

Missoula County Airport Authority Regular Board Meeting

DATE: Tuesday, November 28, 2023
TIME: 1:30 p.m.
PLACE: Johnson Bell Board Room – Airport Terminal

PLEASE NOTE: This meeting will be in a hybrid format.

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.

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

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 by joining the meeting from their computer, tablet or smartphone at:

Microsoft Teams meeting

Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: 266 456 298 882

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- Chair to call the meeting to order.
 - Advise the Public the meeting is being recorded.
 - Roll Call
 - Seating of Alternate Commissioner if needed.
 - Approval of the Agenda.
- Public Comment.
- Review and approve the minutes of the Regular Board meeting dated October 31, 2023, and the Board workshop dated October 31, 2023. **Pg 3 & Pg 7**
- Approval of Claims for Payment – Will Parnell **Pg 9**
- Financial Report – Will Parnell **Pg 11**
- Director's Report – Brian Ellestad **Pg 23**
- Legal Report – Lynn Fagan
- Committee Updates –

Business Development Committee: No Activity
Contract and Lease Committee: No Activity
Executive Committee: Met November 28, 2023
Facility and Operations Committee: No Activity

Finance Committee: Met November 13, 2023
General Aviation Committee: No Activity
Legislative Committee: No Activity
Marketing Committee: No Activity

Unfinished Business

- Fiscal Year 2023 Audit – Will Parnell **Pg 25**

New Business

- Election of 2024 Board Officers – Chair Larry Anderson **Pg 134**

Information/Discussion Item(s)

Board Christmas Party – Wednesday December 6th 6 p.m.
Administration Office

December Board Meeting – Tuesday, December 19, 2023, 1:30 p.m.

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
October 31, 2023
1:30 pm, Johnson Bell Conference Room

THOSE PRESENT

BOARD:

Chair Larry Anderson
Vice Chair Winton Kemmis
Secretary/Treasurer Deb Poteet (Call In)
Commissioner Adriane Beck
Commissioner Shane Stack
Commissioner Matthew Doucette
Alternate Commissioner Pat Boyle
Alternate Commissioner David Bell (Call In)
Honorary Commissioner Jack Meyer (Call In)

STAFF:

Director Brian Ellestad
Deputy Director Tim Damrow
Director of Finance and Administration Will Parnell
Legal Counsel Lynn Fagan
Business Development Manager Dan Neuman
IT Specialist Dylan O'Leary

OTHERS:

Accounting Clerk Brianna Brewer
Gary Matson, Runway 25 Hangars
Cole Jensen, Martel Construction

Chair Larry Anderson called the meeting to order and advised everyone that the meeting was being recorded.

Legal Counsel Lynn Fagan performed a roll call of Board members, staff members, and members of the public.

Chair Larry Anderson noted that an Alternate Commissioner needed to be seated.

Motion: Commissioner Shane Stack moved to seat Alternate Commissioner Pat Boyle

Second: Vice Chair Winton Kemmis

Vote: Motion Passed Unanimously

AGENDA

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

Second: Vice Chair Winton Kemmis

Vote: Motion Passed Unanimously

PUBLIC COMMENT PERIOD

Chair Larry Anderson asked if there was any public comment on items not on the Board's agenda. There were none.

MINUTES

Chair Larry Anderson asked if anyone had questions, edits, or public comments regarding the minutes for the Regular Board Meeting dated September 26, 2023, and the Special Board meeting dated October 6, 2023. There were none.

Motion: Vice Chair Winton Kemmis moved to approve the minutes of Regular Board Meeting dated September 26, 2023, and the Special Board meeting dated October 6, 2023.

Second: Commissioner Matthew Doucette

Vote: Motion Passed Unanimously

CLAIMS FOR PAYMENT

Director of Finance and Administration Will Parnell noted that 60% of the project expenses will be submitted to the FAA for reimbursement. Of the operating expenses, Will noted that a check to Moss Adams for \$45,000 is for the Fiscal Year 2023 audit. A check in the amount of \$50,445 is for deice material. Will noted that staff saved approximately \$1,680 by ordering in bulk. Will also reminded the Board that there will be a Finance Committee meeting on November 13th to review the draft audit report.

Chair Larry Anderson asked if there were any Board questions or public comments regarding the Claims for Payment. There were no questions or comments.

Motion: Commissioner Adriane Beck moved to approve the Claims for Payment

Second: Commissioner Matthew Doucette

Vote: Motion Passed Unanimously

FINANCIAL REPORT

Director of Finance and Administration Will Parnell noted that the Profit & Loss schedule shows that parking revenue has increased by approximately \$147,000 or 26% as compared to the same period last year. Revenues and expenses are currently 35% and 22% of the annual operating budget, respectively. Will also reported that no money was drawn from the series 2022 note in September.

Chair Larry Anderson asked if there were any Board questions or public comments regarding the Financial Report. There were none.

Motion: Alternate Commissioner Pat Boyle moved to approve the Financial Report as presented.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

DIRECTOR'S REPORT

Airport Director Brian Ellestad reported that September passenger numbers were neck and neck with last year. Brian also stated that the new service announced for Sun Country was a direct result of the air service conference that was held in Missoula recently. Sun Country will have two weekly round-trips to Minneapolis next summer. Brian noted that Sun Country doubled their flights in the second year in Kalispell.

Brian reported that staff has submitted a grant application for Phase 3. Seventy-two applications were received from small hubs. Brian and Deputy Director Tim Damrow, along with Chair Larry Anderson and Vice Chair Winton Kemmis will be traveling to Helena later this week to attend a conference where Morrison-Maierle will receive an award for Engineering Excellence related to their work on Phase 1 of the terminal.

Deputy Director Tim Damrow gave a construction update, noting that vertical construction on Phase 2 of the terminal project is underway. Concrete floors are going in now. However, the cold weather has slowed things down a bit.

LEGAL REPORT

Legal Counsel Lynn Fagan stated that she attended the annual AAE legal conference in Washington DC last week. There was a lot of discussion on cybersecurity and the TSA employee screening amendment, as well as environmental concerns. There was also discussion of a draft Land Use Policy that the FAA has issued. The draft policy would require the FAA to approve all airport lease agreements. However, they have received many comments on this issue and there is hope that it will not be included in the final policy.

Chair Larry Anderson asked if there were any Board questions or public comments regarding the Legal Report. There were none.

COMMITTEE UPDATES

Executive Committee: Met October 31, 2023, to review the Board agenda.

Finance Committee: No Activity

Business Development: No Activity

Contract & Lease Committee: No Activity

Facility & Operations Committee: Met October 19, 2023

Marketing Committee: No Activity

General Aviation Committee: No Activity

Legislative Committee: No Activity

UNFINISHED BUSINESS

MCAA Resolution No. 2024-02 Authorizing the Waiving of Fees for Air Carriers and New Markets

Airport Director Brian Ellestad explained that in reviewing Resolution No. 2023-04, he noticed that new entrants into the market were not included in the groundhandling credit. This Resolution includes "New Entrants" as being eligible to receive incentives for new year-round or seasonal service. Brian explained that the groundhandling credit is new to our incentive program. In the past, a marketing credit was offered in addition to free ground handling if MSO provided the

service. Brian explained that the proposal is more even-handed as airlines can receive the credit no matter who is providing Groundhandling services. Alternate Commissioner Pat Boyle asked what amount was offered for the marketing credit. Brian responded that it was \$25,000 or \$50,000 depending on whether the service was year-round or seasonal.

Chair Larry Anderson asked if there were any further Board questions or public comments. There were none.

Motion: Vice Chair Winton Kemmis moved to approve MCAA Resolution No. 2024-02 Authorizing the Waiving of Fees for Air Carriers and New Markets

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

Discussion Items

Chair Larry Anderson noted that the next Board meeting will be in the same hybrid format on November 28th at 1:30 p.m.

Meeting Adjourned.

MISSOULA COUNTY AIRPORT AUTHORITY
Board Workshop
October 31, 2023
2:30 pm, Lolo Peak Conference Room

THOSE PRESENT

BOARD: Chair Larry Anderson
Vice Chair Winton Kemmis
Commissioner Adriane Beck
Commissioner Shane Stack
Alternate Commissioner David Bell (Call In)
Honorary Commissioner Jack Meyer (Call In)

STAFF: Director Brian Ellestad
Deputy Director Tim Damrow
Director of Finance and Administration Will Parnell
Legal Counsel Lynn Fagan
Business Development Manager Dan Neuman
IT Specialist Dylan O'Leary

Chair Larry Anderson called the meeting to order and advised everyone that the meeting was being recorded.

Discussion of Airport Projects and Initiatives

Airport Director Brian Ellestad began the discussion by walking through the capital improvement plan and upcoming projects with the Board. Brian explained that staff is proposing to fully draw down the infrastructure loan with First Security because the 3% interest rate is very favorable at this time. Brian explained that staff wanted to review all proposed projects and their priority level to ensure that reserves are maintained at adequate levels.

Deputy Director Tim Damrow then presented an overview of the current status of parking forecasts and options, including the history and recommendations for Minuteman East lease. To address comments regarding a parking garage, Tim stated that costs for a parking garage continue to skyrocket. Two recent examples had costs of \$120,632 and \$151,563 per parking spot. These costs are what continues to drive surface lot expansion as proposed in the Master Plan process and will meet forecasted growth beyond 2042 with a cost for construction of \$975 per parking space. A brief history was then presented on Minuteman's prior extensions and communication regarding the Minuteman East Lease. Commissioner Shane Stack noted that the Board should have an opportunity to sit down with Minuteman to discuss their plans. Brian noted that the staff would schedule a Facilities and Operations meeting for that purpose.

Commissioner Shane Stack asked what the forecast numbers are based on. Tim responded that historic growth was 2 -3% annually; however, the forecast numbers are based on current trends. Commissioner Matthew Doucette asked if there were any potential interrupters, such as others coming into the market to compete for parking lot users. Tim responded that staff did not foresee any new market entrants as the cost of land and return on investment most likely precluded this. Tim also noted that parking would not be expanded unnecessarily, and that staff would evaluate forecasts vs actual parking needs on a continuous basis.

Tim and Brian then discussed funding sources and assumptions. A review of the Capital Improvement Plan was presented and project priorities discussed. Chair Larry Anderson asked if there were plans for subsequent workshops to continue the project priorities discussion. Tim

advised that quarterly meetings could be scheduled to provide updates and continue priority review.

Meeting Adjourned.

