guarantee (MAG) for the period of April 1, 2020 through June 30, 2021. The rental car companies will continue to pay 10% of gross revenues and customer facility fees of \$4 per contract day.

A schedule of minimum future rentals for non-cancellable leases (excluding air carrier use agreements) as of June 30, 2021, follows:

2022	\$ 3,197,987
2023	3,515,118
2024	3,536,197
2025	2,750,607
2026	851,086
	<u>\$ 13,850,995</u>

NOTE 7. RESTRICTED NET POSITION

A summary of net position restricted for debt service as required under the First Security Bank Note Agreement, land escrow agreements, and FAA approved capital projects under the Passenger Facility Charge program as of June 30 is as follows:

	<u>2021</u>	<u>2020</u>
Airport fund		
Debt service	\$ -	\$ 9,955
Other		
Passenger facility charge cash	<u>2,214,658</u>	<u>2,571,237</u>
Total	<u>\$ 2,214,658</u>	<u>\$ 2,581,192</u>

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS)

Summary of Significant Accounting Policies

Montana Public Employee Retirement Administration (MPERA) prepared financial statements using the accrual basis of accounting. The same accrual basis was used by MPERA for the purposes of determining the net pension liability; deferred outflows of resources and deferred inflows of resources related to pensions; pension expense; the fiduciary net position; and additions to or deductions from fiduciary net position. Member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Revenues are recognized in the accounting period they are earned and become measurable. Benefit payments and refunds are recognized in the accounting period in which they are due and payable in accordance with the benefit terms. Expenses are recognized in the period incurred. Investments are reported at fair value. MPERA adhered to all accounting principles generally accepted by the United States of America. MPERA applied all applicable pronouncements of the Governmental Accounting Standards Board (GASB).

Plan Description

The PERS-Defined Benefit Retirement Plan (DBRP), administered by the Montana Public Employee Retirement Administration (MPERA), is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated (MCA). This plan provides retirement benefits to covered employees of the State, and local governments, and certain employees of the Montana University System and school districts. Benefits are established by state law and can only be amended by Legislature.

All new members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be members of both the defined contribution and defined benefit retirement plans. All new members from the universities also have a third option to join the university system's Montana University System Retirement Program (MUS-RP).

The PERS-DBRP provides retirement, disability, and death benefits to plan members and their beneficiaries. Benefits are based on eligibility, years of service, and highest average compensation (HAC). Member rights are vested after five years of service.

Summary of Benefits

Eligibility for Benefit

Service retirement:

Hired prior to July 1, 2011:

Age 60, 5 years of membership service;
Age 65, regardless of membership service;
Any age, 30 years of membership service.

Hired on or after July 1, 2011:

Age 65, 5 years of membership services;
Age 70, regardless of membership service.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) (CONTINUED)

Summary of Benefits (Continued)

Early Retirement

Hired prior to July 1, 2011: Age 50, 5 years of membership service; or
Any age, 25 years of membership service.

Hired on or after July 1, 2011: Age 55, 5 years of membership service.

Second Retirement (requires returning to PERS-covered employer or PERS service)

1) Retired before January 1, 2016 and accumulate less than 2 years additional service credit or retire on or after January 1, 2016 and accumulate less than 5 years additional service credit:

- A refund or member's contributions plus return interest (currently 2.02% effective July 1, 2018).
- No service credit for second employment;
- Start the same benefit amount the month following termination; and
- Guaranteed Annual Benefit Adjustment (GABA) starts again in the January immediately following the second retirement.

2) Retired before January 1, 2016 and accumulate at least 2 years of additional service credit:

- A recalculated retirement benefit based on provisions in effect after the initial retirement; and
- GABA starts on the recalculation benefit in January after receiving the new benefit for 12 months.

3) Retired on or after January 1, 2016 and accumulate 5 or more years of service credit:

- The same retirement as prior to the return to service;
- A second retirement benefit as prior to the second period of service based on laws in effect upon the rehire date; and
- GABA starts on both benefits in the January after receiving the original and the new benefit for 12 months.

Member's Highest Average Compensation (HAC)

- Hired prior to July 1, 2011 – highest average compensation during any consecutive 36 months;
- Hired on or after July 1, 2011 – highest average compensation during any consecutive 60 months;

Compensation Cap

Hired on or after July 1, 2013 – 110% annual cap on compensation considered as part of a member's highest average compensation.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) (CONTINUED)

Summary of Benefits (Continued)

Monthly Benefit Formula

1) Members hired prior to July 1, 2011:

- Less than 25 years of membership service: 1.785% of HAC per year of service credit;
- 25 years of membership service or more: 2% of HAC per year of service credit.

2) Members hired on or after July 1, 2011:

- Less than 10 years of membership service: 1.5% of HAC per year of service credit;
- 10 years or more, but less than 30 years of membership service: 1.785% of HAC per year of service credit;
- 30 years or more of membership service: 2% of HAC per year of service credit.

Guaranteed Annual Benefit Adjustment (GABA)

After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage (provided below) each January, inclusive of other adjustments to the member's benefit.

- 3.0% for members hired prior to July 1, 2007
- 1.5% for members hired between July 1, 2007 and June 30, 2013
- Members hired on or after July 1, 2013
 - (a) 1.5% for each year PERS is funded at or above 90%
 - (b) 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%; and
 - (c) 0% whenever the amortization period for PERS is 40 years or more.

Contributions

The state legislature has the authority to establish and amend contribution rates. Member and employer contribution rates are specified by Montana Statute and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers.

Special Funding

The state of Montana, as the non-employer contributing entity, paid to the Plan, additional contributions that qualify as special funding. Those employees who received special funding are all participating employees.

Not Special Funding

Per Montana law, state agencies and universities paid their own additional contributions. The employer paid contributions are not accounted for as special funding for state agencies and universities but are reported as employer contributions.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) (CONTINUED)

Overview of Contributions

Member and employer contribution rates are shown in the table below.

Fiscal Year	Member		State &	Local Government		School Districts	
	Hired <07/01/11	Hired >07/01/11	Universities Employer	Employer	State	Employer	State
2021	7.900%	7.900%	8.870%	8.770%	0.100%	8.500%	0.370%
2020	7.900%	7.900%	8.770%	8.670%	0.100%	8.400%	0.370%
2019	7.900%	7.900%	8.670%	8.570%	0.100%	8.300%	0.370%
2018	7.900%	7.900%	8.570%	8.470%	0.100%	8.200%	0.370%
2017	7.900%	7.900%	8.470%	8.370%	0.100%	8.100%	0.370%
2016	7.900%	7.900%	8.370%	8.270%	0.100%	8.000%	0.370%
2015	7.900%	7.900%	8.270%	8.170%	0.100%	7.900%	0.370%
2014	7.900%	7.900%	8.170%	8.070%	0.100%	7.800%	0.370%
2012-2013	6.900%	7.900%	7.170%	7.070%	0.100%	6.800%	0.370%
2010-2011	6.900%		7.170%	7.070%	0.100%	6.800%	0.370%
2008-2009	6.900%		7.035%	6.935%	0.100%	6.800%	0.235%
2000-2007	6.900%		6.900%	6.800%	0.100%	6.800%	0.100%

1. Member contributions to the system of 7.9% are temporary and will be decreased to 6.9% on January 1 following actuary valuation results that show the amortization period has dropped below 25 years and would remain below 25 years following the reduction of both the additional employer and additional member contribution rates.
2. Employer contributions to the system:
 - a. Effective July 1, 2014, following the 2013 Legislative Session, PERS-employer contributions increase an additional 0.1% a year and will continue over 10 years through 2024. The additional employer contributions including the 0.27% added in 2007 and 2009, will terminate on January 1 following an actuary valuation that shows the amortization period of PERS-DBRP has dropped below 25 years and remains below the 25 years following the reduction of both the additional employer and member contribution rates.
 - b. Effective July 1, 2013, employers are required to make contributions on working retirees' compensation. Member contributions for working retirees are not required.
 - c. The portion of employer contributions allocated to the Plan Choice Rate (PCR) are included in the employers reporting. The PCR was paid off effective March 2016 and the contributions previously directed to the PCR are now directed to member accounts.
3. Non Employer Contributions
 - a. Special Funding
 - i. The State contributes 0.1% of members' compensation on behalf of local government entities.
 - ii. The State contributes 0.37% of members' compensation on behalf of school district entities.
 - iii. The State contributed a Statutory Appropriation from the General Fund of \$33,951,150.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) (CONTINUED)

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

GASB 68 allows a measurement date of up to 12 months before the employer's fiscal year-end can be utilized to determine the Plan's total pension liability (TPL). The basis for the TPL as of June 30, 2020, was determined by taking the results of the June 30, 2019, actuarial valuation and applying standard roll-forward procedures. The roll-forward procedure uses a calculation that adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year, and then applies the expected investment rate of return for the year. The roll-forward procedure will include the effects of any assumption changes and legislative changes. The update procedures are in conformity with Actuarial Standards of Practice issued by the Actuarial Standards Board.

The TPL minus the Fiduciary Net Position equals the Net Pension Liability (NPL). The proportionate shares of the employer's and the state of Montana's NPL for June 30, 2020, and 2019, are displayed below. The employer's proportionate share equals the ratio of the employer's contributions to the sum of all employer and non-employer contributions during the measurement period. The state's proportionate share for a particular employer equals the ratio of the contributions for the particular employer to the total state contributions paid. The employer recorded a liability of \$4,147,737 and the employer's proportionate share was 0.157218 percent.

	Net Pension Liability as of June 30, 2020	Net Pension Liability as of June 30, 2019	Percent of Collective NPL as of June 30, 2020	Percent of Collective NPL as of June 30, 2019	Change in Percent of Collective NPL
Authority proportionate share	\$4,147,738	\$ 3,215,165	0.157218%	0.153813%	0.003405%
State of Montana proportionate share associated with the					
Authority	1,306,207	1,046,472	0.049511%	0.050063%	-0.000552%
Total	<u>\$5,453,945</u>	<u>\$ 4,261,637</u>	<u>0.206729%</u>	<u>0.203876%</u>	<u>0.002853%</u>

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Changes in Actuarial Assumptions and Methods

The following changes in assumptions or other inputs were made that affected the measurement of the TPL.

1. The discount rate was lowered from 7.65% to 7.34%
2. The investment rate of return was lowered from 7.65% to 7.34%
3. The inflation rate was reduced from 2.75% to 2.40%

Changes in Benefit Terms

There have been no changes in benefit terms since the previous measurement date.

Changes in Proportionate Share

There were no changes between the measurement date of the collective NPL and the employer's reporting date that are expected to have a significant effect on the employer's proportionate share of the collective NPL. However, each employer may have unique circumstances that will impact the employer's proportionate share of the collective net pension. If there were changes that are expected to have an impact on the net pension liability, the employer should disclose the amount of the expected resultant change in the employer's proportionate share of the collective net pension liability, if known.

Pension Expense

At June 30, 2020, the Authority recognized \$730,228 for its proportionate share of the Plan's pension expense and recognized grant revenue of \$213,620 for the support provided by the State of Montana for its proportionate share of the pension expense associated with the Authority.