Missoula County Airport Authority
Check Register
General Checking Account

Check	Vendor Name	Description	Amount
49600	AAAE	Memberships	\$ 550.00
49601	AAAE FEDERAL AFFAIRS MEMBERSHIP	Pre-Paid Expense - 2024 AAAE Federal Affairs Membership	\$ 22,000.00
49602	MORRISON MAIERLE	49200 · Petro Cleanup (MT Petro Board)	\$ 2,792.00
49603	AILEVON PACIFIC AVIATION CONSULTING, LLC	Marketing	\$ 3,250.00
49604	BLACKFOOT COMMUNICATIONS	Phone Charges	\$ 1,645.17
49605	CENTURYLINK	Phone Charges	\$ 702.13
49606	City of Missoula	Water/Sewer Expense	\$ 5,887.87
49607	ENERGY WEST	Electricity/Gas Expense	\$ 3,084.63
49608	FIRST NATIONAL BANK	Credit Card Charges	\$ 27,343.61
49609	MOSSADAMS	Accounting Expense	\$ 7,500.00
49610	MSLA CNTY TREAS	Disposal-Industrial	\$ 986.10
49611	MSLA ELECTRIC COOP	Electricity/Gas Expense	\$ 844.91
49612	MURDOCHS	Petroleum Products Expense, Vehicle R&M, Building General R&M, Snow & Ice Removal	\$ 31.67
49613	NORTHWESTERN ENERGY	Electricity/Gas Expense	\$ 10,740.69
49614	QUADIENT	VOID	\$ -
49615	RISING FAST v	Contracted Maintenance	\$ 37,750.00
49616	UKG	TPA - EE Benefits & Payroll	\$ 4,125.00
49617	VERIZON	Phone Charges	\$ 1,637.74
49618	NORTHWESTERN ENERGY	Electricity/Gas Expense	\$ 10,916.47
49619	QUOTIENT GROUP	Marketing	\$ 4,700.00
49620	REPUBLIC SERVICES	Disposal Expense	\$ 2,661.12
49621	AAAE	Memberships	\$ 275.00
49622	AIRPORT COUNCIL INTERNATIONAL	Memberships	\$ 10,505.00
49623	AIRSIDE SOLUTIONS	Airfield Lighting R&M	\$ 294.50
49624	ALEAN	Memberships	\$ 450.00
49625	Alphagraphics	Office Supplies	\$ 212.50
49626	APERI MEDIA INC	Marketing	\$ 1,500.00
49627	Armscor Cartridge Incorporated	Employee Training Expense	\$ 4,980.00
49628	ASCENT AVIATION	Snow & Ice Removal	\$ 40,428.00
49629	AXMEN	Vehicle R&M	\$ 20.95
49630	BMC WEST	Building General R&M	\$ 646.39
49631	CHRISTENSEN, CODY	Employee Training Expense	\$ 90.00
49632	CUSTOM WEST PEST CONTROL	Contracted Maintenance	\$ 1,193.00
49633	DAMROW, TIM	Travel Expense	\$ 190.00
49634	DONALDSON BROS.	Airfield Maintenance	\$ 4,098.11
49635	DSG (DAKOTA SUPPLY GROUP)	Mechanical/Supplies, Rental Car R&M	\$ 139.89
49636	EAN SERVICES, LLC	Travel Expense	\$ 223.15
49637	ELLESTAD	Travel Expense	\$ 132.00
49638	FASTENAL	Vehicle R&M	\$ 2.93
49639	GELDERSMA, AUGUSTUS	Employee Training Expense	\$ 80.00
49640	GRAINGER	Mechanical/Supplies, Rental Car R&M, Plumbing Expense	\$ 418.35
49641	GRIZZLY DISPOSAL	Disposal Expense	\$ 280.00
49642	HILLYARD INC	Custodial Supplies	\$ 5,341.84
49643	HOTSY	Rental Car R&M, Vehicle R&M	\$ 551.04
49644	INTOXIMETERS	Tools/Equipment	\$ 1,114.00
49645	IRIS COMPANIES	Office Supplies	\$ 243.26
49646	JBT AERO	Jet Bridge R&M	\$ 2,570.99
49647	KONE	Contracted Maintenance	\$ 430.19
49648	LEE ENTERPRISES	Job Postings	\$ 35.00
49649	M-B COMPANIES, INC.	Snow & Ice Removal	\$ 14,460.18
49650	MACARTHUR	Rental Car R&M	\$ 26.33
49651	MACON SUPPLY, INC.	Airfield Maintenance	\$ 12.00
49652	MOUNTAIN SUPPLY	Plumbing Expense	\$ 202.05
49653	MSLA OFFICE CITY	Office Supplies	\$ 45.29
49654	MSLA TEXTILE, INC	Contracted Maintenance, Uniform Expense	\$ 156.24
49655	MT ACE	Tools/Equipment	\$ 35.98
49656	MURDOCHS	Petroleum Products Expense, Vehicle R&M, Building General R&M	\$ 264.84
49657	NAPA	Jet Bridge R&M, Vehicle R&M, Petroleum Products Expense	\$ 417.93
49658	NORCO INDUSTRIAL	Vehicle R&M	\$ 230.64
49659	NORTHWEST INDUSTRIAL	Safety Supplies/Equipment, Vehicle R&M	\$ 628.21
49660	OSHKOSH CORPORATION	Vehicle R&M	\$ 624.30
49661	PLATT ELECTRIC	Electric Maintenance	\$ 317.72
49662	POMP'S TIRE-MISSOULA	Vehicle R&M	\$ 1,083.00
49663	RUSSELL, KENT	Uniform Expense	\$ 185.24
49664	SIX ROBBLEES	Jet Bridge R&M	\$ 158.37
49665	SNOW CREST	Mechanical/Supplies	\$ 2,267.61
49666	SPECTRUM WINDOW CLEANING	Custodial Services	\$ 835.00
49667	TFS-KELLEY CONNECT	Contracted Maintenance	\$ 219.61
49668	THOMAS PLUMBING	USFS Hangar R&M	\$ 123.12
49669	TIRE RAMA	Vehicle R&M	\$ 729.80
49670	TREMPER DISTRIBUTING	Petroleum Products Expense	\$ 14,756.27
49671	TYLER TECHNOLOGIES	Memberships	\$ 9,500.00
49672	WE DUST	Snow & Ice Removal	\$ 5,912.83
49673	WESTERN STATES EQUIP	Rental Car R&M, Vehicle R&M	\$ 106.24
			\$ 278,894.00

**Missoula County Airport Authority
Claims For Payment**

Note

Per Airport policy, checks for prepaid invoices were mailed on November 15, 2023. They are highlighted in the Check Register list for the General Checking Account

FNBO

Credit Card Charges - by Expense Type (paid with check #49608)

Prepaid Insurance	1,219.00
Legal Services	111.00
Phone Charges	89.94
Communications R&M	6.00
Office Supplies	1,857.46
Postage	84.11
Computer Equipment Expense	87.42
Disposal-Industrial	45.80
Petroleum Products Expense	1,865.72
Vehicle R&M	3,063.75
Tools/Equipment	586.85
Contracted Maintenance	2,232.40
Electric Maintenance	31.92
Plumbing Expense	22.44
Building General R&M	768.20
Rent Car R&M	3,535.25
Snow & Ice Removal	871.05
Uniform Expense	1,346.98
Employee Training Expense	1,284.75
Travel Expense	5,096.06
Safety Supplies/Equipment	139.36
Meals & PR	387.04
Marketing	2,611.11
	<u>\$ 27,343.61</u>

DIVVY (BILL)

Credit Card Charges - By Expense Type incurred in October 2023

Office Supplies	128.98
Computer Equipment Expense	8,775.37
Meals & PR	119.70
Memberships	555.00
	<u>\$ 9,579.05</u>

Financial Report Narrative for October 2023

The board packet includes the comparative balance sheet, profit and loss comparison, profit and loss budget performance, statement of cash flow, operating revenues, and operating expenses as a % of gross and as compared to prior period, and the long-term debt roll forward.

Balance Sheet

In October 2023 Grants Receivable was aggregated with Accounts Receivable as part of a continued effort to have all reimbursable grants recorded through the accounts receivable module. At October 31, accounts receivable consisted of the following:

Trade	\$	1,237,487
Advertising		10,785
Ground handling		132,805
Grants		1,758,182
Advance Contract Refund		53,263
	\$	<u>3,192,522</u>

Profit & Loss, and/or Other Similar Schedules

Noted Variances

- Parking revenue has increased by approximately 166K or 20% as compared to the same period last year.
- Supplies and materials expenses have increased by approximately \$225K or 96% as compared to the same period last year. The increase is primarily related to two significant expenses incurred in August, new supplies for the phase 2 terminal project and deicing fluid that was ordered in bulk during October.

Revenue and Expenses as a % of the Annual Budget

Revenues and expenses are currently 43% and 31% of the annual operating budget, respectively.

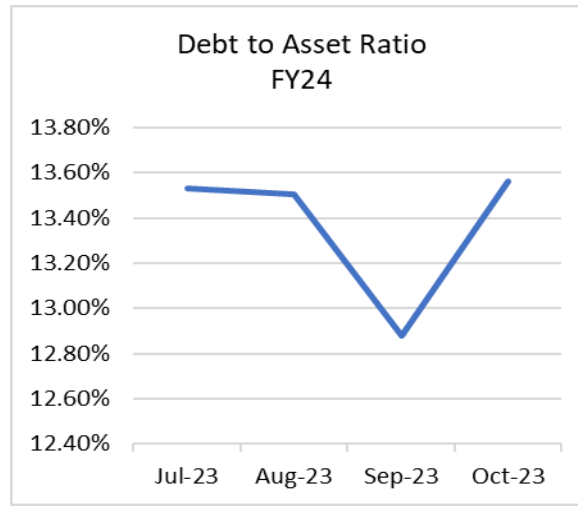
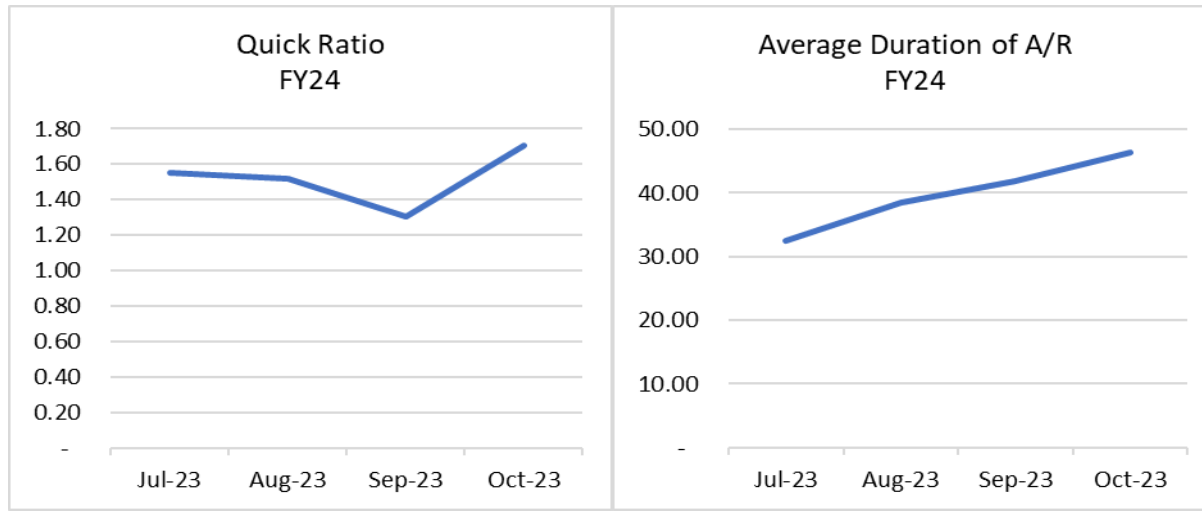
Cash Flow

MCAA had positive cash flows from capital and related financing activities, noncapital financing, and investing activities. Operating activities resulted in negative cash flows. The negative cash flow from operating activity is primarily a result of reduced operating revenue in October as compared to the prior month and timing of cash receipts. The positive cash flow from capital and related financing activities is a result of debt proceeds.

Long-term Debt

MCAA recorded 1.5M in debt proceeds and paid approximately 132K in principal during the month of October.

Fiscal Year 2024 (FY24) Financial Ratios



Quick Ratio Ability to pay current obligations using liquid assets.

Average Duration of A/R Average duration of accounts receivable (A/R) or the number of days it takes to collect them.

Debt to Asset Ratio Proportion (or the percentage of) assets that are financed by interest bearing liabilities.

Missoula County Airport Authority
Balance Sheet Prev Year Comparison
As of October 31, 2023

	<u>Oct 31, 23</u>	<u>Oct 31, 22</u>
ASSETS		
Current Assets		
Checking/Savings		
10100 · Petty Cash	300	300
10500 · General Checking Acct	5,975,384	4,128,686
10511 · Project Checking Acct	5,000	5,000
10550 · USFS Account	290,178	50,005
10560 · Debt Service Account	90,288	330,008
10580 · CFC Account	321,555	406,946
10590 · STIP Terminal Reserve	24,245	23,194
10600 · STIP	773,967	740,403
10604 · Money Market Accounts	2,434,005	1,062,244
10700 · Payroll Checking	225,148	199,759
1071 · Bill.com Money In Clearing	400	0
10710 · Flex - FIB	10,015	13,085
10750 · PFC Cash at US BANK	2,732,423	2,114,747
Total Checking/Savings	<u>12,882,908</u>	<u>9,074,377</u>
Accounts Receivable	3,192,522	948,523
Other Current Assets		
10900 · AvSec Fingerprinting Account	1,535	1,622
11200 · Grants Receivable	64,734	1,576,447
11500 · Pre-Paid Expenses	125,589	53,576
11600 · Prepaid Insurance	152,758	126,783
11700 · Concession Contract Receivable	729,998	729,998
11810 · ST Lease Recble GASB 87	1,541,162	1,467,233
11820 · Interest Recble GASB 87	16,118	22,282
12000 · Undeposited Funds	1,883	5,164
26200 · Faber Loan	100,000	100,000
Total Other Current Assets	<u>2,733,777</u>	<u>4,083,105</u>
Total Current Assets	<u>18,809,207</u>	<u>14,106,005</u>
Fixed Assets		
13000 · Land	11,617,234	11,617,234
13100 · Land Improvements	16,368,645	16,306,697
13200 · Buildings- Terminal	69,001,526	66,372,136
13300 · Buildings- Ops & Fire	6,184,039	6,184,039
13450 · Buildings - Other	11,384,402	11,113,776
13500 · Runways/Taxiways/Apron	70,927,696	70,927,696
13600 · Lighting/ Security System	4,002,233	4,002,233
13700 · Sewage System	298,102	298,102
13900 · ATCT	6,513,530	6,513,530
14000 · Equipment	3,729,372	3,322,489
14100 · Furniture & Fixtures	1,591,801	1,549,110
14300 · Vehicles	7,690,937	7,417,792
14400 · Studies	1,925,407	1,925,407
14500 · Allowance for Depreciation	(97,729,778)	(89,714,693)
19400 · Construction in Progress	30,084,945	9,111,020
Total Fixed Assets	<u>143,590,091</u>	<u>126,946,568</u>
Other Assets		
11830 · LT Lease Recble GASB 87	2,327,192	3,868,344
19610 · Deferred Pension Outflows		
19600 · Deferred PERS Pension Outflows	564,284	654,023
19601 · OPEB Deferred Outflows	174,012	109,748
Total 19610 · Deferred Pension Outflows	<u>738,296</u>	<u>763,771</u>
19700 · Concession Contract Recvble	0	735,064
19800 · LT Loan - Faber	767,012	866,753
19901 · GASB 96 Subscription Asset(s)	219,504	0
Total Other Assets	<u>4,052,004</u>	<u>6,233,932</u>
TOTAL ASSETS	<u><u>166,451,302</u></u>	<u><u>147,286,505</u></u>

Missoula County Airport Authority
Balance Sheet Prev Year Comparison
As of October 31, 2023

	<u>Oct 31, 23</u>	<u>Oct 31, 22</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
20500 · Accounts Payable	149,679	230,840
20505 · Accounts Payable- Projects	6,208,616	2,354,732
Total Accounts Payable	<u>6,358,295</u>	<u>2,585,572</u>
Credit Cards	8,895	0
Other Current Liabilities		
20800 · Current Portion of L/T Debt	535,906	612,910
20805 · GASB 96 Short-term Subscription	20,856	0
20810 · GASB 96 Accrued Interest Liab.	5,343	0
21120 · Garnishments Payable	0	298
21130 · Misc Deductions Payable	(184)	0
21300 · Valic Payable	(100)	(100)
21600 · Accrued Vacation/Sick Payable	533,645	504,675
21930 · FSB Notes Interest Payable	70,181	66,015
22140 · Advertising Deferred Revenue	20,000	20,000
24000 · Payroll Liabilities	(4,974)	322
Total Other Current Liabilities	<u>1,180,673</u>	<u>1,204,120</u>
Total Current Liabilities	<u>7,547,863</u>	<u>3,789,692</u>
Long Term Liabilities		
20502 · 2022 Note	4,075,280	2,265,500
25030 · 2019 Note A	15,316,800	14,921,800
25035 · 2019 Note B	3,185,558	3,638,958
25600 · Current Portion L/T Debt 2019B	(535,906)	(612,910)
25700 · Deferred Concession Contract	729,998	1,465,062
25805 · A/P Retainage Long-Term	1,144,569	0
25809 · GASB 96 Long-term Subscription	71,261	0
26010 · Pension Liability sum		
19900 · OPEB liability	238,171	146,148
26000 · PERS Pension Liability	3,533,992	2,659,825
Total 26010 · Pension Liability sum	<u>3,772,163</u>	<u>2,805,973</u>
26110 · Deferred Pension Inflows		
26100 · Deferred PERS Pension Inflows	308,792	1,233,040
26101 · OPEB Deferred Inflows	49,609	57,855
Total 26110 · Deferred Pension Inflows	<u>358,401</u>	<u>1,290,895</u>
26300 · Dererred Lease Inflow GASB 87	3,616,418	5,108,477
Total Long Term Liabilities	<u>31,734,542</u>	<u>30,883,755</u>
Total Liabilities	<u>39,282,405</u>	<u>34,673,447</u>
Equity		
29500 · Unreserved	92,904,579	93,112,788
29510 · Reserved	2,322,956	2,114,747
32000 · Retained Earnings	21,702,584	15,109,090
Net Income	10,238,776	2,276,435
Total Equity	<u>127,168,895</u>	<u>112,613,060</u>
TOTAL LIABILITIES & EQUITY	<u>166,451,300</u>	<u>147,286,507</u>

Missoula County Airport Authority
Profit & Loss Prev Year Comparison
July through October 2023

	<u>Jul - Oct 23</u>	<u>Jul - Oct 22</u>
Ordinary Income/Expense		
Income		
30100 · Signatory Landing Fees	240,056	264,515
30200 · Non Sig Landing Fees	112,633	46,320
30210 · Cargo Landing Fees	14,499	14,706
30300 · Non-Based Landing Fees	89,255	62,645
30400 · Signatory Rent	162,427	212,800
30410 · Non-Sig Turn Fees	0	1,850
30420 · Non-Sig Use Fees	136,456	53,612
30430 · Signatory Use Fee	290,896	319,237
30507 · Advertising Income	73,302	83,167
30509 · Ground Handling	322,845	350,264
30600 · FBO Rentals	88,914	88,672
30800 · Fuel Flowage Fees	59,960	54,860
30900 · Fuel Farm Leases	1,476	1,434
31000 · Coffee Concession	3,777	4,201
31100 · Restaurant	63,554	59,581
31110 · Liquor Concessions	57,860	42,188
31300 · Rental Car %	1,272,967	1,215,851
31400 · Rent Car Rent	60,719	53,199
31900 · USFS Hangar Rent	83,219	83,090
32100 · Gift Shop Faber	145,062	184,077
32200 · Travel Agency	1,757	1,757
32400 · Parking Lot	1,016,394	850,022
32800 · Ag Land Leases	11,987	(13,524)
32900 · Non-Aeronautical Ground Rent	119,699	116,338
32910 · Aeronautical Ground Rent	40,005	37,607
33000 · Vending	11,799	14,942
33800 · Off Airport Rent Cars	21,694	29,997
34000 · Utilities Reimbursement	9,768	12,479
34200 · Miscellaneous Income	13,860	18,076
34300 · Ground Transport	101,939	109,504
42700 · Drain Pumping Fee	1,040	0
81402 · TSA LEO Reimbursement	36,285	27,140
81403 · TSA Checkpoint OTA	4,927	5,446
85000 · Petro Fund Reimbursement	2,792	0
85100 · Badging Fees Collected	5,693	5,166
Total Income	<u>4,679,516</u>	<u>4,411,219</u>
Gross Profit	4,679,516	4,411,219

Missoula County Airport Authority
Profit & Loss Prev Year Comparison
July through October 2023

Expense	<u>Jul - Oct 23</u>	<u>Jul - Oct 22</u>
40100 · Wages	1,185,909	1,082,171
40330 · Overtime Wages	17,482	25,507
40600 · Fringe Benefits Expense	442,470	372,379
40800 · Legal Services	4,082	399
41200 · Insurance Expense	75,972	66,543
41300 · Accounting Expense	54,970	26,500
41400 · Phone Charges	12,473	13,589
41800 · Communication R&M	3,194	2,020
42000 · Office Supplies	16,217	11,443
42100 · Computer Equipment Expense	27,460	11,197
42200 · Electricity/Gas Expense	151,751	92,340
42400 · Water Expense	25,075	24,923
42500 · Sewer Expense	14,049	22,196
42600 · Disposal Expense	15,082	15,142
42800 · Disposal-Industrial	164	(412)
43000 · Petroleum Products Expense	25,796	12,784
43400 · Vehicle R&M	32,268	24,607
43600 · Equipment Rental	2,536	248
43800 · Tools/Equipment	47,248	23,334
44000 · Landscaping Expense	462	1,085
44100 · Custodial Services	166,340	149,460
44200 · Contracted Maintenance	78,030	62,122
44302 · Jet Bridge R&M	2,061	1,676
44400 · Electric Maintenance	2,348	1,728
44600 · Plumbing Expense	203	1,740
44800 · Mechanical/Supplies	10,833	12,415
45000 · Building General R&M	17,546	6,295
45104 · Rent Car R&M	22,691	2,619
45106 · USFS Hangar R&M	6,851	59
45203 · Airfield Maintenance	10,455	23,893
45400 · Landside Maintenance	56,583	700
45600 · Airfield Lighting R&M	18,208	705
45800 · Snow & Ice Removal	77,084	41,413
46000 · Custodial Supplies	54,669	22,800
46400 · Uniform Expense	9,868	21,539
46600 · Employee Training Expense	23,192	15,525
46800 · Travel Expense	21,639	9,615
47000 · Memberships	24,928	14,559
47200 · Safety Supplies/Equipment	4,982	5,680
47303 · Wildlife Mitigation	0	250
47400 · Meals & PR	8,631	7,313
47501 · Marketing	63,887	70,097
47600 · Consultants Expense	1,344	22,075
47605 · Landing Fee Commission Expense	17,851	10,357
47707 · Display Expenses	7,198	595
47717 · VIC Expenses	0	41
49100 · Fingerprint/STA Charges	1,902	1,693
49200 · Petro Cleanup (MT Petro Board)	2,792	0
80600 · Miscellaneous Expense	338	831
80611 · BANK Charges	901	1,538
80625 · TPA – EE benefits and Payroll	4,125	0
80650 · Finance Charges	1	0
Total Expense	<u>2,872,141</u>	<u>2,337,328</u>
Net Ordinary Income	1,807,375	2,073,891

Missoula County Airport Authority
Profit & Loss Prev Year Comparison
 July through October 2023