	Pension expense as of 6/30/2020	Pension expense as of 6/30/2019
Authority's proportionate share	\$ 730,228	\$ 554,419
State of Montana proportionate share associated with the employer	<u>213,620</u>	<u>71,044</u>
Total	<u>\$ 943,848</u>	<u>\$ 625,463</u>

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Recognition of Deferred Inflows and Outflows

At June 30, 2020, the Authority reported its proportionate share of PERS' deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Expected vs. actual experience	\$ 66,953	\$ 118,590
Change in assumptions	287,215	-
Projected vs. actual investment earnings	359,157	-
Changes in proportion share and differences between employer contributions and proportionate share of contributions	8,015	-
Employer contributions subsequent to measurement date	227,241	-
Total	<u>\$ 948,581</u>	<u>\$ 118,590</u>

Deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date in the amount of \$227,241 will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows and inflows of resources related to pensions are recognized in the employer's pension expense as follows:

Year ended June 30:	Recognition of deferred outflows and deferred inflows in future years as an increase or (decrease) to Pension Expense
2021	\$ 137,580
2022	249,947
2023	125,492
2024	89,731
Thereafter	-

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) (CONTINUED)

Actuarial Assumptions

The TPL in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions:

- Investment Return (net of admin expense) 7.34%
- Admin Expense as % of Payroll 0.30%
- General Wage Growth* 3.50%
- *includes Inflation at 2.40%
- Merit Increases 0% to 4.80%
- Postretirement Benefit Increases:
 1. Guaranteed Annual Benefit Adjustment (GABA) each January
 - After the member has completed 12 full months of retirement, the member's benefit increases by the applicable percentage each January, inclusive of other adjustments to the member's benefit.
 - 3% for members hired prior to July 1, 2007
 - 1.5% for members hired between July 1, 2007 and June 30, 2013
 - Members hired on or after July 1, 2013:
 - (a) 1.5% for each year PERS is funded at or above 90%;
 - (b) The 1.5% is reduced by 0.1% for each 2% PERS is funded below 90%;
 - (c) 0% whenever the amortization period for PERS is 40 years or more.

Mortality

- Mortality assumptions among contributing members, service retired members and beneficiaries were based on RP-2000 Combined Employee and Annuitant Mortality Tables projected to 2020 with scale BB, males set back 1 year.
- Mortality assumptions among disabled members are based on RP-2000 Combined Mortality Tables with no projections.

The most recent experience study, performed for the period covering fiscal years 2011 through 2016, is outlined in a report dated May 5, 2017 and can be located on the MPERA website. The long-term expected return on pension plan assets is reviewed as part of the regular experience studies prepared for the Plan. The long-term rate of return as of June 30, 2020, was calculated using the average long-term capital market assumptions published in the *Survey of Capital Market Assumptions 2020 Edition* by Horizon Actuarial Service, LLC, yielding a median real rate of return of 4.94%. The assumed inflation is based on the intermediate inflation of 2.4% in the *2020 OASDI Trustees Report* by the Chief Actuary for Social Security to produce 75-year cost projections. Combining these two results yields a nominal return of 7.34%

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) (CONTINUED)

Actuarial Assumptions (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of June 30, 2020, are summarized below.

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return Arithmetic Basis</u>
Cash	2.00%	0.11%
Domestic Equity	30.00%	6.19%
International Equity	16.00%	6.92%
Private Investments	14.00%	10.37%
Natural Resources	4.00%	3.43%
Real Estate	9.00%	5.74%
Core Fixed Income	20.00%	1.57%
Non-Core		
Fixed Income	5.00%	3.97%
Total	100.0%	

Discount Rate

The discount rate used to measure the TPL was 7.34%. The projection of cash flows used to determine the discount rate assumed that contributions from participating plan members, employers, and non-employer contributing entities will be made based on the Board's funding policy, which established the contractually required rates under Montana Code Annotated.

The state contributed 0.10% of salaries paid by local governments and 0.37% paid by school districts. In addition, the state contributed a statutory appropriation from the general fund. Based on those assumptions, the Plan's fiduciary net position was projected to be adequate to make all the projected future benefit payments of current plan members through the year 2123. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) (CONTINUED)

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

The following presents the employer's sensitivity of the NPL to the discount rate in the table below. A small change in the discount rate can create a significant change in the liability. The NPL was calculated using the discount rate of 7.34%, as well as what the net pension liability would be if it were calculated using a discount rate 1.00% lower or 1.00% higher than the current rate.

	1.0% Decrease (6.34)%	Current Discount Rate	1.0% Increase (8.34)%
Missoula County Airport Authority's net pension liability	<u>\$5,709,114</u>	<u>\$ 4,147,738</u>	<u>\$2,836,191</u>

PERS Disclosure for the Defined Contribution Plan

The Authority contributed to the state of Montana Public Employee Retirement System Defined Contribution Retirement Plan (PERS-DCRP) for employees that have elected the DCRP. The PERS-DCRP is administered by the PERB and is reported as a multiple-employer plan established July 1, 2002, and governed by Title 19, chapters 2 & 3, MCA.

All new PERS members are initially members of the PERS-DBRP and have a 12-month window during which they may choose to remain in the PERS-DBRP or join the PERS-DCRP by filing an irrevocable election. Members may not be participants of both the defined benefit and defined contribution retirement plans.

Member and employer contribution rates are specified by state law and are a percentage of the member's compensation. Contributions are deducted from each member's salary and remitted by participating employers. The state Legislature has the authority to establish and amend contribution rates.

Benefits are dependent upon eligibility and individual account balances. Participants are vested immediately in their own contributions and attributable income. Participants are vested after 5 years of membership service for the employer's contributions to individual accounts and the attributable income. Non-vested contributions are forfeited upon termination of employment per 19-3-2117(5), MCA. Such forfeitures are used to cover the administrative expenses of the PERS-DCRP.

At the plan level for the measurement period ended June 30, 2020, the PERS-DCRP employer did not recognize any net pension liability or pension expense for the defined contribution plan. Plan level non-vested forfeitures for the 329 employers that have participants in the PERS-DCRP totaled \$775,195.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 8. PUBLIC EMPLOYEES' RETIREMENT SYSTEM (PERS) (CONTINUED)

Pension Plan Fiduciary Net Position

The standalone financial statements of the Montana Public Employees Retirement Board (PERB) Annual Comprehensive Financial Report (ACFR) and the GASB 68 Report disclose the Plan's fiduciary net position. The reports are available from the PERB at PO Box 200131, Helena MT 59620-0131, (406) 444-3154 or the MPERA website at <http://mpera.mt.gov/index.shtml>.

NOTE 9. OTHER RETIREMENT AND MEDICAL BENEFIT PLANS

Other Retirement Plan

In 2021 and 2020, the Authority contributed 4% of compensation for regular full-time employees as a non-elective contribution to the Authority's 414(h) retirement plan (the Plan). The Authority's profit sharing contribution for 2021 and 2020 was 8% of compensation for all eligible employees. The Authority reserves the right to amend the retirement plan, including the percentage of contributions.

The Authority's contributions to the profit sharing plan for years ended June 30, 2021 and 2020, were \$221,905 and \$225,141, respectively. Employee contributions to the Authority's 414(h) retirement plan for years ended June 30, 2021 and 2020, were \$110,952 and \$112,570, respectively.

Deferred Compensation Plan

The Authority sponsors a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan is available to all Authority employees, and permits employees to defer a portion of their salary until future years. Participation in the Plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The retirement plan assets are held in an irrevocable trust, which will protect the plan assets from any potential future claims by creditors.

Medical Benefit Plan

The Authority participates in the Missoula County Medical Benefit Plan. During 2021 and 2020, the Authority paid \$540,667 and \$455,418 respectively, to the Plan.

NOTE 10. OTHER POST-EMPLOYMENT BENEFITS

The Authority participates in the Missoula County Employee Benefits Plan, a self-insured agent multiple-employer plan. To qualify for retiree medical benefits, the employee must have attained the age of 60 plus five years of service, or attained age 65, or completed 30 years of service. An employee may qualify for early retirement by meeting one of the following criteria: attained the age of 50 plus five years of service, or completed 25 years of service.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 10. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

These benefits are established and may be amended by Missoula County. The plan issues stand-alone financial statements which can be obtained from Missoula County Risk & Benefits, 200 West Broadway, Missoula, MT 59802.

Retirees pay into the plan what the Authority and active employees would pay on a monthly basis. Subsequent to retirement, the retiree's relationship is with the benefit plan and the Authority is not required to make any additional contributions for the retired employee.

The Authority has also reviewed the provisions of GASB Statement 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pension Plans". In complying with GASB 75, the Authority has estimated the value of the total OPEB liability as of June 30, 2021. That estimation resulted in an immaterial amount; therefore, the liability and additional disclosures related to OPEB, have not been included on the Statement of Net Position or within the notes to the financial statements.

NOTE 11. RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts, theft, damage, and destruction of assets; business interruption; errors and omissions; employee injuries and illness; natural disasters; and medical insurance costs of employees. Settled claims did not exceed the commercial coverage for the years ended June 30, 2021, 2020 or 2019. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. No liability accrual was required at June 30, 2021 and 2020.

The Authority provides workers' compensation coverage for all employees through the Missoula County Workers' Compensation Group Insurance Authority (formerly the Missoula County Workers' Compensation Plan). The Authority's contribution rates were \$.009 to \$.0625 per \$100 of covered salary, depending on employee classification. The Authority's contributions for the years ended June 30, 2021 and 2020 were \$97,335 and \$97,529, respectively.

As discussed in Notes 8 and 9, employee medical and life insurance is provided through the Authority's participation in the Missoula County self-insured medical plan.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 12. COMMITMENTS AND CONTINGENCIES

In June 2003, the Authority purchased approximately 759 acres of real property. The terms of the sale provided that \$500,000 be deposited in an escrow account that would be used to pay for related land costs. Any interest earned would be paid to the sellers and any balance remaining in the escrow account at the end of three years would be paid to the sellers at that time. Funds deposited in the escrow account were misappropriated by the former Authority Director. On May 2, 2005, the Authority received correspondence from counsel for the sellers of the property requesting rescission of the June 2003 purchase. The Authority vigorously denied that there were grounds for rescission.

The sellers of the property filed a Complaint in Missoula County District Court in December 2005. The Authority filed an Answer to the Complaint. In 2006, the Authority attempted to pay the remaining balance in the escrow account to the sellers. Because of a pending lawsuit, the sellers had refused to accept the escrow funds.

In 2010, a trial was held in the matter. The Judge issued an order which found for the sellers on all their claims against the Authority and ordered the parties to negotiate a partial rescission of the sale. In October 2011, the District Court entered an order approving a settlement agreement entered into between the Authority and the sellers. Under the settlement agreement, the sellers have the option to purchase up to 447 acres from the Authority over a ten-year period. The land subject to the option is broken out into two parcels. The purchase price for the approximately 309 acres in Parcel I is \$3,935 per acre. The purchase price for the approximately 138 acres in Parcel II is \$6,054 per acre. The purchase price accrues interest at the rate of 4.35%.

In 2013, the sellers exercised their option to purchase 275 acres of Parcel I for \$1,116,704. The transaction resulted in the Authority recognizing a loss of \$548,146. Thirty-four acres of Parcel I remain available for purchase at \$3,935 per acre and 138 acres of Parcel II remain available for purchase at \$6,054 per acre.

NOTE 13. SERVICE CONCESSION ARRANGEMENT

The Authority has entered into a concession agreement expiring June 30, 2024, with Republic Parking System, Inc. (RPS) to operate the Authority's public parking facility located on airport property. The Authority entered into the arrangement as a means to provide parking facilities to members of the public visiting the Missoula International Airport (the Airport) in a more efficient, cost-effective manner.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 13. SERVICE CONCESSION ARRANGEMENT (CONTINUED)

The terms of the agreement include:

- RPS shall use the facility solely to operate a public parking facility at the Airport for incoming/outgoing passengers using the Airport during the term of the agreement.
- The Authority retains the right to further develop, modify, and improve the area currently used for public parking at the Airport during the agreement term.
- RPS is responsible for parking lot maintenance while the Authority is responsible for structural modifications and substantial repairs.
- The Authority and RPS have mutually agreed to the parking rates charged for use of the facility during the term of the agreement and rate changes shall go into effect only when approved by the Authority.