	<u>Jul - Oct 23</u>	<u>Jul - Oct 22</u>
Other Income/Expense		
Other Income		
31500 · CFCs	506,318	522,388
70200 · Interest Income-Unrestricted	27,039	10,343
70400 · Project Restricted Interest	248	46
80550 · Insurance Settlement	2,016	0
89010 · Federal Programs		
89000 · Airport Improvement Grants	10,305,628	1,762,513
89100 · TSA OTA contribution	0	1,271
89500 · PFC Contributions	500,422	596,576
89010 · Federal Programs - Other	0	70,800
Total 89010 · Federal Programs	<u>10,806,050</u>	<u>2,431,160</u>
89400 · Capital Contributions	0	26,998
Total Other Income	<u>11,341,671</u>	<u>2,990,935</u>
Other Expense		
80140 · Note 2019A Interest Expense	205,893	195,350
80145 · Note 2019 B Interest Expense	33,684	37,536
80150 · Note 2022 Interest Expense	37,648	25,874
80300 · Depreciation	2,633,042	2,529,631
Total Other Expense	<u>2,910,267</u>	<u>2,788,391</u>
Net Other Income	<u>8,431,404</u>	<u>202,544</u>
Net Income	<u><u>10,238,779</u></u>	<u><u>2,276,435</u></u>

Missoula County Airport Authority
Profit & Loss Budget Performance
 October 2023

	<u>Oct 23</u>	<u>Budget</u>	<u>Jul - Oct 23</u>	<u>YTD Budget</u>	<u>Annual Budget</u>	
Ordinary Income/Expense						
Income						
30100 - Signatory Landing Fees	46,340	51,964	240,056	290,774	700,905	34%
30200 - Non Sig Landing Fees	18,902	7,487	112,633	34,412	96,802	116%
30210 - Cargo Landing Fees	3,953	3,354	14,499	13,416	40,248	36%
30220 - Charter Landing Fees	0	120	0	481	1,443	0%
30300 - Non-Based Landing Fees	21,154	22,790	89,255	142,553	182,821	49%
30400 - Signatory Rent	40,607	53,200	162,427	212,800	638,400	25%
30410 - Non-Sig Turn Fees	0	0	0	0	0	
30420 - Non-Sig Use Fees	23,015	10,993	136,456	49,402	141,013	97%
30430 - Signatory Use Fee	58,814	58,630	290,896	330,629	792,162	37%
30507 - Advertising Income	16,168	14,583	73,302	58,332	174,996	42%
30509 - Ground Handling	51,888	87,113	322,845	408,288	966,076	33%
30600 - FBO Rentals	21,672	24,000	88,914	96,000	288,000	31%
30800 - Fuel Flowage Fees	6,765	9,254	59,960	57,253	110,000	55%
30900 - Fuel Farm Leases	369	358	1,476	1,433	4,300	34%
31000 - Coffee Concession	1,050	1,063	3,777	5,636	13,631	28%
31100 - Restaurant	9,784	10,269	63,554	54,380	133,970	47%
31110 - Liquor Concessions	11,177	8,036	57,860	42,558	104,846	55%
31300 - Rental Car %	147,445	142,901	1,272,967	1,197,704	2,062,426	62%
31400 - Rent Car Rent	15,180	14,583	60,719	58,333	175,000	35%
31800 - USFS Landing Fees	0	0	0	0	0	
31900 - USFS Hangar Rent	20,810	20,667	83,219	82,667	248,000	34%
32100 - Gift Shop Faber	27,249	26,342	145,062	139,496	343,661	42%
32200 - Travel Agency	439	433	1,757	1,733	5,200	34%
32400 - Parking Lot	296,752	277,813	1,016,394	895,799	2,883,544	35%
32800 - Ag Land Leases	2,997	0	11,987	0	0	
32900 - Non-Aeronautical Ground Rent	30,192	17,500	119,699	70,000	210,000	57%
32910 - Aeronautical Ground Rent	10,044	7,917	40,005	31,667	95,000	42%
33000 - Vending	1,719	1,417	11,799	7,514	18,175	65%
33800 - Off Airport Rent Cars	1,877	3,671	21,694	26,499	42,424	51%
34000 - Utilities Reimbursement	2,611	2,708	9,768	10,833	32,500	30%
34200 - Miscellaneous Income	3,871	3,375	13,860	13,500	40,500	34%
34300 - Ground Transport	9,994	8,174	101,939	94,699	160,779	63%
42700 - Drain Pumping Fee	260		1,040			
81402 - TSA LEO Reimbursement	9,145	8,917	36,285	35,667	107,000	34%
81403 - TSA Checkpoint OTA	1,232		4,927			
85000 - Petro Fund Reimbursement	0		2,792			
85100 - Badging Fees Collected	1,565		5,693			
Total Income	<u>915,040</u>	<u>899,632</u>	<u>4,679,516</u>	<u>4,464,458</u>	<u>10,813,822</u>	43%
Gross Profit	915,040	899,632	4,679,516	4,464,458	10,813,822	

Missoula County Airport Authority
Profit & Loss Budget Performance
October 2023

	<u>Oct 23</u>	<u>Budget</u>	<u>Jul - Oct 23</u>	<u>YTD Budget</u>	<u>Annual Budget</u>	
Expense						
40100 - Wages	302,614	297,226	1,185,909	1,246,905	3,914,680	30%
40330 - Overtime Wages	5,048	7,500	17,482	30,000	90,000	19%
40600 - Fringe Benefits Expense	111,900	124,382	442,470	498,334	1,495,888	30%
40800 - Legal Services	111	1,250	4,082	5,000	15,000	27%
41200 - Insurance Expense	19,095	19,167	75,972	76,668	230,004	33%
41300 - Accounting Expense	45,985	41,908	54,970	46,273	56,750	97%
41400 - Phone Charges	2,437	3,703	12,473	14,810	44,430	28%
41600 - Phone R&M	0	25	0	100	300	0%
41800 - Communication R&M	6	2,328	3,194	9,313	27,940	11%
42000 - Office Supplies	2,405	4,649	16,217	18,595	55,785	29%
42100 - Computer Equipment Expense	15,150	2,050	27,460	8,200	24,600	112%
42200 - Electricity/Gas Expense	35,326	47,887	151,751	191,550	574,649	26%
42400 - Water Expense	3,614	7,531	25,075	30,125	90,374	28%
42500 - Sewer Expense	2,274	6,717	14,049	26,869	80,606	17%
42600 - Disposal Expense	2,941	4,417	15,082	17,669	53,006	28%
42800 - Disposal-Industrial	46	623	164	2,493	7,480	2%
43000 - Petroleum Products Expense	11,829	10,038	25,796	40,150	120,450	21%
43400 - Vehicle R&M	7,349	8,909	32,268	35,637	106,912	30%
43600 - Equipment Rental	0	219	2,536	874	2,623	97%
43800 - Tools/Equipment	1,054	6,199	47,248	24,794	74,383	64%
44000 - Landscaping Expense	0	867	462	3,467	10,400	4%
44100 - Custodial Services	39,800	45,392	166,340	181,568	544,704	31%
44200 - Contracted Maintenance	17,561	34,508	78,030	138,033	414,099	19%
44302 - Jet Bridge R&M	57	967	2,061	3,868	11,604	18%
44400 - Electric Maintenance	441	817	2,348	3,267	9,800	24%
44600 - Plumbing Expense	173	612	203	2,447	7,340	3%
44800 - Mechanical/Supplies	3,190	3,229	10,833	12,917	38,752	28%
45000 - Building General R&M	4,021	3,102	17,546	12,410	37,229	47%
45104 - Rent Car R&M	7,225	0	22,691	0	0	
45106 - USFS Hangar R&M	0	1,300	6,851	5,200	15,600	44%
45203 - Airfield Maintenance	5,024	6,740	10,455	26,961	80,884	13%
45400 - Landside Maintenance	0	793	56,583	3,173	9,520	594%
45600 - Airfield Lighting R&M	160	1,325	18,208	5,300	15,900	115%
45703 - Fog Abatement	0	0	0	0	4,240	0%
45800 - Snow & Ice Removal	61,413	36,294	77,084	45,467	283,230	27%
46000 - Custodial Supplies	7,486	6,392	54,669	26,428	66,936	82%
46400 - Uniform Expense	2,230	4,665	9,868	18,660	55,980	18%
46600 - Employee Training Expense	6,435	8,864	23,192	35,457	106,370	22%
46800 - Travel Expense	8,051	7,421	21,639	29,682	89,046	24%
47000 - Memberships	20,730	3,056	24,928	12,224	36,673	68%
47200 - Safety Supplies/Equipment	297	3,785	4,982	15,141	45,422	11%
47303 - Wildlife Mitigation	0	667	0	2,667	8,000	0%
47400 - Meals & PR	507	2,175	8,631	8,700	26,100	33%
47501 - Marketing	17,315	25,000	63,887	100,000	300,000	21%
47600 - Consultants Expense	0	5,872	1,344	23,486	70,458	2%
47605 - Landing Fee Commission Expense	4,231		17,851			
47707 - Display Expenses	0	150	7,198	600	1,800	400%
47717 - VIC Expenses	0	42	0	167	500	0%
49100 - Fingerprint/STA Charges	(200)		1,902			
49200 - Petro Cleanup (MT Petro Board)	0		2,792			
80600 - Miscellaneous Expense	(1)	100	338	399	1,196	28%
80611 - BANK Charges	215	250	901	1,000	3,000	30%
80625 - TPA - EE benefits and Payroll	4,125		4,125			
80650 - Finance Charges	1		1			
Total Expense	779,671	801,113	2,872,141	3,043,048	9,360,643	31%
Net Ordinary Income	135,369	98,519	1,807,375	1,421,410	1,453,179	
Net Income	135,369	98,519	1,807,375	1,421,410	1,453,179	

MISSOULA COUNTY AIRPORT AUTHORITY
STATEMENT OF CASH FLOW
For the Month Ended October 31, 2023

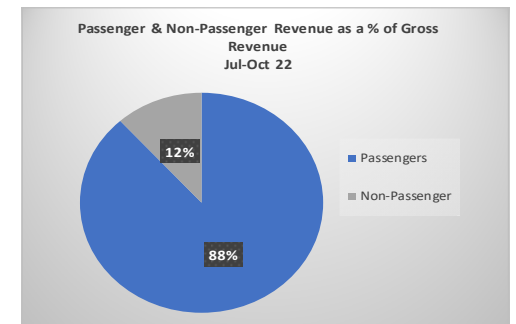
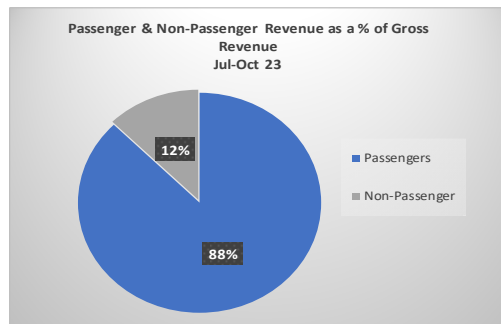
	<u>31-Oct</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 758,069
Cash paid to suppliers	(343,397)
Cash paid to employees and employee benefits	<u>(415,923)</u>
Net cash flows from operating activities	<u>(1,251)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Payments for capital assets	(3,790,087)
Proceeds on sale of capital asset	-
Interest paid on long-term debt	(204,472)
Proceeds on long-term debt	1,500,000
Principal payments on long-term debt	(132,071)
Federal contributions	3,894,764
Subsequent collections of capital contributions	<u>8,312</u>
Net cash flows from capital and related financing activities	<u>1,276,446</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Insurance Recovery	2,016
Customer facility charges	92,472
Passenger facility charges	<u>160,467</u>
Net cash flows from noncapital financing activities	<u>254,955</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and investment revenue	<u>7,551</u>
Net cash flows from investing activities	<u>7,551</u>
Net change in cash and investments	1,537,700
Cash and investments, beginning of October, 2023	<u>11,345,207</u>
Cash and investments, end of October, 2023	<u>\$ 12,882,907</u>

	<u>31-Oct</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Income from operations	\$ <u>135,368</u>
Adjustments to reconcile loss from operations to net cash flows from operating activities:	
Change in receivables and other assets	(154,471)
Change in prepaid expenses	30,674
Change in unearned revenue, advance payment, and deferred inflows	(2,500)
Change in accounts payable and accrued expenses	<u>(10,322)</u>
Total adjustments	<u>(136,619)</u>
Net cash flows from operating activities	<u>\$ (1,251)</u>

MISSOULA COUNTY AIRPORT AUTHORITY
OPERATING REVENUES & OPERATING EXPENSES % OF GROSS
For the Period Ended October 31, 2023 and 2022

	July - Oct 23	July - Oct 22	\$ DIFF.	% DIFF.	July - Oct 23 % of Gross	July - Oct 22 % of Gross	Change
Passenger Airline Aeronautical Revenue:							
Passenger airline landing fees (signatory & non-signatory)	\$ 352,689	\$ 310,835	\$ 41,854	13%	8%	7%	0%
Terminal arrival fees, rents and utilities	589,778	587,499	2,279	0%	13%	13%	-1%
Total	942,467	898,335	44,133	5%	20%	20%	0%
Non-Passenger Aeronautical Revenue:							
Landing Fees from Cargo	14,499	14,706	(207)	-1%	0%	0%	0%
Landing Fees GA, Military & USFS	89,255	62,645	26,610	42%	2%	1%	0%
FBO revenue; contract or sponsor-operated	90,391	90,107	284	0%	2%	2%	0%
Cargo and hangar rentals (USFS hanger & aeronautical ground rent)	123,223	120,697	2,526	2%	3%	3%	0%
Fuel sales net profit/loss or fuel flowage fees	59,960	54,860	5,099	9%	1%	1%	0%
Security Reimbursements from Fed govt.	41,212	32,586	8,626	26%	1%	1%	0%
Other non-passenger operating revenue (ground handling)	322,845	350,264	(27,419)	-8%	7%	8%	-1%
Total	741,384	725,864	15,520	2%	16%	16%	-1%
Non-Aeronautical Revenue:							
Land and non-terminal facility leases and revenues (ag lease & non-aeronautical ground rent)	131,685	102,814	28,871	28%	3%	2%	0%
Terminal-food and beverage	125,192	105,970	19,221	18%	3%	2%	0%
Terminal-retail stores & duty free	145,062	184,077	(39,015)	-21%	3%	4%	-1%
Terminal-services and other (advertising, vending, other)	86,858	99,866	(13,008)	-13%	2%	2%	0%
Rental cars-excludes customer facility charges	1,355,380	1,299,047	56,334	4%	29%	29%	0%
Parking	1,016,394	850,022	166,372	20%	22%	19%	2%
Other (flight crew parking, badging, utilities reimbursement, other)	33,153	35,721	(2,568)	-7%	1%	1%	0%
Ground transportation	101,939	109,504	(7,565)	-7%	2%	2%	0%
Total	2,995,663	2,787,021	208,642	7%	64%	63%	1%
Total Operating Revenue	\$ 4,679,515	\$ 4,411,220	\$ 268,295	6%	100%	100%	

	July - Oct 23	July - Oct 22	\$ DIFF.	% DIFF.	July - Oct 23 % of Gross	July - Oct 22 % of Gross	Change
Personnel compensation and benefits	\$ 1,645,861	\$ 1,480,057	\$ 165,804	11%	57.30%	63.32%	-6%
Communications and utilities	218,595	167,778	50,817	30%	7.61%	7.18%	0%
Supplies and materials	459,904	234,929	224,976	96%	16.01%	10.05%	6%
Contractual services	471,812	388,023	83,789	22%	16.43%	16.60%	0%
Insurance, claims and settlements	75,972	66,543	9,430	14%	2.65%	2.85%	0%
Total Operating Expenses	\$ 2,872,145	\$ 2,337,328	\$ 534,816	23%	100%	100%	



MISSOULA COUNTY AIRPORT AUTHORITY
LONG-TERM DEBT
For the Month Ended October 31, 2023

2023	Balance June 30, 2023	Proceeds from Borrowing	Payments	Balance October 31, 2023
Note payable to First Security Bank of Missoula - series 2019A	\$ 15,316,800	\$ -	\$ -	\$ 15,316,800
Note payable to First Security Bank of Missoula - series 2019B	3,449,694	-	(264,136)	3,185,558
Note payable to First Security Bank of Missoula - series 2022	2,575,280	1,500,000	-	4,075,280
	<u>\$ 21,341,774</u>	<u>\$ 1,500,000</u>	<u>\$ (264,136)</u>	<u>\$ 22,577,638</u>

Note payable activity for the month ended Oct 31, 2023:	Amount
Proceeds from Borrowing	\$ 1,500,000
Payments	\$ (132,071)

Current estimated debt service payment; payable January 1, 2024	Principal	Interest	Total
*Note payable to First Security Bank of Missoula - series 2019A	\$ -	\$ 154,420	\$ 154,420
**Note payable to First Security Bank of Missoula - series 2019B	132,319	25,517	157,836
***Note payable to First Security Bank of Missoula - series 2022	-	37,217	37,217
	<u>\$ 132,319</u>	<u>\$ 217,154</u>	<u>\$ 349,473</u>

**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.*

***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.*

****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 3.87%. Interest is due and payable on the 1st day of each calendar quarter, commencing April 1, 2023, and principal is due and payable on the 1st day of each calendar quarter, commencing July 1, 2032. All unpaid principal of accrued interest is due and payable on April 1, 2047.*



**Director's Report
November 21, 2023**

Director's Statement: October set another record with 76,293 total passengers, up slightly from our previous record set last year. Year to date we are up 10% over last year and 2% ahead of 2019, so it is going to be very close to a record year as we head into the holidays. Another item of note is that United Airlines has recently overtaken Delta Air Lines in market share. United is carrying 30.7% of our passengers and Delta is now our number two carrier with 28.6% market share.

2023 Air Service Update: Alaska Airlines will be introducing mainline aircraft into Missoula starting April 16th. They will start by upgrading their 2:40 pm departure out of Missoula, their early morning and late evening flights remain on E175 aircraft for now. This is a 63% increase in seats as the 737-700 aircraft will have 124 seats instead of the 76 seats on the E175. Alaska also has plans to return the Portland flight with daily service starting on March 14th. Allegiant has also loaded their summer schedule and will be adding seasonal Oakland and Orange County starting mid-May. These additions along with Sun Country will be about a 5% increase over this past summer.

Calendar item- Reminder on Tuesday December 5th at 4 pm we plan on hosting a community event in our Board room to go over the importance of air service and how the community can apply for the Department of Transportation's Small Community Development Grant Program. Lots of options on how to best utilize that program and we are looking for community input as we hope to apply soon. We will also be doing a Master Plan and construction update during that meeting for those interested.

Construction: Steel installation continues to move forward with concrete floors being poured as weather permits. We are hoping to finish up the concrete floors by the end of this month, roofing and wall framing to quickly follow. It will take several more months to get the building fully enclosed and weather proofed so that interior finishing work can begin.

Board Agenda: FY2023 audit will be on the agenda this month.

We do plan on having a Facility & Operations Committee meeting following the Board meeting to discuss extending Minuteman's east facility.

Master Plan: On going, this month we held internal staff meetings and will resume our monthly tenant meetings next month.

Federal Affairs: Congress passed a Continuing Resolution which has a two-tier structure that funds some federal departments and agencies through January 19, 2024, while others are funded through February 2, 2024. The Department of Transportation and Federal Aviation Administration are funded through the January date while the Department of Homeland Security, Transportation Security Administration, and Customs and Border Protection will see their funding extended into February. The CR continues funding at current levels and does not contain controversial riders or any of the emergency spending requested for Israel, Ukraine, border security, disaster relief, firefighting, or childcare. Notably, the bill does not extend FAA programs and excise taxes into the new year beyond their current December 31 expiration, meaning that Congress will either have to approve a long-term FAA reauthorization bill in the weeks ahead (unlikely) or pass another extension prior to the end of the year.

Misc: Holiday travel, we expect record numbers once again this holiday period. Nationally we are expecting over 2.9 million travelers this upcoming Sunday.

Earlier this month several of us traveled to Helena to accept an American Council of Engineering Companies of Montana award. Morrison-Maierle and the Airport won Top Honors for the design of our new terminal.

Tim and I attended an airport conference last week that was parking focused as we will be doing an upcoming Parking Vendor RFP early next year. Airports across the country have seen an increase in parking needs and are trying to keep up with the demand. This might be the first Christmas holiday where we are able to meet our demand due to our recent paving project.

We will have our annual TSA inspection audit the last week of November following the Thanksgiving Holiday, I will update you next month!

Last month our new terminal sign was finally installed, it is now fully up and operational!

Reminder the December Board meeting was moved to Tuesday December 19th as Christmas is the following week.

**Missoula County Airport Authority
Agenda Action Sheet**

Meeting Date: November 28, 2023

TITLE: Approval of Fiscal year 2023 Audit Report and Management Representation Letter

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, by the Authority's federal programs and Authority lenders. The auditors express an opinion as to whether the Authority financial statements for the periods ending June 30, 2023 and 2022 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, 2023.

The Moss Adams audit Partner will be at the meeting to discuss the audit.

BUDGET INFORMATION: Contracted fees for 2023 audit services are as follows:

Financial statement audit	\$50,000
Single audit (includes one major program)	\$8,000
Passenger facility charge audit	\$5,000
Assistance in drafting the financial statements	\$5,000

The Authority will also be billed for travel expenses, not to exceed \$5,000.

\$45,000 was included in the Fiscal year 2024 budget.

SUPPLEMENTAL AGENDA INFORMATION: The draft audit report is attached. Ashley Osten, Audit Partner at Moss Adams, will be attending the board meeting to discuss highlights of the audit report, additional deliverables and to answer any questions the Board may have.

The Management Representation Letter is a required formal communication to the Authority's governing board regarding Significant Audit Matters. The letter will be provided at the meeting.

COMMITTEE REVIEW: A Finance Committee meeting was held on Monday, November 13, 2023, to discuss the draft financial statements.

RECOMMENDED MOTION: Move to approve the annual audit report and the Management Representation letter for fiscal year 2023.

PREPARED BY: William Parnell, Director of Finance and Administration.



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Reports of Independent Auditors
and Financial Statements
with Supplementary Information

Missoula County Airport Authority

June 30, 2023 and 2022

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Missoula County Airport Authority
Missoula, Montana
Organization – Board of Commissioners and Administration

Board of Commissioners

Larry Anderson Chair
Winton Kemmis Vice Chair
Deb Poteet Secretary/Treasurer
Jeffrey Roth Commissioner
Shane Stack Commissioner
Adriane Beck..... Commissioner
Matthew Doucette..... Commissioner
Jack Meyer Honorary
Patrick Boyle.....Alternate
David BellAlternate

Administration

Brian Ellestad Airport Director
William Parnell Finance Manager
Lynn Fagan..... Administrative Manager
Andrew Bailey..... Ground Handling Manager
Justin Shaffer.....Chief of Public Safety
Nate Cole.....Airfield Operations Manager
Thad Williams Facility Operations Manager
Dan Neuman Business Development Manager
Tim Damrow Deputy Director

Report of Independent Auditors

The Board of Commissioners
Missoula County Airport Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Missoula County Airport Authority (the Authority), which comprises the statement of net position as of June 30, 2023, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2023, and the respective changes in net position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter – Prior Year Financial Statements

The financial statements of Missoula County Airport Authority as of and for the year ended June 30, 2022, were audited by other auditors whose report thereon dated November 30, 2022, expressed an unmodified opinion. In our opinion, the comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the schedule of Passenger Facility Charges (PFC) collected and expended as required by the Federal Aviation Administration, *Passenger Facility Charge Audit Guide for Public Agencies*, and the supplementary information as listed in the table of contents (collectively, the supplementary information), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Organization – Board of Commissioners and Administration, but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2023 on our consideration of Missoula County Airport Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of Missoula County Airport Authority's 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 Missoula County Airport Authority's internal control over financial reporting and compliance.