Under the terms of the agreement, RPS is required to pay the Authority as follows:

Fiscal Year Ended	Net Present Value of Minimum Annual	Percentage of Annual Gross Receipts (calculated for the contract years ended June 30)
June 30, 2022	\$729,998	50% of RPS's annual gross receipts >\$0 but <\$200,000
June 30, 2023	710,530	80% of RPS's annual gross receipts >\$200,000 but <\$500,000
June 30, 2024	691,580	85% of RPS's annual gross receipts >\$500,000 but <\$1,200,000
		92.5% of RPS's annual gross receipts >\$1,200,000

The facility is reported by the Authority as a capital asset and is being depreciated over its useful life. For the amount to be received under the agreement, the Authority has recorded a receivable and deferred inflow of resources in the amount of \$2,173,254 and \$2,855,557 for fiscal years June 30, 2021 and 2020, respectively. The deferred inflow of resources is amortized to revenue over the term of the agreement.

NOTE 14. CONDUIT DEBT OBLIGATION

In January 2021, the Authority entered into a Loan Agreement (the Agreement) in accordance with the Montana Code Annotated 17-6-309(2) which authorizes the Montana Board of Investments (MBOI) to provide capital financing to purchase certain public improvements on real property owned by the Authority from a private entity. The loan was issued under the authority of the MBOI to make infrastructure loans to enhance economic development and create jobs in the basic sector of the economy, if the loan will result in the creation or expansion of a business estimated to employ at least an additional fifteen people in Montana. The public improvements are pledged as collateral for the loan. There is an underlying lease agreement between the Authority and the private entity on the public improvements. The loan is payable from payments received from the private entity on the lease agreement, and the Authority has committed to maintain the Agreement with MBOI. At June 30, 2021, the conduit debt obligation has an outstanding principal amount payable of \$1,968,356. The loan will be paid in full as of January 1, 2041.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2021 and 2020

NOTE 15. SUBSEQUENT EVENT

Management has evaluated subsequent events through _____, 2021, the date on which the financial statements were available to be issued.

The sellers referred to in Note 12 gave the airport notice in May 2021 of their intent to exercise their rights under a 2011 Settlement Agreement (see note 12) to purchase 154.2 acres. The price for the property was set in the Settlement Agreement at \$3,935.00 per acre for 35.4 acres and \$6,054.00 per acre for 118.8 acres, plus 4.35% interest from the settlement date of October 5, 2011.

The sale was executed on November 15, 2021. The sales proceeds for the land were \$858,514 as calculated per the terms discussed above. The book value of the land in airport records is \$1,065,264. The difference between proceeds and book value will be recognized as a loss of \$206,750. The interest earned in the transaction was \$455,718.

Subsequent to June 30, 2021, the Authority received an Airport Rescue Grant in the amount of \$5,375,923. This grant is subject to the rules and regulations of the Airport Rescue Plan Act.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION AND ANALYSIS

DRAFT

MISSOULA COUNTY AIRPORT AUTHORITY
SCHEDULE OF PROPORTIONATE SHARE OF THE PERS NET PENSION LIABILITY
***FOR THE LAST TEN FISCAL YEARS**
June 30, 2021

Schedule of Proportionate Share of the Net Pension Liability for the Last Ten Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Employer's proportion of the net pension liability as a percentage	0.1572%	0.1538%	0.1355%	0.1709%	0.1536%	0.1509%	0.1402%
Employer's net pension liability as an amount	\$ 4,147,738	\$ 3,215,165	\$ 2,827,317	\$ 3,327,526	\$ 2,616,735	\$2,110,016	\$1,747,437
State of Montana's net pension liability	<u>1,306,207</u>	<u>1,046,472</u>	<u>948,439</u>	<u>46,963</u>	<u>31,973</u>	<u>25,918</u>	<u>21,339</u>
Total	<u>\$ 5,453,945</u>	<u>\$ 4,261,637</u>	<u>\$ 3,775,756</u>	<u>\$ 3,374,489</u>	<u>\$ 2,648,708</u>	<u>\$2,135,934</u>	<u>\$1,768,776</u>
Employer's covered payroll **	\$ 2,637,849	\$ 2,537,886	\$ 2,227,772	\$ 2,119,084	\$ 1,840,137	\$1,761,557	\$1,610,102
Employer's proportionate share of the net pension liability as a percentage of covered payroll	157.24%	126.69%	126.91%	157.03%	142.20%	119.78%	111.22%
Plan fiduciary net position as a percentage of the total pension liability	68.90%	73.85%	73.47%	73.75%	74.71%	78.40%	79.87%

**The amounts presented for each fiscal year were determined as of June 30, the measurement date.*

*** All employer adjustments made in the current fiscal year 2020 but are adjusting a payroll with a pay date in a prior fiscal year, are considered prior year adjustments and are removed from the covered payroll report before the actuary calculates the employers proportionate share.*

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

MISSOULA COUNTY AIRPORT AUTHORITY
SCHEDULE OF PERS CONTRIBUTIONS
***FOR THE LAST TEN FISCAL YEARS**
June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Schedule of Contributions for the Last Ten Fiscal Years*							
Contractually required contributions	\$ 229,622	\$ 231,111	\$ 218,276	\$ 188,692	\$ 177,398	\$ 153,809	\$ 145,159
Plan choice rate required contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,830</u>	<u>11,371</u>
Contributions in relation to the contractually required contributions	<u><u>229,622</u></u>	<u><u>231,111</u></u>	<u><u>218,276</u></u>	<u><u>188,692</u></u>	<u><u>177,398</u></u>	<u><u>162,639</u></u>	<u><u>156,530</u></u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered-employee payroll **	\$ 2,591,116	\$ 2,637,849	\$ 2,537,886	\$ 2,227,772	\$ 2,119,084	\$1,840,137	\$1,761,557
Contributions as a percent of covered-employee payroll	8.86%	8.76%	8.60%	8.47%	8.37%	8.84%	8.89%

**The amounts presented for each fiscal year were determined as of June 30, the most recent fiscal year end.*

*** All employer adjustments made in the current fiscal year 2020 but are adjusting a payroll with a pay date in a prior fiscal year, are considered prior year adjustments and are removed from the covered payroll report before the actuary calculates the employers proportionate share.*

Schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2021

Changes of Benefit Terms

The following changes to the plan provisions were made as identified:

2017:

Working Retiree Limitations – for PERS

Effective July 1, 2017, if a PERS retiree returns as an independent contractor to what would otherwise be PERS-covered employment, general contractor overhead costs are excluded from PERS working retiree limitations.

Refunds

- 1) Terminating members eligible to retire may, in lieu of receiving a monthly retirement benefit, refund their accumulated contributions in a lump sum.
- 2) Terminating members with accumulated contributions between \$200 and \$1,000 who wish to rollover their refund must do so within 90 days of termination of service.
- 3) Trusts, estates, and charitable organizations listed as beneficiaries are entitled to receive only a lump-sum payment.

Interest Credited To Member Accounts

Effective July 1, 2017, the interest rate credited to member accounts increased from 0.25% to 0.77%.

Lump-Sum Payouts

Effective July 1, 2017, lump-sum payouts in all systems are limited to the member's accumulated contributions rate than the present value of the member's benefit.

Disabled PERS Defined Contribution (DC) Members

PERS members hired after July 1, 2011 have a normal retirement age of 65. PERS DC members hired after July 1, 2011 who became disabled were previously only eligible for a disability benefit until age 65. Effective July 1, 2017, these individuals will be eligible for a disability benefit until they reach 70, thus ensuring the same 5-year time period available to PERS DC disabled members hired prior to July 1, 2011 who have a normal retirement age of 60 and are eligible for a disability benefit until age 65.

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
June 30, 2021

Changes in Actuarial Assumptions and Methods

Method and assumptions used in calculations of actuarially determined contributions

The following Actuarial Assumptions were adopted from the June 30, 2019 actuarial valuation:

General Wage Growth*	3.50%
Investment Rate of Return*	7.65%
*Includes inflation at	2.75%
Merit salary increases	0% to 8.47%
Asset valuation method	4-year smoothed market
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay, open
Remaining amortization period	30 years
Mortality (healthy members)	For males and females: RP 2000 Combined Employee and Annuitant Mortality Table projected to 2020 using Scale BB, males set back 1 year
Mortality (disabled members)	For males and females: RP 2000 Combined Mortality Table, with no projections
Admin expenses as % of payroll	0.30%

Administrative expenses are recognized by an additional amount added to the normal cost contribution rate for the System. This amount varies from year to year based on the prior year's actual administrative expenses.

SUPPLEMENTAL INFORMATION

DRAFT

MISSOULA COUNTY AIRPORT AUTHORITY
OPERATING REVENUES

For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>	<u>Increase (Decrease)</u>
LANDING FIELD			
Landing fees			
Airlines	\$ 507,117	\$ 785,277	\$ (278,160)
Freight carriers	33,817	43,253	(9,436)
Forest service	19,927	19,780	147
Other	72,238	32,931	39,307
Fuel flowage	<u>99,582</u>	<u>72,585</u>	<u>26,997</u>
Total landing field	<u>732,681</u>	<u>953,826</u>	<u>(221,145)</u>
TERMINAL			
Airline rentals	1,083,875	1,084,716	(841)
Non-sig turn fees	223,590	155,810	67,780
Advertising income	166,945	179,904	(12,959)
Land transportation facilities			
Customer facility charges	766,388	761,483	4,905
On-airport car rentals	1,496,072	1,331,572	164,500
Off-airport car rentals	40,295	43,972	(3,677)
Parking lot	1,040,007	1,671,767	(631,760)
Ground services	858,531	544,437	314,094
Restaurant	67,519	97,560	(30,041)
Coffee concession	74,038	86,664	(12,626)
Travel agency	7,093	7,093	-
Gift shops	188,744	165,630	23,114
Telephones and vending	22,407	30,402	(7,995)
Utilities reimbursement	32,986	27,941	5,045
Security reimbursement	107,270	126,570	(19,300)
Other	<u>92,354</u>	<u>105,246</u>	<u>(12,892)</u>
Total terminal	<u>6,268,114</u>	<u>6,420,767</u>	<u>(152,653)</u>
FIXED BASE/GOVERNMENT			
Government office rental	-	62,634	(62,634)
Fixed base operator's rental	<u>255,691</u>	<u>257,082</u>	<u>(1,391)</u>
Total fixed base/government	<u>255,691</u>	<u>319,716</u>	<u>(64,025)</u>
INDUSTRIAL PARK			
Building and ground rental	622,726	562,952	59,774
Agricultural ground rental	13,524	15,084	(1,560)
Fuel farm rental	<u>4,050</u>	<u>4,039</u>	<u>11</u>
Total industrial park	<u>640,300</u>	<u>582,075</u>	<u>58,225</u>
TOTAL OPERATING REVENUES	<u>\$ 7,896,786</u>	<u>\$ 8,276,384</u>	<u>\$ (379,598)</u>

MISSOULA COUNTY AIRPORT AUTHORITY
OPERATING EXPENSES

For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>	<u>Increase (Decrease)</u>
Accounting and auditing services	\$ 31,702	\$ 26,102	\$ 5,600
Bad debt	6,103	-	6,103
Consulting services	140,249	154,903	(14,654)
Display/visitor information center	3,094	7,716	(4,622)
Insurance	132,510	129,477	3,033
Legal services	9,449	1,410	8,039
Maintenance, repairs and equipment rentals	1,113,677	1,019,429	94,248
Membership and organization dues	17,999	13,200	4,799
Office supplies and equipment	31,361	36,361	(5,000)
Other	60,595	172,381	(111,786)
Petroleum products and tires	62,708	54,730	7,978
Safety supply and equipment	21,405	12,377	9,028
Salaries and related payroll expenses	5,170,499	4,712,335	458,164
Telephone	52,770	46,246	6,524
Training	43,778	33,163	10,615
Travel, meals and public relations	33,652	64,260	(30,608)
Uniforms and laundry	32,314	16,727	15,587
Utilities	445,690	500,469	(54,779)
	<u>\$ 7,409,555</u>	<u>\$ 7,001,286</u>	<u>\$ 408,269</u>

MISSOULA COUNTY AIRPORT AUTHORITY
REVENUE BOND COVERAGE
For the Year Ended June 30, 2021

GROSS REVENUES	
Operating	\$ 7,896,786
Plus: interest - unrestricted, debt service and debt service reserve	<u>10,953</u> 7,907,739
OPERATING EXPENSES	<u>7,409,555</u>
NET REVENUE AVAILABLE FOR DEBT SERVICE	<u>\$ 498,184</u>
FISCAL YEAR DEBT SERVICE REQUIREMENT	<u>\$ 115,710</u>
COVERAGE RATIO	<u>4.31</u>
MINIMUM DEBT SERVICE COVERAGE REQUIRED BY RATE COVENANT	<u>1.25</u>

MISSOULA COUNTY AIRPORT AUTHORITY
AIRPORT OPERATIONS INFORMATION
For the Years Ended June 30, 2021 and 2020

REVENUE PASSENGERS HANDLED

	<u>2021</u>	<u>2020</u>
Airlines		
Revenue passengers enplaned	268,386	343,022
Revenue passengers deplaned	<u>268,747</u>	<u>337,682</u>
Total	<u>537,133</u>	<u>680,704</u>

TOWER AIRCRAFT OPERATIONS

Total Traffic	<u>46,072</u>	<u>37,801</u>
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MISSOULA COUNTY AIRPORT AUTHORITY
INSURANCE IN FORCE
For the Year Ended June 30, 2021

Insurer	Risk Covered	Coverage
PayneWest Insurance		
Liability	Products/completed operations aggregate limit	\$ 50,000,000
	Personal/advertising injury aggregate limit	50,000,000
	Fire damage limit any one fire	1,000,000
	Medical expense limit any one person	5,000
	Hangarkeepers liability each aircraft	50,000,000
	Hangarkeepers liability each occurrence	50,000,000
	Employee benefits liability	1,000,000
	On-airport premises auto liability	50,000,000
	Excess auto liability	25,000,000
	Malpractice aggregate limit	50,000,000
	Non-owned aircraft liability	50,000,000
	Excess employers liability (excess of \$1m underlying)	25,000,000
	Passenger baggage liability aggregate limit	250,000
	Passenger baggage liability each occurrence	2,500
	Limited terrorism	5,000,000
Commercial Auto	Combined single limit liability	1,000,000
	Uninsured/underinsured motorist	1,000,000
	Hired/non-owned liability	1,000,000
	Medical payments	5,000
	Comprehensive deductible	1,000
	Collision deductible	1,000
Commercial Property	Blanket building limit	16,352,581
	Terminal buildings limit	23,538,068
	Blanket contents limit	150,909
	Terminal contents	627,328
	Blanket business income limit	1,500,000
	Fencing, gates, and outdoor lighting	257,000
	Scheduled mobile equipment	5,250,884
	Flood coverage	1,000,000
	Crime coverage	125,000
Non-Profit Organization Policy	Directors and officers liability aggregate limit	2,000,000
	Employment practices liability aggregate limit	2,000,000
	Fiduciary liability	1,000,000

MISSOULA COUNTY AIRPORT AUTHORITY
FEDERALLY FUNDED AIRPORT PROJECTS
For the Year Ended June 30, 2021

AIP Funded Projects			
Project #	Projects	Percent Complete	Grant Award
63	Terminal Access Road	100%	\$ 1,828,910
64	Terminal Final Design, TSA Relocation and Demo/Foundation	100%	8,757,550
65	Terminal Demo/Foundation, Vertical and Core Construction	72%	9,208,268
66	Terminal Access Road	100%	1,000,000
67	West GA Improvements	98%	1,390,243
68	Terminal Core/Shell /Interior	55%	7,490,787
69	Terminal Access Road	100%	268,155
70	CARES Funding	35%	5,616,102
71	VALE	72%	756,995
72	CRRSA	0%	3,293,668
75	CRRSA Concessions Relief	0%	97,182
Passenger Facility Funded Projects			
Application #	Projects	Percent Complete	Grant Award
18-09-C-00-MSO	Approved July 9, 2018 Federally eligible terminal projects costs and related debt service Collection authority for approximately 30 years	8%	36,265,589

MISSOULA COUNTY AIRPORT AUTHORITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021

<u>Program Description</u>	<u>CFDA No.</u>	<u>Contract No.</u>	<u>Federal Expenditures</u>	<u>Passed Through to Subrecipients</u>
U.S. Department of Transportation				
<i>Direct:</i>				
Administered by the Federal Aviation Administration				
Airport Improvement Program	20.106	3-30-0056-063-2019	\$ 84,435	\$ -
Airport Improvement Program	20.106	3-30-0056-064-2018	279,254	-
Airport Improvement Program	20.106	3-30-0056-065-2019	2,611,791	-
Airport Improvement Program	20.106	3-30-0056-067-2020	63,116	-
Airport Improvement Program	20.106	3-30-0056-068-2020	5,737,152	-
COVID-19 Airport Improvement Program	20.106	3-30-0056-070-2020	2,124,222	-
COVID-19 Airport Improvement Program	20.106	3-30-0056-071-2020	594,192	-
COVID-19 Airport Improvement Program	20.106	3-30-0056-073-2021	1,043,203	-
COVID-19 Airport Improvement Program	20.106	3-30-0056-074-2021	55,044	-
Total U.S. Department of Transportation			<u>12,592,409</u>	<u>-</u>
U.S. Department of the Treasury				
<i>Direct:</i>				
Payroll Support Program	21.018	PSA-2004062373	298,310	-
<i>Passed through the State of Montana:</i>				
Coronavirus Relief Fund	21.019	N/A	161,659	-
Total U.S. Department of the Treasury			<u>459,969</u>	<u>-</u>
U.S. Department of Homeland Security				
<i>Passed through the State of Montana:</i>				
COVID-19 (FEMA) Relief		N/A	6,133	-
Total U.S. Department of Homeland Security			<u>6,133</u>	<u>-</u>
Total Federal Expenditures			<u>\$ 13,058,511</u>	<u>\$ -</u>

MISSOULA COUNTY AIRPORT AUTHORITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2021

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Authority under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Authority.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable, or are limited as to reimbursement. Reported federal expenditures include capital asset purchases which are capitalized and not reported as expenses in the financial statements.

NOTE 3. AIRPORT IMPROVEMENT PROJECTS

The Authority receives federal contributions totaling 90% of actual expenditures incurred on qualified airport improvement projects, and the Authority provides the remaining match. The CARES Act provides funds to increase the federal share to 100% for Airport Improvement Program grants in 2020 and 2021.

NOTE 4. INDIRECT COST RATE

The Authority has elected not to use the 10% de minimis indirect cost rate described under the Uniform Guidance.

MISSOULA COUNTY AIRPORT AUTHORITY
SCHEDULE OF PASSENGER FACILITY CHARGES (PFC)
COLLECTED AND EXPENDED
For the Year Ended June 30, 2021

Application Number: 18-09-C-00-MSO

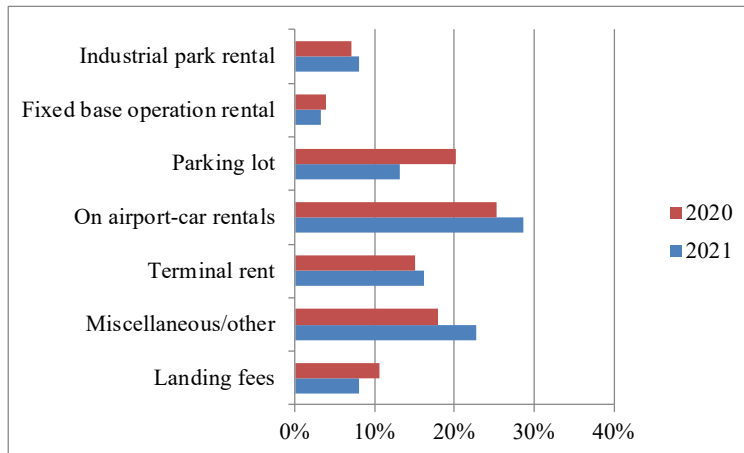
Quarter Ended	PFC Revenue Collected	Interest Earned	Expenditures on PFC Projects
September 2020	\$ 139,574	\$ 66	\$ 29,329
December 2020	229,796	71	26,129
March 2021	193,175	46	833,618
June 2021	419,640	29	449,868
Total	<u>\$ 982,184</u>	<u>\$ 211</u>	<u>\$ 1,338,944</u>
Total PFC collections authorized			\$ 59,763,524
Cumulative PFC collections			<u>28,668,915</u>
Remaining PFC collections authorized			<u>\$ 31,094,609</u>

MISSOULA COUNTY AIRPORT AUTHORITY

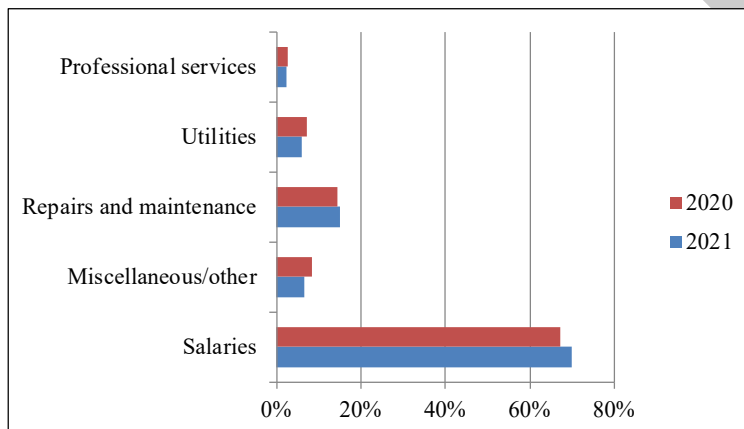
GRAPHS

For the Years Ended June 30, 2021 and 2020

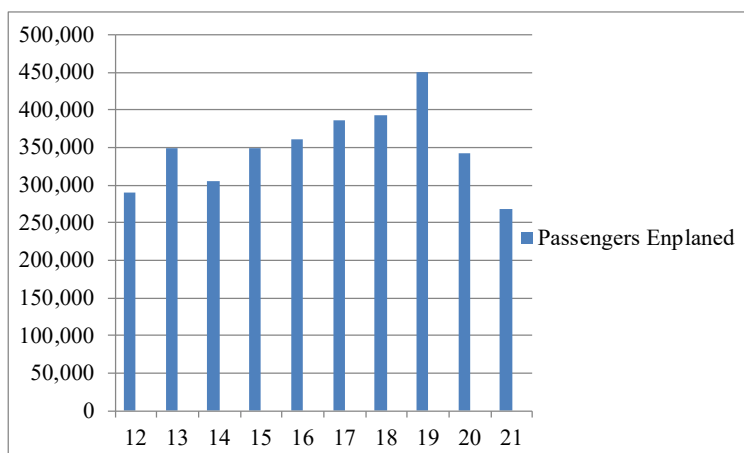
Supplemental Operating Revenue Information



Supplemental Operating Expenses Information



Supplemental Passenger Enplanement Information



SINGLE AUDIT SECTION

DRAFT

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Commissioners
Missoula County Airport Authority
Missoula, Montana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Missoula County Airport Authority (the Authority), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated _____, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Missoula, Montana
_____, 2021

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Commissioners
Missoula County Airport Authority
Missoula, Montana

Report on Compliance for Each Major Federal Program

We have audited Missoula County Airport Authority's (the Authority) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended June 30, 2021. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of *Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on the Major Federal Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Missoula, Montana
_____, 2021

MISSOULA COUNTY AIRPORT AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2021

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses	None reported
Noncompliance material to financial statement noted?	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified not considered to be material weaknesses	None reported
Type of auditor’s report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516?	No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
#20.106	Federal Aviation Administration – Airport Improvement Program
Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

MISSOULA COUNTY AIRPORT AUTHORITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
For the Year Ended June 30, 2021

Section II – Financial Statement Findings

None reported.