Portland, Oregon
November 28, 2023

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Management's Discussion and Analysis



MISSOULA COUNTY AIRPORT AUTHORITY MISSOULA, MONTANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

To Whom It May Concern:

We are pleased to present Missoula County Airport Authority's (the Authority) audited financial statements for the fiscal years ended June 30, 2023 and 2022. 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, 2023.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Statements of Net Position and the Statements 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, deferred outflows of resources, liabilities, and deferred inflows of resources 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 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 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, 2023 and 2022

FINANCIAL HIGHLIGHTS

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

	2023	2022	2023 to 2022 Changes	%	As restated 2021	2022 to 2021 Changes	
Current Assets	\$ 13,646,829	\$ 12,060,475	\$ 1,586,354	13%	\$ 12,393,246	\$ (332,771)	-3%
Restricted Cash	2,885,936	1,724,861	1,161,075	67%	2,214,658	(489,797)	-22%
Capital Assets, Net	130,579,198	124,476,887	6,102,311	5%	103,498,574	20,978,313	20%
Other Assets	3,596,022	5,503,408	(1,907,386)	-35%	6,778,834	(1,275,426)	-19%
Deferred Outflows	738,296	763,771	(25,475)	-3%	948,581	(184,810)	-19%
Total Assets and Deferred Outflows	<u>151,446,281</u>	<u>144,529,402</u>	<u>6,916,879</u>	5%	<u>125,833,893</u>	<u>18,695,509</u>	15%
Current Liabilities	4,711,120	4,694,786	16,334	0%	6,082,305	(1,387,519)	-23%
Long-term Liabilities	25,100,226	21,633,563	3,466,663	16%	15,472,738	6,160,825	40%
Deferred Inflows	4,704,817	7,864,434	(3,159,617)	-40%	8,892,573	(1,028,139)	-12%
Total Liabilities and Deferred Inflows	<u>34,516,163</u>	<u>34,192,783</u>	<u>323,380</u>	1%	<u>30,447,616</u>	<u>3,745,167</u>	12%
Net Investment In Capital Assets	109,237,424	105,036,387	4,201,037	4%	92,173,574	12,862,813	14%
Restricted	2,885,936	1,724,861	1,161,075	67%	2,214,658	(489,797)	-22%
Unrestricted	4,806,758	3,575,371	1,231,387	34%	998,045	2,577,326	258%
Total Net Position	<u>116,930,118</u>	<u>110,336,619</u>	<u>6,593,499</u>	6%	<u>95,386,277</u>	<u>14,950,342</u>	16%
Total Liabilities, Deferred Inflows & Net Position	<u>\$ 151,446,281</u>	<u>\$ 144,529,402</u>	<u>\$ 6,916,879</u>	5%	<u>\$ 125,833,893</u>	<u>\$ 18,695,509</u>	15%

Total assets and deferred outflows of \$151,446,281 includes:

- Current assets and restricted assets consisting of \$8,761,671 in cash and investments, \$2,885,936 in restricted cash, \$1,090,693 in accounts receivable and \$3,794,465 in other current assets which includes grants receivable, projects receivable, lease interest receivable, short-term lease receivable, prepaid expenses, current portion of the note receivable, and the current portion of a concession contract receivable (as explained in the notes to the financial statements).
- Net capital assets of \$130,579,198.
- Other assets equal to \$3,596,022 which includes the long-term portion of a note receivable, long-term lease receivable, contract retainage, advance contract refund, and subscription-based information technology arrangements (SBITA) as explained in the notes to the financial statements.
- Deferred outflows of resources of \$738,296, are related to pension and OPEB adjustments as explained in the notes to the financial statements.
- Overall assets and deferred outflows increased by 5%.

MISSOULA COUNTY AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
 June 30, 2023 and 2022

FINANCIAL HIGHLIGHTS (CONTINUED)

Total liabilities and net position include:

- Current liabilities included accounts payable of \$3,346,929, accrued interest of \$199,964, liabilities related to payroll and leave balances of \$602,122, current portion of long-term debt of \$535,906, and current SBITA liabilities of \$26,199.
- Long-term liabilities include notes payable of \$20,805,868, as well as the Authority's share of the unfunded pension liability in the Public Employees Retirement System of \$3,533,992, contract retainage of \$426,474, SBITA liability of \$95,721, and OPEB liability of \$238,171.
- Deferred inflows of resources include pension adjustments of \$308,792, OPEB adjustments of \$49,609, leases of \$3,616,418 and the service concession arrangement of \$729,998 as discussed in the notes to the financial statements.
- The net position of \$116,930,118 includes \$109,237,424 invested in capital assets net of related debt, \$2,885,936 in restricted net position and \$4,806,758 in unrestricted net position.

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

	2023	2022	2023 to 2022 Changes	%	As restated 2021	2022 to 2021 Changes	%
Operating Revenues	\$ 11,749,606	\$ 10,240,204	\$ 1,509,402	15%	\$ 7,688,338	\$ 2,551,866	33%
Operating Expenses	(8,482,380)	(7,406,170)	(1,076,210)	15%	(7,409,555)	3,385	0%
Depreciation	(8,041,045)	(6,168,907)	(1,872,138)	30%	(5,901,648)	(267,259)	5%
Other Expense	(493,121)	(113,316)	(379,805)	335%	262,478	(375,794)	-143%
Contributions	<u>11,860,439</u>	<u>18,398,531</u>	<u>(6,538,092)</u>	-36%	<u>15,179,933</u>	<u>3,218,598</u>	21%
Change in Net Position	<u>\$ 6,593,499</u>	<u>\$ 14,950,342</u>	<u>\$ (8,356,843)</u>	-56%	<u>\$ 9,819,546</u>	<u>\$ 5,130,796</u>	52%

Overall net position decreased by \$8,356,843 resulting from:

- A net loss from operations of \$4,773,819, which is the net of operating income \$3,267,226, less depreciation of \$8,041,045.
- Contributions of \$11,860,439 include \$9,349,915 in federal grants, \$1,906,481 in passenger facility charge (PFC) collections, \$334,519 in state grants, \$186,842 from an other transaction agreement, and contributed capital of \$82,682.
- Other revenue (expense) includes interest expense of \$803,665, interest revenue of \$271,899, return of funds of \$70,800, amortization of \$54,876, insurance recovery of \$3,100, and again on a disposal of an asset of \$19,621.

MISSOULA COUNTY AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2023 and 2022

FINANCIAL HIGHLIGHTS (CONTINUED)

Revenue from operations before depreciation include:

- Operating revenues of \$11,749,606 increased by 15% from the previous fiscal year. Sources of operating revenue continue to be diversified over air carrier landing and use fees, terminal rent, car rentals including customer facility charges, parking fees, land leases, ground services, concessions, and fuel flowage fees.
- Operating expenses of \$8,482,380 (before depreciation) increased by \$1,076,210.
- Details of operating revenues and expenses can be found in the Supplementary Information section of this report.
- Details of federally funded projects can be found in the Supplementary Information section of this report.
- No local property tax revenues were received by the Airport.

CAPITAL ASSETS

- At the end of fiscal year 2023, the Authority has \$225,741,447 of capital assets, comprised of \$26,367,179 in non-depreciable assets, and \$199,374,268 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.
- Annual depreciation expense was \$8,041,045.
- The dollar amount of new capital asset investment during the year was \$14,144,735.
- Capital asset additions, deletions and depreciation resulted in a net increase to property and equipment of \$6,102,311.
- At year end, the amount invested in capital assets, net of related debt, totaled \$109,237,424.
- At year end, \$21,341,774 of debt existed related to capital assets.

The year end construction in progress balance consisted of expenditures incurred for general aviation improvements and planning, aircraft ground deicing, pavement rehabilitation, and the terminal replacement project.

DEBT

- The Authority secured financing from a local lender, to partially fund the terminal replacement project. Further information regarding the terms and structure of the debt can be found in the notes to the financial statements.
- At fiscal yearend the Authority had \$21,341,774 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%.

MISSOULA COUNTY AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
June 30, 2023 and 2022

OTHER ECONOMIC INFORMATION

- During fiscal year 2023 total passengers through the terminal recovered to 98% of pre-pandemic levels. However, 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.
- In July 2022, the Authority began work on the East Concourse phase of the terminal project. The new concourse will include 4 additional boarding gates, a permanent baggage claim area, and space for rental car operations. That project is budgeted at approximately \$42 million and expected to be complete in 2025.

This financial report is designed to provide interested parties with a general overview of Missoula Montana Airport Authority's 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 Authority, 5225 Hwy 10 West, Missoula, MT 59808.

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Financial Statements

Missoula County Airport Authority
Statements of Net Position
June 30, 2023 and 2022

	2023	2022
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS		
Cash and investments	\$ 8,761,671	\$ 5,980,812
Accounts receivable	1,090,693	620,849
Grants receivable	1,313,706	2,431,124
Projects receivable	4,336	633,642
Current portion of note receivable	100,000	100,000
Current portion of concession contract receivable	729,998	729,998
Lease interest receivable	16,118	22,282
Short-term lease receivable	1,541,162	1,467,233
Prepaid expenses	89,145	74,535
Total current assets	<u>13,646,829</u>	<u>12,060,475</u>
RESTRICTED ASSETS		
Cash - passenger facility charges	<u>2,885,936</u>	<u>1,724,861</u>
CAPITAL ASSETS, NET		
	<u>130,579,198</u>	<u>124,476,887</u>
OTHER LONG-TERM ASSETS		
Long-term portion of note receivable	800,259	900,000
Long-term lease receivable	2,327,192	3,868,344
SBITA, net	219,504	-
Other long-term assets	249,067	-
Long-term portion of concession contract receivable	-	735,064
Total other assets	<u>3,596,022</u>	<u>5,503,408</u>
DEFERRED OUTFLOWS OF RESOURCES		
OPEB adjustments	174,012	109,748
Pension contributions and adjustments	<u>564,284</u>	<u>654,023</u>
Total deferred outflows of resources	<u>738,296</u>	<u>763,771</u>
Total assets and deferred outflows of resources	<u>\$ 151,446,281</u>	<u>\$ 144,529,402</u>

See accompanying notes.

Missoula County Airport Authority
Statements of Net Position
June 30, 2023 and 2022

	2023	2022
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 4,149,015	\$ 4,081,876
SBITA liability	26,199	-
Current portion of long-term debt	535,906	612,910
Total current liabilities	4,711,120	4,694,786
LONG TERM LIABILITIES		
Long-term debt	20,805,868	18,827,590
OPEB liability	238,171	146,148
Contract retainage	426,474	-
SBITA, net of current	95,721	-
Pension liability	3,533,992	2,659,825
Total long-term liabilities	25,100,226	21,633,563
Total liabilities	29,811,346	26,328,349
DEFERRED INFLOWS OF RESOURCES		
Pension adjustments	308,792	1,233,040
OPEB adjustments	49,609	57,855
Leases	3,616,418	5,108,477
Service concession arrangement - Republic Parking	729,998	1,465,062
Total deferred inflows of resources	4,704,817	7,864,434
NET POSITION		
Net investment in capital assets	109,237,424	105,036,387
Restricted	2,885,936	1,724,861
Unrestricted	4,806,758	3,575,371
Total net position	\$ 116,930,118	\$ 110,336,619

See accompanying notes.