Section III – Federal Awards Findings and Questioned Costs

None reported.

Summary Schedule of Prior Audit Findings

None noted.

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OTHER COMPLIANCE REPORTS

DRAFT

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE PASSENGER FACILITY CHARGE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM

Board of Commissioners
Missoula County Airport Authority
Missoula, Montana

Report on Compliance for the Passenger Facility Charge Program

We have audited Missoula County Airport Authority's (the Authority) compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide) that could have a direct and material effect on its passenger facility charge (PFC) program for the year ended June 30, 2021.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to the PFC program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's PFC program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Passenger Facility Charge Audit Guide for Public Agencies*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the PFC program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the PFC program. However, our audit does not provide a legal determination of the Authority's compliance.

Opinion on the Passenger Facility Charge Program

In our opinion, the Authority, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the PFC program for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the PFC program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the PFC program and to test and report on internal control over compliance in accordance with the *Passenger Facility Charge Audit Guide for Public Agencies*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Passenger Facility Charge Audit Guide for Public Agencies*. Accordingly, this report is not suitable for any other purpose.

Missoula, Montana
_____, 2021

Board of Commissioners
Missoula County Airport Authority
Missoula, Montana

We have audited the financial statements of Missoula County Airport Authority (the Authority) for the year ended June 30, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 4, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. As described in Note 1 to the financial statements, in 2021, the Authority adopted the provisions of the following GASB pronouncement for fiscal year 2021:

Statement No. 91, *Conduit Debt Obligations*. This Statement clarifies the existing definition of conduit debt, provides a single method of reporting conduit debt obligations by issuers, and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. The requirements of this Statement have been applied prospectively. No measurement differences were noted as a result of implementing this Statement.

We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the Authority's financial statements were:

- Management's estimate of depreciation expense is based on estimated useful lives of the underlying assets.
- Management's estimate of the net present value of payments to be received under the parking lot concession arrangement is based on a risk-free interest rate over the life of the lease.

- Management's estimate of the net pension liability is based on actuarial amounts provided by the Legislative Auditor's Office.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements except for the adjustment noted below. Management has determined that its effects are immaterial to the financial statements taken as a whole.

Passed Journal Entries JE # 1			
To record OPEB liability			
29500	Unreserved	66,031.00	
40602	Fringe Benefits - Terminal	17,971.00	
27000	OPEB Liability		84,002.00
Total		84,002.00	84,002.00

The following material misstatements detected as a result of audit procedures were corrected by management:

Adjusting Journal Entries JE # 1			
To accrue wages for PP21-26.			
40100	Wages	144,893.00	
21800	Wages/Benefits Payable		144,893.00
Total		144,893.00	144,893.00
Adjusting Journal Entries JE # 2			
To adjust grant revenue/grant receivables related to AIP 76.			
89000	Federal Contributions	1,293,400.00	
11200	Grants Receivable		1,293,400.00
Total		1,293,400.00	1,293,400.00
Adjusting Journal Entries JE # 3			
To adjust for accrued credit and June 21-25 entry recorded backwards.			
89200	CARES	84,148.00	
11200	Grants Receivable		65,673.00
89203	Coronavirus Relief Fund		18,475.00
Total		84,148.00	84,148.00
Adjusting Journal Entries JE # 4			
To adjust depreciation expense to account for change in useful life of the terminal.			
80300	Depreciation	650,554.94	
14500	Allowance for Depreciation		650,554.94
Total		650,554.94	650,554.94

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated _____, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussions and Analysis and to the schedules required by GASB Standard 68, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedules of Operating Revenues, Operating Expenses, Revenue Bond Coverage, Federally Funded Airport Projects, Schedule of Expenditures of Federal Awards, and Schedule of Passenger Facility Charges Collected and Expended, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the Airport Operations Information, Insurance in Force schedule or the graphs, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Commissioners and management of Missoula County Airport Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Missoula, Montana

DATE

DRAFT

DATE

Anderson ZurMuehlen & Co., P.C.
1821 South Avenue West, Fifth Floor
Missoula, Montana 59801

This representation letter is provided in connection with your audits of the financial statements of Missoula County Airport Authority (the Authority), which comprise the statements of net position as of June 30, 2021 and 2020, and the related statements of revenues, expenses and changes in net position, and cash flows for the years then ended, and the disclosures (collectively, the “financial statements”), for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of DATE, the following representations made to you during your audits.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated August 4, 2021, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all financial information required by generally accepted accounting principles.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.

- 7) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 8) Guarantees, whether written or oral, under which the Authority is contingently liable, if any, have been properly recorded or disclosed.
- 9) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. The uncorrected misstatement is noted below:

Uncorrected Journal Entry #1

29500 Unreserved	\$66,031	
40602 Fringe Benefits – Terminal	17,971	
27000 OPEB Liability		84,002
<i>To record passed adjustment related to OPEB liability.</i>		

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audits.
 - c) Unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Board of Commissioners or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the Authority's financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 16) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

- 17) We have disclosed to you the names of the Authority's related parties and all the related party relationships and transactions, including any side agreements.

Government—specific

- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 20) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 21) The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 23) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 24) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 25) As part of your audits, you assisted with preparation of the financial statements and disclosures and schedule of expenditures of federal awards and the data collection form. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures, data collection form and schedule of expenditures of federal awards.
- 26) The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 27) The Authority has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 28) Components of net position (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
- 29) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 30) Provisions for uncollectible receivables have been properly identified and recorded.

- 31) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 32) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 33) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 34) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 35) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 36) With respect to the schedules of operating revenues, operating expenses, revenue bond coverage, federally funded airport projects, expenditures of federal awards, and passenger facility charges collected and expended:
- a) We acknowledge our responsibility for presenting the schedules of operating revenues, operating expenses, revenue bond coverage, federally funded airport projects, expenditures of federal awards, and passenger facility charges collected and expended in accordance with accounting principles generally accepted in the United States of America, and we believe the schedules of operating revenues, operating expenses, revenue bond coverage, expenditures of federal awards, and passenger facility charges collected and expended, including the form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the schedules of operating revenues, operating expenses, revenue bond coverage, federally funded airport projects, expenditures of federal awards, and passenger facility charges collected and expended have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the schedules of operating revenues, operating expenses, revenue bond coverage, federally funded airport projects, expenditures of federal awards, and passenger facility charges collected and expended is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 37) With respect to federal award programs:
- a) We are responsible for understanding and complying with and have complied with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.

- b) We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) and disclosures in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
- c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditor's report thereon.
- d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- e) We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
- f) We are responsible for establishing, designing, implementing and maintaining, and have established, designed, and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
- g) We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
- h) We have received no requests from a federal agency to audit one or more specific programs as a major program.
- i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement* (including its Addendum), relating to federal awards and confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal awards.
- j) We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.
- k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly

relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.

- l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E).
- m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- r) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t) We have charged costs to federal awards in accordance with applicable cost principles.
- u) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- v) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- w) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- x) We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

38) With respect to the passenger facility charge program:

- a) We are responsible for understanding and complying with, and have complied with, the requirements of laws, regulations, and the provisions of the passenger facility charge

program and have identified and disclosed to you the requirements of laws, regulations, and the provisions of the passenger facility charge program that are considered to have a direct and material effect on the program.

- b) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for the passenger facility charge program that provides reasonable assurance that we are managing our passenger facility charges in compliance with laws, regulations, and the provisions of the requirements that could have a material effect on our passenger facility charge program. We believe the internal control system is adequate and is functioning as intended.

MISSOULA COUNTY AIRPORT AUTHORITY

Brain Ellestad, Airport Director

Teri Norcross, Finance Manager

Missoula County Airport Authority

Agenda Action Sheet

Meeting Date: November 30, 2021

1. **TITLE:** Award of Vending Request for Proposals

Review, discussion, and possible award of bid for vending contract in the new terminal.
ACTION ITEM.
2. **AGENDA CATEGORY:** (Please highlight)
UNFINISHED BUSINESS **NEW BUSINESS** COMMITTEE REPORTS
INFORMATION/DISCUSSION ITEM
3. **TIME REQUIRED:** 5 Minutes
4. **BACKGROUND INFORMATION:** Staff published a Request for Proposals for Vending Services in the new terminal on September 23, 2021. Proposals were due on October 13, 2021. Five proposals were received: 1. Coca-Cola Bottling Company High Country; 2. Refreshing USA LLC, dba Valley Vending; 3. Pepsi-Cola of Missoula; 4. Faber Coe & Gregg of Florida, Inc.; and 5. Local Lux. A committee of staff members reviewed and scored the proposals. This was a difficult process, because the proposals did not all offer the same products. In the current terminal, we have three vending locations with three separate machines in each location – Coke, Pepsi and snacks provided by Valley Vending. In addition to the three current providers, Faber proposed providing beverage and snack machines and Local Lux proposed providing a variety of products including snacks, gifts and electronics. In the new terminal, because of space constraints until the second phase is completed, we have only two vending locations with two machines in each location. Faber's percentage of gross bid was 11% for beverage and snacks; Local Lux's bid was 18% for snacks and gifts; Valley Vending's bid was 20% for snacks; Coke and Pepsi both bid 40% for beverages only. Based on the lack of space and the difference in the bid amounts, the committee determined there needed to be one snack bid accepted and one beverage bid accepted. Valley Vending and Pepsi each also proposed Minimum Annual Guarantees, whereas the other bidders did not and scored higher than others in the same category. The committee recommends that the vending bid for the new terminal be awarded to Valley Vending and Pepsi. Contracts will be brought to the Board in January.
5. **BUDGET INFORMATION:** Pepsi's MAG - \$6,000.00
Valley Vending MAG - \$3,000.00
6. **SUPPLEMENTAL AGENDA INFORMATION:** Contracts will be brought to the Board for approval in January.
7. **RECOMMENDED MOTION:** Move to award the vending bid for the new terminal to Refreshing USA LLC, dba Valley Vending and Pepsi-Cola of Missoula.
8. **PREPARED BY:** Lynn Fagan, Administrative Manager

Missoula County Airport Authority

Agenda Action Sheet

Meeting Date: November 30, 2021

1. **TITLE:** Purchase of PFAS Testing Solution for ARFF Trucks

ACTION ITEM

2. **AGENDA CATEGORY:** (Please highlight)
UNFINISHED BUSINESS **NEW BUSINESS** COMMITTEE REPORTS
INFORMATION/DISCUSSION ITEM

3. **TIME REQUIRED:** 5 Minutes

4. **BACKGROUND INFORMATION:** Known officially as aqueous film-forming foam (AFFF), firefighting foam creates a blanket that cuts off the fuel from the oxygen it needs to burn. To help smother the fire, chemicals known as Perfluoroalkyl and polyfluoroalkyl substances (PFAS) are used. Major health organizations like the Centers for Disease Control and Prevention (CDC), United States Environmental Protection Agency (EPA), and the American Cancer Society (ACS) have noted that certain PFAS may be linked to cancer. In fact, the EPA has classified PFAS as “emerging contaminants,” meaning they are likely dangerous to human health. FAA Part 139 Certificate holders are required to test the AFFF annually. That means firefighters and maintenance staff are exposed to these hazardous materials, along with exposing our soil to hazardous contaminants.

The FAA issued a Cert Alert with recommendations on testing AFFF. Under section 4 of Part 139 CertAlert No.19-02 states: The FAA recommends the following to airport operators:

Consider using one of the following AFFF testing systems, accepted by the FAA for immediate use, to satisfy the Part 139 testing requirement while minimizing any possible environmental impact:

- a. Eco-Logic System from E-One
- b. NoFoam System
- c. Oshkosh Eco EFP (Electronic Foam Proportioning)

Staff has received quotes from Eco-Logic System for \$27,250.00 and NoFoam System for \$31,771.53. The Oshkosh System is not an option for our existing unit. Eco-Logic System provided the lowest quote and staff is recommending that system.