Missoula County Airport Authority
Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2023 and 2022

	2023	2022
OPERATING REVENUES		
Landing field	\$ 1,078,992	\$ 1,189,227
Terminal	9,699,283	8,137,947
Fixed base/government	263,651	256,275
Industrial park	707,680	656,755
Total operating revenues	<u>11,749,606</u>	<u>10,240,204</u>
DIRECT OPERATING EXPENSES	<u>(8,482,380)</u>	<u>(7,406,170)</u>
REVENUE FROM OPERATIONS BEFORE DEPRECIATION	3,267,226	2,834,034
DEPRECIATION	<u>(8,041,045)</u>	<u>(6,168,907)</u>
LOSS FROM OPERATIONS	<u>(4,773,819)</u>	<u>(3,334,873)</u>
NONOPERATING REVENUE (EXPENSE)		
Interest revenue	271,899	760,706
Interest expense	(803,665)	(571,022)
Debt issuance costs	-	(95,500)
Other revenue (expense)	38,645	(207,500)
Total other revenue (expense)	<u>(493,121)</u>	<u>(113,316)</u>
LOSS BEFORE CONTRIBUTIONS	<u>(5,266,940)</u>	<u>(3,448,189)</u>
CONTRIBUTIONS		
Federal government	7,745,605	4,903,303
CARES Act grants	588,161	1,216,256
CRRSA Act grants	1,016,149	2,280,117
ARPA Act grants	-	5,375,923
State grants	224,901	-
Pension revenue – State aid	109,618	227,605
Other transaction agreements	186,842	1,231,108
Contributed capital	82,682	1,686,504
Passenger facility charges	1,906,481	1,477,715
Total contributions	<u>11,860,439</u>	<u>18,398,531</u>
CHANGE IN NET POSITION	6,593,499	14,950,342
NET POSITION		
Beginning of year	<u>110,336,619</u>	<u>95,386,277</u>
Net position, end of year	<u>\$ 116,930,118</u>	<u>\$ 110,336,619</u>

See accompanying notes.

Missoula County Airport Authority
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 11,473,800	\$ 9,955,692
Cash paid to suppliers	(3,183,371)	(2,268,039)
Cash paid to employees and employee benefits	(5,446,662)	(4,865,976)
Net cash flows from operating activities	<u>2,843,767</u>	<u>2,821,677</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments for capital assets	(14,144,735)	(28,212,485)
Proceeds on sale of capital asset	21,000	857,765
Change in construction-related payables	505,734	(2,157,181)
Interest paid on long-term debt	(761,422)	(571,022)
Proceeds on long-term debt	2,525,000	15,515,500
Debt issuance costs paid	-	(95,500)
Principal payments on long-term debt	(623,726)	(7,400,000)
Federal contributions	11,087,677	15,960,865
State grants	224,901	-
Capital contributions	129,160	1,052,862
Passenger facility charges	<u>1,906,481</u>	<u>1,727,715</u>
Net cash flows from capital and related financing activities	<u>870,070</u>	<u>(3,321,481)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Pension revenue – State aid	109,618	-
Insurance and funds recovery	73,900	-
Net cash flows from noncapital financing activities	<u>183,518</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and investment revenue	<u>44,579</u>	<u>461,675</u>
Net cash flows from investing activities	<u>44,579</u>	<u>461,675</u>
Net change in cash and investments	3,941,934	(38,129)
Cash and investments, beginning of year	<u>7,705,673</u>	<u>7,743,802</u>
Cash and investments, end of year	<u>\$ 11,647,607</u>	<u>\$ 7,705,673</u>

See accompanying notes.

Missoula County Airport Authority
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
CASH AND CASH INVESTMENTS ARE PRESENTED IN THE ACCOMPANYING STATEMENTS OF NET POSITION UNDER THE FOLLOWING CAPTIONS		
Cash and investments	\$ 8,761,671	\$ 5,980,812
Restricted Cash - passenger facility charges	<u>2,885,936</u>	<u>1,724,861</u>
	<u>\$ 11,647,607</u>	<u>\$ 7,705,673</u>
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Loss from operations	\$ (4,773,819)	\$ (3,334,873)
Adjustments to reconcile loss from operations to net cash flows from operating activities:		
Depreciation	8,041,045	6,168,907
Pension and OPEB adjustments	59,170	15,350
Change in receivables	265,220	221,129
Change in prepaid expenses	(14,610)	94,149
Lease and SBITA adjustments	50,843	208,455
Change in unearned revenue, advance payment, and deferred inflows	(735,061)	(784,969)
Change in accounts payable and accrued expenses	<u>(49,021)</u>	<u>233,529</u>
Total adjustments	<u>7,617,586</u>	<u>6,156,550</u>
Net cash flows from operating activities	<u>\$ 2,843,767</u>	<u>\$ 2,821,677</u>
SUPPLEMENTAL DISCLOSURE OF NONCASH FINANCING AND INVESTING ACTIVITIES		
Change in pension and OPEB liability, net	<u>\$ 59,170</u>	<u>\$ 15,350</u>

See accompanying notes.

Missoula County Airport Authority

Notes to Financial Statements

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 considered non-operating expenses.

New accounting pronouncements – The Authority has adopted the provisions of the following GASB pronouncements for fiscal year 2023:

In March 2020, the GASB issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements," effective for the Authority's fiscal year beginning July 1, 2022. The statement addresses issues related to public-private and public-public partnership (PPP) arrangements and provides guidance for accounting and financial reporting for availability payment arrangements. The adoption of this statement did not have a material effect on the Authority's financial statements.

Missoula County Airport Authority

Notes to Financial Statements

In June 2020, the GASB issued Statement No. 96, "Subscription-Based Information Technology Arrangements," effective for the Authority's fiscal year beginning July 1, 2022. The statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). Accounting changes adopted to conform to the provisions of GASB 96 are immaterial to fiscal 2022 comparative totals in this report; therefore, changes to conform to the provisions of this statement were applied prospectively in fiscal 2023.

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 as required under the Passenger Facility Charge program as of June 30, 2023 and 2022.

Unrestricted net position – These are resources over which the governing board has discretionary control.

Cash – 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.

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
Vehicles	5-10 years

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

Missoula County Airport Authority

Notes to Financial Statements

Leases – Lease receivables and deferred inflows of resources are reported on the statement of net position. At the commencement of a lease, the lease receivable is initially measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Subscription-based information technology arrangements (SBITAs) – SBITA intangible right-to-use assets and liabilities are reported under other long-term assets and current and long term liabilities, respectively, on the statements of net position. At the commencement of the agreement, SBITA liabilities are measured at the present value of payments expected to be made during the contract term.

Subsequently, the SBITA liability is reduced by the principal portion of payments made. The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for payments made at or before the contract commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life.

The interest rate charged by the SBITA vendor is used as the discount rate. When the interest rate charged by the vendor is not provided, the Authority's estimated incremental borrowing rate is used. The SBITA term includes the noncancellable period of the agreement. SBITA payments included in the measurement of the liability are composed of fixed payments and purchase option price, if applicable, that is reasonably certain to be exercised.

Federal capital contributions – The Authority receives capital contributions from the U.S. Department of Transportation for airport construction, development and planning and are recorded as expenditures are incurred.

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, included \$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 provided funds to increase the federal share to 100 percent for Airport Improvement Program (AIP) and supplemental discretionary grants. Under normal circumstances, AIP grant recipients contribute a matching percentage of the project costs.

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

Under the CARES Airport Program:

- Primary commercial service airports, with more than 10,000 annual passenger boardings, received 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 received 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.

Missoula County Airport Authority

Notes to Financial Statements

- General aviation airports received 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, 2023 and 2022, the Authority recognized \$588,161 and \$1,216,256, respectively, as grant revenue on the CARES Act grant to reimburse eligible expenses.

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 \$3,294,323 in CRRSA Act funds to reimburse operating costs, debt service payments, debt defeasance and eligible project costs. As of June 30, 2023 and 2022, the Authority recognized \$1,016,149 and \$2,280,117, respectively, as grant revenue to reimburse eligible expenses.

The American Rescue Plan Act (ARPA), enacted in March 2021, included funds to provide economic assistance to eligible U.S. airports to prevent, prepare for, and respond to the COVID-19 pandemic. Under ARPA, the Authority received an Airport Rescue Grant in the amount of \$5,375,923. As of June 30, 2022, the Authority recognized \$5,375,923 as grant revenue to reimburse eligible expenses.

In fiscal year 2022, the Authority received grant awards and recognized as grant revenue funds totaling \$485,911 to provide relief from rent and minimum annual guarantee obligations to each eligible airport concessionaire. The grant awards were received and recorded under ARPA and CRRSA.

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, projects receivable and note receivable – The Authority occasionally receives capital contributions from airport tenants for capital improvement projects. Capital contributions are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Projects receivable represents the balance due to the Authority for eligible capital improvement costs incurred.

In fiscal year 2022, the Authority incurred \$1,000,000 in capital improvement cost that will be repaid by a food and beverage concessioner over a ten-year term note. The note is non-interest bearing and requires monthly principal payments beginning July 1, 2022. Management has determined imputed interest to be immaterial.

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.

Missoula County Airport Authority
Notes to Financial Statements

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, 2023 and 2022. The term of the current agreement is July 1, 2022 to June 30, 2027, with an optional 3 year renewal.

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 \$183,783 and \$157,010, in 2023 and 2022, respectively.

Note 2 – Cash and Investments

Cash and investments at June 30 were as follows:

	2023	2022
Petty cash	\$ 300	\$ 300
Cash in checking, general	5,976,021	2,915,491
Project checking account	5,000	(6,480)
Undeposited funds	46,004	3,875
U.S. Forest Service account	50,040	50,004
Payroll checking account	(1,432)	121,184
PFC cash account	2,885,936	1,724,861
CFC account	321,398	649,338
STIP	783,989	755,533
Money market accounts	1,242,518	1,060,013
Flex - benefits	7,593	5,718
Direct deposit account	-	95,833
Contingency account (Debt service account)	330,240	330,003
	\$ 11,647,607	\$ 7,705,673

Cash and investments are presented in the statements of net position as follows at June 30:

	2023	2022
Cash and investments	\$ 8,761,671	\$ 5,980,812
Restricted assets		
Cash	2,885,936	1,724,861
Total cash and investments	\$ 11,647,607	\$ 7,705,673

Missoula County Airport Authority

Notes to Financial Statements

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 assets are valued using matrix pricing); Level 3 inputs are significant unobservable inputs (these assets are valued using consensus pricing). All of the Authority's assets are valued using Level 1 inputs.

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, 2023 and 2022.

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.

Missoula County Airport Authority Notes to Financial Statements

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.