5. **BUDGET INFORMATION:** Amount Required: \$ 27,250.00
Budget amount available: Non-Budgeted Item

6. **SUPPLEMENTAL AGENDA INFORMATION:**

7. **RECOMMENDED MOTION:** Move to approve the purchase of an ECO-LOGIC Mobile Foam Test System for ARFF Vehicles not to exceed the amount of \$27,250.00
8. **PREPARED BY:** Justin Shaffer/Brian Ellestad
9. **COMMITTEE REVIEW:** None.

Missoula County Airport Authority

Agenda Action Sheet

Meeting Date: November 30, 2021

1. **TITLE:** Election of 2022 Board Officers

Per the Bylaws of the Missoula County Airport Authority, officers for the following calendar year are to be elected at the November annual meeting of the Airport Board.

ACTION ITEM.

2. **AGENDA CATEGORY:** (Please highlight)
UNFINISHED BUSINESS **NEW BUSINESS** COMMITTEE REPORTS
INFORMATION/DISCUSSION ITEM

3. **TIME REQUIRED:** 5 Minutes

4. **BACKGROUND INFORMATION:** Pursuant to Article III, Section 3 of the MCAA Bylaws, "The current Chair may nominate a slate of Officers by nominating a Commissioner to serve as Secretary/Treasurer, nominating the current Secretary/Treasurer to serve as Vice Chair and nominating the current Vice Chair to serve as Chair." "This shall be defined as the Succession Order." Chairman Doucette is proposing that Secretary/Treasurer Larry Anderson be elevated to Vice-Chair and that Vice-Chair Adriane Beck be elevated to Chair. Chairman Doucette will also be prepared to nominate a new Secretary/Treasurer at the meeting. In addition, Chairman Doucette will call for nominations from the floor.

5. **BUDGET INFORMATION:** NONE

6. **SUPPLEMENTAL AGENDA INFORMATION:**

7. **RECOMMENDED MOTION:** [No motion is necessary] Chair to ask for nominations from the floor (3 times). If there are nominations from the floor, vote on each individual nomination. Otherwise, Vote to accept the Slate of Officers as proposed by Chair Matthew Doucette.

8. **PREPARED BY:** Lynn Fagan, Airport Legal Counsel

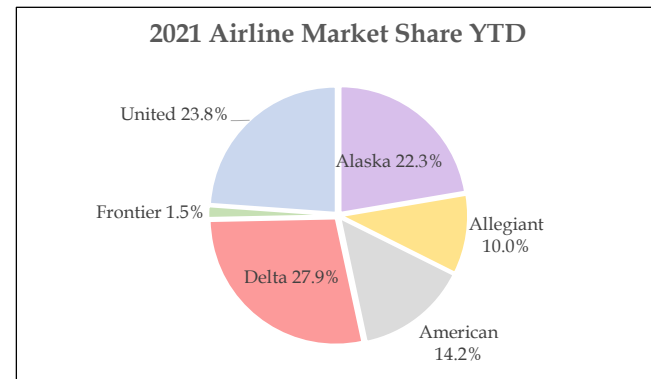
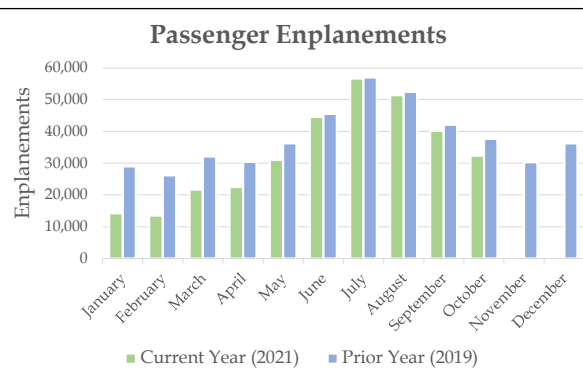
9. **COMMITTEE REVIEW:** None

2021 Missoula Airport Operations and Route Performance

October-21

Summary

- Welcome to the new Missoula Montana Airport operations report. We have consolidated our old report into this single page document to provide a quick view of airport operations
- Please reach out with any comments or changes to improve our report going forward!
- Strong load factors for October as we ramp up into the Thanksgiving and Holiday travel season.



Tower Operations	Ops Type	January	February	March	April	May	June	July	August	September	October	November	December	Total	Y/Y	
	Air Carrier	549	543	808	885	1037	1241	1289	1229	995	681	0	0	9,257	17%	
	Air Taxi	391	351	450	399	531	807	817	720	647	481	0	0	5,594	18%	
	GA	926	689	1343	1596	1600	2031	2892	2006	2171	1610	0	0	16,864	28%	
	Military	84	40	161	82	39	102	25	93	124	75	0	0	825	119%	
	Civil	930	670	876	776	1026	796	868	1080	713	1000	0	0	8,735	5%	
	Total	2021	2,880	2,293	3,638	3,738	4,233	4,977	5,891	5,128	4,650	3,847	0	0	41,275	20%
	2020	2,518	2,692	2,732	1,687	2,692	3,814	5,522	5,757	3,959	3,107	2,712	3,256	40,448		
Enplaned Passengers	Airlines	January	February	March	April	May	June	July	August	September	October	November	December	Total	Y/Y	
	Alaska	3,157	3,453	6,070	6,734	8,339	9,345	11,007	10,900	7,515	6,439	0	0	72,959	-19%	
	Allegiant	1,578	1,745	2,628	2,527	3,408	4,622	5,882	4,391	2,962	3,086	0	0	32,829	-9%	
	American	2,072	1,510	3,399	3,177	3,829	7,093	8,393	7,489	6,516	3,167	0	0	46,645	84%	
	Delta	4,114	3,647	5,621	5,493	9,489	12,703	15,145	13,673	10,829	10,843	0	0	91,557	-31%	
	Frontier	0	0	0	0	642	1,052	1,340	1,568	205	0	0	0	4,807	-66%	
	United	3,232	3,124	3,924	4,529	5,259	9,643	14,799	13,209	11,889	8,339	0	0	77,947	-11%	
	Charters	3	0	0	0	0	0	0	155	274	456	0	0	888	-57%	
	Total	2021	14,156	13,479	21,642	22,460	30,966	44,458	56,566	51,385	40,190	32,330	0	0	327,632	-16%
	2020	29,026	25,715	15,182	1,383	5,100	10,833	23,988	24,039	22,330	19,547	15,386	15,862	208,391		
	LF	2021	54.6%	52.0%	58.4%	55.5%	63.7%	64.9%	73.1%	70.5%	68.9%	85.7%			129.3%	
		2020	82.5%	79.3%	46.5%	11.8%	37.8%	54.8%	55.3%	46.9%	54.0%	47.7%	37.8%	46.7%	52.5%	
	Deplaned Passengers	Airlines	January	February	March	April	May	June	July	August	September	October	November	December	Total	Y/Y
Alaska		2,700	3,439	6,152	6,967	8,333	9,782	11,111	10,279	7,331	6,076	0	0	72,170	51%	
Allegiant		1,431	1,603	2,440	2,594	3,441	5,114	5,956	4,198	2,905	2,910	0	0	32,592	-8%	
American		1,700	1,402	2,926	3,033	3,485	7,660	8,421	7,007	6,486	2,813	0	0	44,933	163%	
Delta		3,969	3,922	5,574	5,744	10,438	12,595	14,706	12,580	10,376	10,572	0	0	90,476	-31%	
Frontier		-	-	-	-	677	1,193	1,467	1,360	212	-	0	0	4,909	-68%	
United		2,760	2,895	3,937	4,557	5,528	10,810	14,481	11,897	11,189	7,908	0	0	75,962	-13%	
Charters		0	112	0	0	0	0	0	79	274	455	0	0	920	-43%	
Total		2021	12,560	13,373	21,029	22,895	31,902	47,154	56,142	47,400	38,773	30,734	0	0	321,962	-17%
2020		27,795	25,430	17,491	1,460	5,405	11,741	24,594	24,429	20,802	18,892	14,312	16,805	209,156		
Total Pax		2021	26,716	26,852	42,671	45,355	62,868	91,612	112,708	98,785	78,963	63,064	0	0	649,594	-16%
		2020	56,821	51,145	32,673	2,843	10,505	22,574	48,582	48,468	43,132	38,439	29,698	32,667	417,547	
		T12M		711,959												Legend:

Legend:
LF - Load Factor
T12M - Previous 12 Months
Y/Y - Year Over Year
Pax - Passengers

State of Montana Airline Enplanements

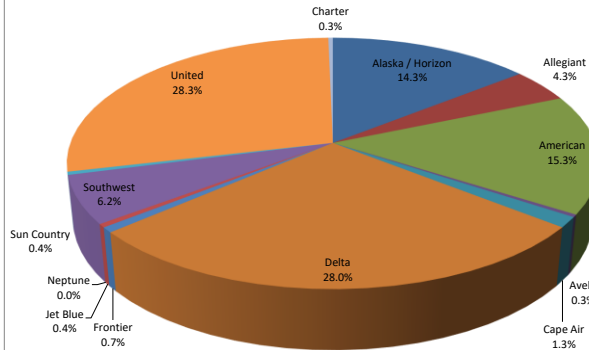
September 2021

	Alaska / Horizon	Allegiant	American	Avelo	Cape Air	Delta	Frontier	Jet Blue	Neptune	Southwest	Sun Country	United	Charter	Total	Tower Operations
Billings	4,901	2,171	4,649		1,606	10,471	761		3		-	8,728	-	33,290	9,776
Bozeman	10,561	3,364	17,011	779		23,116	462	753		15,133	629	25,823	656	98,287	11,928
Butte						1,286								1,286	
Glasgow					294									294	
Glendive					186									186	
Great Falls	2,654	1,019				5,536						3,647	-	12,856	
Havre					261									261	
Helena	1,546					3,162						2,491		7,199	4,106
Kalispell	7,971	1,101	9,399			13,130	220	327			357	15,318	-	47,823	
Missoula	7,515	2,962	6,516			10,829	205					11,889	133	40,049	4,650
Sidney					680									680	
Wolf Point					267									267	
Yellowstone						1,207						1,556		2,763	
Total	35,148	10,617	37,575	779	3,294	68,737	1,648	1,080	3	15,133	986	69,452	789	245,241	30,460
Market Share %	14.3%	4.3%	15.3%	0.3%	1.3%	28.0%	0.7%	0.4%	0.0%	6.2%	0.4%	28.3%	0.3%		

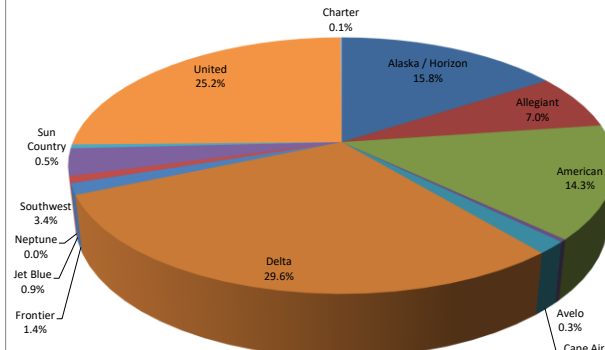
Year-to-Date

	Alaska / Horizon	Allegiant	American	Avelo	Cape Air	Delta	Frontier	Jet Blue	Neptune	Southwest	Sun Country	United	Charter	Total	Tower Operations
Billings	45,531	29,207	37,509	-	14,396	80,658	6,605	-	38	-	39	63,931	184	278,098	74,204
Bozeman*	91,937	34,321	132,997	6,173	-	207,488	11,102	13,608	-	63,419	5,473	186,281	1,070	753,869	91,430
Butte	-	-	-	-	-	11,583	-	-	-	-	-	-	-	11,583	-
Glasgow	-	-	-	-	2,481	-	-	-	-	-	-	-	-	2,481	-
Glendive	-	-	-	-	1,577	-	-	-	-	-	-	-	-	1,577	-
Great Falls	21,120	14,529	-	-	-	40,925	-	-	-	-	-	25,865	299	102,738	28,354
Havre	-	-	-	-	2,175	-	-	-	-	-	-	-	-	2,175	-
Helena	11,727	-	-	-	-	24,012	-	-	-	-	-	13,017	-	48,756	35,069
Kalispell	57,299	21,381	50,840	-	-	97,465	3,462	2,495	-	-	3,574	103,215	-	339,731	29,526
Missoula*	66,520	29,810	43,478	-	-	80,714	4,807	-	-	-	-	69,608	295	295,232	37,428
Sidney	-	-	-	-	6,128	-	-	-	-	-	-	-	-	6,128	-
Wolf Point	-	-	-	-	2,519	-	-	-	-	-	-	-	-	2,519	-
Yellowstone	-	-	-	-	-	6,277	-	-	-	-	-	6,381	-	12,658	-
Total	294,134	129,248	264,824	6,173	29,276	549,122	25,976	16,103	38	63,419	9,086	468,298	1,848	1,857,545	296,011
Market Share %	15.8%	7.0%	14.3%	0.3%	1.6%	29.6%	1.4%	0.9%	0.0%	3.4%	0.5%	25.2%	0.1%		

Market Share
Current Month



Market Share
Year-to-Date



State of Montana
Air Carrier/Commuter Flights and Passengers
2021

STATE TOTAL

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	183,679	175,173	358,852	358,852	105,714	98,981	204,695	204,695	-42.4%	-43.5%	-43.0%	-43.0%
FEB	176,419	177,263	353,682	712,534	109,823	109,558	219,381	424,076	-37.7%	-38.2%	-38.0%	-40.5%
MAR	106,800	109,498	216,298	928,832	154,541	151,695	306,236	730,312	44.7%	38.5%	41.6%	-21.4%
APR	7,182	8,122	15,304	944,136	132,611	132,831	265,442	995,754	1746.4%	1535.4%	1634.5%	5.5%
MAY	24,662	26,670	51,332	995,468	174,503	183,898	358,401	1,354,155	607.6%	589.5%	598.2%	36.0%
JUN	58,955	66,143	125,098	1,120,566	267,718	284,518	552,236	1,906,391	354.1%	330.2%	341.4%	70.1%
JUL	132,593	137,082	269,675	1,390,241	343,847	343,062	686,909	2,593,300	159.3%	150.3%	154.7%	86.5%
AUG	148,832	140,585	289,417	1,679,658	323,547	302,846	626,393	3,219,693	117.4%	115.4%	116.4%	91.7%
SEP	131,307	126,610	257,917	1,937,575	245,241	239,162	484,403	3,704,096	86.8%	88.9%	87.8%	91.2%
OCT	111,562	104,590	216,152	2,153,727	-	-	-	3,704,096	-100.0%	-100.0%	-100.0%	72.0%
NOV	86,108	81,646	167,754	2,321,481	-	-	-	3,704,096	-100.0%	-100.0%	-100.0%	59.6%
DEC	102,241	113,464	215,705	2,537,186	-	-	-	3,704,096	-100.0%	-100.0%	-100.0%	46.0%
	1,270,340	1,266,846			1,857,545	1,846,551						

*Mid-March 2020 to ?? - All airport's statistics impacted by the COVID-19 pandemic.

BILLINGS

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	35,021	33,268	68,289	68,289	17,962	17,584	35,546	35,546	-48.7%	-47.1%	-47.9%	-47.9%
FEB	32,732	33,316	66,048	134,337	17,594	17,365	34,959	70,505	-46.2%	-47.9%	-47.1%	-47.5%
MAR	18,468	21,551	40,019	174,356	27,231	27,196	54,427	124,932	47.4%	26.2%	36.0%	-28.3%
APR	2,082	2,432	4,514	178,870	25,413	26,315	51,728	176,660	1120.6%	982.0%	1045.9%	-1.2%
MAY	7,151	7,519	14,670	193,540	31,850	32,938	64,788	241,448	345.4%	338.1%	341.6%	24.8%
JUN	13,397	13,941	27,338	220,878	39,545	41,617	81,162	322,610	195.2%	198.5%	196.9%	46.1%
JUL	22,422	22,771	45,193	266,071	44,248	44,441	88,689	411,299	97.3%	95.2%	96.2%	54.6%
AUG	23,861	23,670	47,531	313,602	40,965	40,567	81,532	492,831	71.7%	71.4%	71.5%	57.2%
SEP	21,625	21,840	43,465	357,067	33,290	33,278	66,568	559,399	53.9%	52.4%	53.2%	56.7%
OCT	22,300	21,443	43,743	400,810	-	-	-	559,399	-100.0%	-100.0%	-100.0%	39.6%
NOV	20,184	19,746	39,930	440,740	-	-	-	559,399	-100.0%	-100.0%	-100.0%	26.9%
DEC	21,966	22,094	44,060	484,800	-	-	-	559,399	-100.0%	-100.0%	-100.0%	15.4%
	241,209	243,591			278,098	281,301						

BOZEMAN

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	69,158	67,996	137,154	137,154	44,605	42,001	86,606	86,606	-35.5%	-38.2%	-36.9%	-36.9%
FEB	71,075	71,894	142,969	280,123	49,351	49,732	99,083	185,689	-30.6%	-30.8%	-30.7%	-33.7%
MAR	47,266	42,086	89,352	369,475	68,033	65,672	133,705	319,394	43.9%	56.0%	49.6%	-13.6%
APR	1,417	1,515	2,932	372,407	50,622	47,812	98,434	417,828	3472.5%	3055.9%	3257.2%	12.2%
MAY	5,753	6,509	12,262	384,669	63,263	68,705	131,968	549,796	999.7%	955.5%	976.2%	42.9%
JUN	17,229	19,828	37,057	421,726	108,679	115,148	223,827	773,623	530.8%	480.7%	504.0%	83.4%
JUL	42,118	44,632	86,750	508,476	138,920	138,435	277,355	1,050,978	229.8%	210.2%	219.7%	106.7%
AUG	49,940	46,336	96,276	604,752	132,109	122,866	254,975	1,305,953	164.5%	165.2%	164.8%	115.9%
SEP	43,995	42,597	86,592	691,344	98,287	96,975	195,262	1,501,215	123.4%	127.7%	125.5%	117.1%
OCT	36,654	33,259	69,913	761,257	-	-	-	1,501,215	-100.0%	-100.0%	-100.0%	97.2%
NOV	26,101	24,098	50,199	811,456	-	-	-	1,501,215	-100.0%	-100.0%	-100.0%	85.0%
DEC	35,603	42,716	78,319	889,775	-	-	-	1,501,215	-100.0%	-100.0%	-100.0%	68.7%
	446,309	443,466			753,869	747,346						

BUTTE

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	1,877	1,853	3,730	3,730	901	809	1,710	1,710	-52.0%	-56.3%	-54.2%	-54.2%
FEB	1,703	1,660	3,363	7,093	838	779	1,617	3,327	-50.8%	-53.1%	-51.9%	-53.1%
MAR	977	1,040	2,017	9,110	1,120	927	2,047	5,374	14.6%	-10.9%	1.5%	-41.0%
APR	141	152	293	9,403	1,106	1,181	2,287	7,661	684.4%	677.0%	680.5%	-18.5%
MAY	244	335	579	9,982	1,401	1,404	2,805	10,466	474.2%	319.1%	384.5%	4.8%
JUN	557	738	1,295	11,277	1,579	1,595	3,174	13,640	183.5%	116.1%	145.1%	21.0%
JUL	1,293	1,262	2,555	13,832	1,766	1,720	3,486	17,126	36.6%	36.3%	36.4%	23.8%
AUG	1,152	1,059	2,211	16,043	1,586	1,404	2,990	20,116	37.7%	32.6%	35.2%	25.4%
SEP	1,077	1,077	2,154	18,197	1,286	1,261	2,547	22,663	19.4%	17.1%	18.2%	24.5%
OCT	1,220	1,156	2,376	20,573	-	-	-	22,663	-100.0%	-100.0%	-100.0%	10.2%
NOV	1,021	860	1,881	22,454	-	-	-	22,663	-100.0%	-100.0%	-100.0%	0.9%
DEC	1,000	960	1,960	24,414	-	-	-	22,663	-100.0%	-100.0%	-100.0%	-7.2%
	12,262	12,152			11,583	11,080						

State of Montana
Air Carrier/Commuter Flights and Passengers
2021

GLASGOW

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	296	281	577	577	198	171	369	369	-33.1%	-39.1%	-36.0%	-36.0%
FEB	261	257	518	1,095	171	156	327	696	-34.5%	-39.3%	-36.9%	-36.4%
MAR	192	186	378	1,473	241	244	485	1,181	25.5%	31.2%	28.3%	-19.8%
APR	51	43	94	1,567	277	258	535	1,716	443.1%	500.0%	469.1%	9.5%
MAY	143	143	286	1,853	300	305	605	2,321	109.8%	113.3%	111.5%	25.3%
JUN	214	210	424	2,277	331	317	648	2,969	54.7%	51.0%	52.8%	30.4%
JUL	286	263	549	2,826	337	325	662	3,631	17.8%	23.6%	20.6%	28.5%
AUG	262	237	499	3,325	332	304	636	4,267	26.7%	28.3%	27.5%	28.3%
SEP	212	217	429	3,754	294	279	573	4,840	38.7%	28.6%	33.6%	28.9%
OCT	210	220	430	4,184	-	-	-	4,840	-100.0%	-100.0%	-100.0%	15.7%
NOV	266	248	514	4,698	-	-	-	4,840	-100.0%	-100.0%	-100.0%	3.0%
DEC	267	233	500	5,198	-	-	-	4,840	-100.0%	-100.0%	-100.0%	-6.9%
	2,660	2,538			2,481	2,359						

GLENDAVE

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	202	219	421	421	117	147	264	264	-42.1%	-32.9%	-37.3%	-37.3%
FEB	181	168	349	770	116	97	213	477	-35.9%	-42.3%	-39.0%	-38.1%
MAR	155	145	300	1,070	144	141	285	762	-7.1%	-2.8%	-5.0%	-28.8%
APR	33	22	55	1,125	164	171	335	1,097	397.0%	677.3%	509.1%	-2.5%
MAY	80	68	148	1,273	217	182	399	1,496	171.3%	167.6%	169.6%	17.5%
JUN	108	102	210	1,483	202	220	422	1,918	87.0%	115.7%	101.0%	29.3%
JUL	127	122	249	1,732	241	207	448	2,366	89.8%	69.7%	79.9%	36.6%
AUG	131	166	297	2,029	190	175	365	2,731	45.0%	5.4%	22.9%	34.6%
SEP	126	122	248	2,277	186	180	366	3,097	47.6%	47.5%	47.6%	36.0%
OCT	135	117	252	2,529	-	-	-	3,097	-100.0%	-100.0%	-100.0%	22.5%
NOV	138	138	276	2,805	-	-	-	3,097	-100.0%	-100.0%	-100.0%	10.4%
DEC	150	109	259	3,064	-	-	-	3,097	-100.0%	-100.0%	-100.0%	1.1%
	1,566	1,498			1,577	1,520						

GREAT FALLS

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	13,172	12,400	25,572	25,572	6,286	6,524	12,810	12,810	-52.3%	-47.4%	-49.9%	-49.9%
FEB	11,892	11,800	23,692	49,264	6,484	6,355	12,839	25,649	-45.5%	-46.1%	-45.8%	-47.9%
MAR	6,538	7,818	14,356	63,620	9,089	9,105	18,194	43,843	39.0%	16.5%	26.7%	-31.1%
APR	629	893	1,522	65,142	9,595	10,626	20,221	64,064	1425.4%	1089.9%	1228.6%	-1.7%
MAY	1,535	1,840	3,375	68,517	12,094	13,082	25,176	89,240	687.9%	611.0%	646.0%	30.2%
JUN	3,604	4,016	7,620	76,137	14,683	15,594	30,277	119,517	307.4%	288.3%	297.3%	57.0%
JUL	7,353	7,427	14,780	90,917	16,333	16,678	33,011	152,528	122.1%	124.6%	123.3%	67.8%
AUG	7,411	7,202	14,613	105,530	15,318	15,279	30,597	183,125	106.7%	112.1%	109.4%	73.5%
SEP	6,991	6,951	13,942	119,472	12,856	12,681	25,537	208,662	83.9%	82.4%	83.2%	74.7%
OCT	7,215	7,169	14,384	133,856	-	-	-	208,662	-100.0%	-100.0%	-100.0%	55.9%
NOV	6,837	6,683	13,520	147,376	-	-	-	208,662	-100.0%	-100.0%	-100.0%	41.6%
DEC	7,582	7,557	15,139	162,515	-	-	-	208,662	-100.0%	-100.0%	-100.0%	28.4%
	80,759	81,756			102,738	105,924						

HAVRE

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	233	227	460	460	185	191	376	376	-20.6%	-15.9%	-18.3%	-18.3%
FEB	238	242	480	940	134	126	260	636	-43.7%	-47.9%	-45.8%	-32.3%
MAR	169	168	337	1,277	219	207	426	1,062	29.6%	23.2%	26.4%	-16.8%
APR	32	37	69	1,346	249	251	500	1,562	678.1%	578.4%	624.6%	16.0%
MAY	109	119	228	1,574	257	242	499	2,061	135.8%	103.4%	118.9%	30.9%
JUN	148	129	277	1,851	290	265	555	2,616	95.9%	105.4%	100.4%	41.3%
JUL	147	134	281	2,132	289	280	569	3,185	96.6%	109.0%	102.5%	49.4%
AUG	201	192	393	2,525	291	281	572	3,757	44.8%	46.4%	45.5%	48.8%
SEP	218	158	376	2,901	261	248	509	4,266	19.7%	57.0%	35.4%	47.1%
OCT	168	173	341	3,242	-	-	-	4,266	-100.0%	-100.0%	-100.0%	31.6%
NOV	213	178	391	3,633	-	-	-	4,266	-100.0%	-100.0%	-100.0%	17.4%
DEC	213	197	410	4,043	-	-	-	4,266	-100.0%	-100.0%	-100.0%	5.5%
	2,089	1,954			2,175	2,091						

State of Montana
Air Carrier/Commuter Flights and Passengers
2021

HELENA

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	8,869	8,569	17,438	17,438	3,004	3,005	6,009	6,009	-66.1%	-64.9%	-65.5%	-65.5%
FEB	8,231	8,438	16,669	34,107	2,967	2,894	5,861	11,870	-64.0%	-65.7%	-64.8%	-65.2%
MAR	4,650	5,076	9,726	43,833	3,816	3,380	7,196	19,066	-17.9%	-33.4%	-26.0%	-56.5%
APR	360	397	757	44,590	4,712	5,100	9,812	28,878	1208.9%	1184.6%	1196.2%	-35.2%
MAY	1,390	1,351	2,741	47,331	6,180	6,243	12,423	41,301	344.6%	362.1%	353.2%	-12.7%
JUN	1,928	2,280	4,208	51,539	4,672	5,118	9,790	51,091	142.3%	124.5%	132.7%	-0.9%
JUL	2,974	3,035	6,009	57,548	8,093	8,258	16,351	67,442	172.1%	172.1%	172.1%	17.2%
AUG	3,797	3,064	6,861	64,409	8,113	7,597	15,710	83,152	113.7%	147.9%	129.0%	29.1%
SEP	3,722	3,530	7,252	71,661	7,199	6,890	14,089	97,241	93.4%	95.2%	94.3%	35.7%
OCT	3,521	3,419	6,940	78,601	-	-	-	97,241	-100.0%	-100.0%	-100.0%	23.7%
NOV	3,234	3,079	6,313	84,914	-	-	-	97,241	-100.0%	-100.0%	-100.0%	14.5%
DEC	3,457	3,648	7,105	92,019	-	-	-	97,241	-100.0%	-100.0%	-100.0%	5.7%
	46,133	45,886			48,756	48,485						

*Helena Airport runway paving project: June 2021.

KALISPELL

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	24,750	21,517	46,267	46,267	17,463	15,166	32,629	32,629	-29.4%	-29.5%	-29.5%	-29.5%
FEB	23,300	23,057	46,357	92,624	18,084	18,110	36,194	68,823	-22.4%	-21.5%	-21.9%	-25.7%
MAR	12,499	13,239	25,738	118,362	22,040	22,921	44,961	113,784	76.3%	73.1%	74.7%	-3.9%
APR	829	973	1,802	120,164	17,023	17,235	34,258	148,042	1953.4%	1671.3%	1801.1%	23.2%
MAY	2,574	2,829	5,403	125,567	26,158	26,836	52,994	201,036	916.2%	848.6%	880.8%	60.1%
JUN	9,715	11,854	21,569	147,136	49,552	53,874	103,426	304,462	410.1%	354.5%	379.5%	106.9%
JUL	29,831	30,726	60,557	207,693	72,683	72,208	144,891	449,353	143.6%	135.0%	139.3%	116.4%
AUG	35,925	32,139	68,064	275,757	68,905	62,835	131,740	581,093	91.8%	95.5%	93.6%	110.7%
SEP	28,906	27,140	56,046	331,803	47,823	45,311	93,134	674,227	65.4%	67.0%	66.2%	103.2%
OCT	19,282	17,219	36,501	368,304	-	-	-	674,227	-100.0%	-100.0%	-100.0%	83.1%
NOV	11,886	11,435	23,321	391,625	-	-	-	674,227	-100.0%	-100.0%	-100.0%	72.2%
DEC	15,221	18,330	33,551	425,176	-	-	-	674,227	-100.0%	-100.0%	-100.0%	58.6%
	214,718	210,458			339,731	334,496						

MISSOULA

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	29,026	27,795	56,821	56,821	14,156	12,560	26,716	26,716	-51.2%	-54.8%	-53.0%	-53.0%
FEB	25,715	25,430	51,145	107,966	13,483	13,373	26,856	53,572	-47.6%	-47.4%	-47.5%	-50.4%
MAR	15,182	17,491	32,673	140,639	21,642	21,029	42,671	96,243	42.6%	20.2%	30.6%	-31.6%
APR	1,383	1,460	2,843	143,482	22,460	22,895	45,355	141,598	1524.0%	1468.2%	1495.3%	-1.3%
MAY	5,100	5,405	10,505	153,987	30,966	31,902	62,868	204,466	507.2%	490.2%	498.5%	32.8%
JUN	10,833	11,741	22,574	176,561	44,525	47,154	91,679	296,145	311.0%	301.6%	306.1%	67.7%
JUL	23,988	24,594	48,582	225,143	56,566	56,142	112,708	408,853	135.8%	128.3%	132.0%	81.6%
AUG	24,039	24,429	48,468	273,611	51,385	47,400	98,785	507,638	113.8%	94.0%	103.8%	85.5%
SEP	22,330	20,802	43,132	316,743	40,049	38,640	78,689	586,327	79.4%	85.8%	82.4%	85.1%
OCT	19,547	19,162	38,709	355,452	-	-	-	586,327	-100.0%	-100.0%	-100.0%	65.0%
NOV	15,386	14,312	29,698	385,150	-	-	-	586,327	-100.0%	-100.0%	-100.0%	52.2%
DEC	15,862	16,805	32,667	417,817	-	-	-	586,327	-100.0%	-100.0%	-100.0%	40.3%
	208,391	209,426			295,232	291,095						

SIDNEY

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	746	736	1,482	1,482	583	585	1,168	1,168	-21.8%	-20.5%	-21.2%	-21.2%
FEB	788	733	1,521	3,003	443	426	869	2,037	-43.8%	-41.9%	-42.9%	-32.2%
MAR	508	477	985	3,988	691	641	1,332	3,369	36.0%	34.4%	35.2%	-15.5%
APR	151	124	275	4,263	694	713	1,407	4,776	359.6%	475.0%	411.6%	12.0%
MAY	390	370	760	5,023	767	763	1,530	6,306	96.7%	106.2%	101.3%	25.5%
JUN	548	524	1,072	6,095	740	753	1,493	7,799	35.0%	43.7%	39.3%	28.0%
JUL	659	616	1,275	7,370	762	807	1,569	9,368	15.6%	31.0%	23.1%	27.1%
AUG	645	646	1,291	8,661	768	763	1,531	10,899	19.1%	18.1%	18.6%	25.8%
SEP	581	614	1,195	9,856	680	647	1,327	12,226	17.0%	5.4%	11.0%	24.0%
OCT	632	640	1,272	11,128	-	-	-	12,226	-100.0%	-100.0%	-100.0%	9.9%
NOV	598	632	1,230	12,358	-	-	-	12,226	-100.0%	-100.0%	-100.0%	-1.1%
DEC	657	590	1,247	13,605	-	-	-	12,226	-100.0%	-100.0%	-100.0%	-10.1%
	6,903	6,702			6,128	6,098						

State of Montana
Air Carrier/Commuter Flights and Passengers
2021

WOLF POINT

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	329	312	641	641	254	238	492	492	-22.8%	-23.7%	-23.2%	-23.2%
FEB	303	268	571	1,212	158	145	303	795	-47.9%	-45.9%	-46.9%	-34.4%
MAR	196	221	417	1,629	275	232	507	1,302	40.3%	5.0%	21.6%	-20.1%
APR	74	74	148	1,777	296	274	570	1,872	300.0%	270.3%	285.1%	5.3%
MAY	159	148	307	2,084	305	304	609	2,481	91.8%	105.4%	98.4%	19.0%
JUN	258	249	507	2,591	323	300	623	3,104	25.2%	20.5%	22.9%	19.8%
JUL	247	243	490	3,081	332	312	644	3,748	34.4%	28.4%	31.4%	21.6%
AUG	242	238	480	3,561	309	289	598	4,346	27.7%	21.4%	24.6%	22.0%
SEP	234	221	455	4,016	267	252	519	4,865	14.1%	14.0%	14.1%	21.1%
OCT	206	227	433	4,449	-	-	-	4,865	-100.0%	-100.0%	-100.0%	9.4%
NOV	244	237	481	4,930	-	-	-	4,865	-100.0%	-100.0%	-100.0%	-1.3%
DEC	263	225	488	5,418	-	-	-	4,865	-100.0%	-100.0%	-100.0%	-10.2%
	2,755	2,663			2,519	2,346						

*** YELLOWSTONE**

	2020 Passengers				2021 Passengers				% 2020 VS 2021			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN						-						
FEB												
MAR												
APR												
MAY	34	34	68	68	745	992	1,737	1,737	2091.2%	2817.6%	2454.4%	2454.4%
JUN	416	531	947	1,015	2,597	2,563	5,160	6,897	524.3%	382.7%	444.9%	579.5%
JUL	1,148	1,257	2,405	3,420	3,277	3,249	6,526	13,423	185.5%	158.5%	171.4%	292.5%
AUG	1,226	1,207	2,433	5,853	3,276	3,086	6,362	19,785	167.2%	155.7%	161.5%	238.0%
SEP	1,290	1,341	2,631	8,484	2,763	2,520	5,283	25,068	114.2%	87.9%	100.8%	195.5%
OCT	472	386	858	9,342	-	-	-	25,068	-100.0%	-100.0%	-100.0%	168.3%
NOV												
DEC												
	4,586	4,756			12,658	12,410						

* The Yellowstone Airport is a seasonal airport.

* 2020 season operating May 7, 2020 through October 13, 2020.

*2021 season operating May 6, 2021 through October 15, 2021.