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 net asset 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:

	2023	2022
Trade	\$ 947,617	\$ 513,955
Advertising	5,035	11,679
Ground handling	138,041	95,215
	\$ 1,090,693	\$ 620,849

Missoula County Airport Authority
Notes to Financial Statements

Note 4 – Capital Assets

A summary of capital assets at June 30, 2023 follows:

	Balance July 1, 2022	Additions	Deletions, Transfers and Reclassifications	Balance June 30, 2023
Capital assets not being depreciated:				
Land	\$ 11,617,234	\$ -	\$ -	\$ 11,617,234
Construction in progress	4,705,490	13,876,621	(3,832,166)	14,749,945
Total capital assets not being depreciated	16,322,724	13,876,621	(3,832,166)	26,367,179
Capital assets being depreciated:				
Land improvements	20,416,305	230,247	(69,068)	20,577,484
Buildings	83,531,944	3,038,024	-	86,569,968
Runways, taxiways, apron	70,927,696	-	-	70,927,696
Air traffic control tower	6,513,530	-	-	6,513,530
Studies	1,925,407	-	-	1,925,407
Machinery and equipment	3,210,247	301,686	-	3,511,933
Vehicles	7,264,986	556,700	-	7,821,686
Furniture and fixtures	1,549,110	42,691	(65,237)	1,526,564
Total capital assets being depreciated	195,339,225	4,169,348	(134,305)	199,374,268
Less accumulated depreciation	(87,185,062)	(8,041,045)	63,858	(95,162,249)
Capital assets, net	\$ 124,476,887	\$ 10,004,924	\$ (3,902,613)	130,579,198
				(21,341,774)
				\$ 109,237,424
				Less related debt
				Net investment in capital assets

Missoula County Airport Authority
Notes to Financial Statements

A summary of capital assets at June 30, 2022 follows:

	Balance July 1, 2021	Additions	Deletions, Transfers and Reclassifications	Balance June 30, 2022
Capital assets not being depreciated:				
Land	\$ 11,494,266	\$ -	\$ 122,968	\$ 11,617,234
Land available for sale	1,188,233	-	(1,188,233)	-
Construction in progress	<u>56,324,496</u>	<u>28,212,485</u>	<u>(79,831,491)</u>	<u>4,705,490</u>
Total capital assets not being depreciated	<u>69,006,995</u>	<u>28,212,485</u>	<u>(80,896,756)</u>	<u>16,322,724</u>
Capital assets being depreciated:				
Land improvements	12,412,157	8,004,148	-	20,416,305
Buildings	27,480,737	68,350,869	(12,299,662)	83,531,944
Runways, taxiways, apron	70,814,746	112,950	-	70,927,696
Air traffic control tower	6,513,530	-	-	6,513,530
Studies	1,925,407	-	-	1,925,407
Machinery and equipment	3,079,212	131,035	-	3,210,247
Vehicles	5,581,607	1,683,379	-	7,264,986
Furniture and fixtures	<u>54,034</u>	<u>1,549,110</u>	<u>(54,034)</u>	<u>1,549,110</u>
Total capital assets being depreciated	127,861,430	79,831,491	(12,353,696)	195,339,225
Less accumulated depreciation	<u>(93,369,851)</u>	<u>(6,168,907)</u>	<u>12,353,696</u>	<u>(87,185,062)</u>
Capital assets, net	<u>\$ 103,498,574</u>	<u>\$ 101,875,069</u>	<u>\$ (80,896,756)</u>	124,476,887
				<u>(19,440,500)</u>
				<u>\$ 105,036,387</u>

Note 5 – Long-Term Debt

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

	2023	2022
Airport revenue note - series 2019A	\$ 15,316,800	14,135,750
Airport revenue note - series 2019B	3,449,694	3,759,250
Airport revenue note - series 2022	<u>2,575,280</u>	<u>1,545,500</u>
	21,341,774	19,440,500
Current portion of long-term debt	<u>(535,906)</u>	<u>(612,910)</u>
	<u>\$ 20,805,868</u>	<u>\$ 18,827,590</u>

The Authority's outstanding notes from direct borrowings of \$21,341,774 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.

Missoula County Airport Authority Notes to Financial Statements

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.

Airport Revenue Note Series 2022 was issued in April 2022 as a draw down obligation for \$30,000,000 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 3.87%. Interest is due and payable on the 1st day of each calendar quarter, commencing April 1, 2023, and principal is due and payable on the 1st day of each calendar quarter, commencing July 1, 2032. All unpaid principal of accrued interest is due and payable on April 1, 2047.

The holder of the Series 2022 Note will provide the Authority an amortization schedule based upon the principal amount drawn down by the Authority.

As of June 30, 2023, the future payments of the Series 2019 were as follows:

	Principal	Interest	Total Payments
Note Payable to First Security Bank - Series 2019B & 2019A			
2024	\$ 531,869	\$ 713,779	\$ 1,245,648
2025	548,542	695,419	1,243,961
2026	565,473	678,488	1,243,961
2027	582,927	661,035	1,243,962
2028	600,854	644,794	1,245,648
2029-2033	3,785,750	2,845,872	6,631,621
2034-2038	4,736,849	1,997,020	6,733,869
2039-2043	5,780,223	953,646	6,733,869
2044-2047	1,634,007	49,460	1,683,467
	<u>\$ 18,766,494</u>	<u>\$ 9,239,513</u>	<u>\$ 28,006,007</u>

Changes in long-term debt were as follows:

2022	Balance July 1, 2022	Proceeds from Borrowing	Payments	Balance June 30, 2023	Amount Due in One Year
Note payable to First Security Bank of Missoula - series 2019A	\$14,135,750	\$ 1,181,050	\$ -	\$15,316,800	\$ -
Note payable to First Security Bank of Missoula - series 2019B	3,759,250	313,950	(623,506)	3,449,694	535,906
Note payable to First Security Bank of Missoula - series 2022	1,545,500	1,030,000	(220)	2,575,280	-
	<u>\$19,440,500</u>	<u>\$ 2,525,000</u>	<u>\$ (623,726)</u>	<u>\$21,341,774</u>	<u>\$ 535,906</u>

Missoula County Airport Authority

Notes to Financial Statements

Note 6 – Lease of Airport Facilities

The Authority receives a significant amount of revenue from rents. These include rent for use of the jetway by the airlines; rental of terminal space to airlines, travel agencies, and other tenants; rental of buildings, land, and hangars to individuals and companies engaged in general aviation; and rental of office buildings to federal government agencies (Transportation Security Administration and U.S. Forest Service). Certain lease agreements, by their terms, require annual determination of the rental charge based on predetermined formulas.

The Authority also has several leases that require the lessee to remit a percentage of its revenue as the rental charge or a minimum annual guaranteed amount (MAG). Amounts in excess of the minimum annual guarantee are considered variable payments and not included in the measurement of the lease receivable.

A schedule of terms and conditions for leases that require the lessee to remit a percentage of its revenue as rental charge as of June 30, 2023, follows:

Description	Terms	Conditions
On-airport car rentals	07/01/2020 - 06/30/2025	MAG or % of gross receipts as defined in the lease agreement, whichever is greater
In terminal food and beverage service	07/01/2022 - 06/30/2033	% of gross receipts as defined in the lease agreement

Certain leases are considered regulated leases because the FAA and Department of Transportation (DOT) grant assurances require the Authority to assure that all aeronautical users are entitled to airport access on fair and reasonable terms without unjust discrimination. Aeronautical use of an airport is any activity that involves, makes possible, is required for the safety of, or is otherwise directly related to, the operation of an aircraft. Regulated leases are not included in the measurement of the lease receivable and are recognized as revenue based on the payment provisions of the lease contract.

The following schedule presents a breakdown of lease-related revenue for the years ended June 30, 2023 and 2022:

Lease-related revenue*	2023	2022
Lease revenue		
Land	\$ 12,657	\$ 12,846
Building	1,479,407	1,479,407
Total Lease Revenue	1,492,064	1,492,253
Interest Revenue	227,320	299,032
Variable & other revenue	3,314,824	3,140,207
Total	\$ 5,034,208	\$ 4,931,492

* Lease-related revenue is included in the accompanying statements of revenues, expenses, and changes in net position with terminal operating revenue.

Missoula County Airport Authority
Notes to Financial Statements

The following is a schedule by year of expected future payments included in the measurement of the lease receivable for the year ended June 30:

	Principal	Interest	Total Receipts
2024	\$ 1,541,162	\$ 158,418	\$ 1,699,580
2025	1,590,049	79,817	1,669,866
2026	123,740	34,047	157,787
2027	130,071	27,716	157,787
2028	136,725	21,062	157,787
2029-2033	209,564	58,612	268,176
2034-2038	137,043	11,855	148,898
	<u>\$ 3,868,354</u>	<u>\$ 391,527</u>	<u>\$ 4,259,881</u>

Estimated future minimum lease payments for regulated leases are as follows:

Regulated Leases 5 Year Schedule

2024	\$ 1,133,235
2025	1,102,247
2026	850,211
2027	826,143
2028	334,551
2029-2033	1,565,237
2034-2038	1,470,724
2039-2043	741,608
2044-2048	544,927
2049-2053	178,189
2054-2058	137,651
	<u>\$ 8,884,723</u>

Note 7 – Subscription-Based Information Technology Arrangements (SBITAs)

The Authority entered into a subscription-based contract to utilize vendor-provided information technology software, with a contract term of 5 years. The Authority did not adopt the provisions of GASB 96 retroactively, as discussed further in Note 1. For the Authority, adoption of GASB 96 resulted in a June 30, 2023 balance of \$274,380 for intangible subscription assets with an associated \$54,876 of accumulated amortization.

Minimum future payments for SBITAs for the five succeeding fiscal years and thereafter are as follows:

	Principal	Interest
2024	\$ 26,685	\$ 4,823
2025	26,685	3,782
2026	26,685	2,637
2027	53,370	212
Total	<u>\$ 133,425</u>	<u>\$ 11,454</u>

Missoula County Airport Authority

Notes to Financial Statements

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 GASB.

Plan description – The PERS-Defined Benefit Retirement Plan (DBRP), administered by the MPERA, is a multiple-employer, cost-sharing plan established July 1, 1945, and governed by Title 19, chapters 2 & 3, Montana Code Annotated. 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.

Early retirement:

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

Notes to Financial Statements

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 of 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 w benefit for 12 months.

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.

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;

Missoula County Airport Authority Notes to Financial Statements

- ◆ 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% 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

Overview of contributions – Member and employer contribution rates are shown in the table below.

Fiscal Year	Member		State & Universities Employer	Local Government		School Districts	
	Hired <07/01/11	Hired >07/01/11		Employer	State	Employer	State
2023	7.900%	7.900%	9.070%	8.970%	0.100%	8.700%	0.370%
2022	7.900%	7.900%	8.970%	8.870%	0.100%	8.600%	0.370%
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 \$34,633,570.

Missoula County Airport Authority
Notes to Financial Statements

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, 2023, was determined by taking the results of the June 30, 2022, 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, 2023 and 2022, 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 Authority recorded a liability of \$3,533,992 and the employer’s proportionate share was 0.148619 percent.

	Net Pension Liability as of June 30, 2023	Net Pension Liability as of June 30, 2022	Percent of Collective NPL as of June 30, 2023	Percent of Collective NPL as of June 30, 2022	Change in Percent of Collective NPL
Authority proportionate share	\$ 3,533,992	\$ 2,659,825	0.148619%	0.146690%	0.001929%
State of Montana proportionate share associated with the Authority	1,057,576	784,526	0.044475%	0.043267%	0.001208%
Total	<u>\$ 4,591,568</u>	<u>\$ 3,444,351</u>	<u>0.193094%</u>	<u>0.189957%</u>	<u>0.003137%</u>

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 increased from 7.06% to 7.30%
2. The investment rate of return was increased from 7.06% to 7.30%
3. Updated all mortality tables to the PUB-2010 tables for general employees.
4. The inflation rate was increased from 2.40% to 2.75%.

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 to the Plan between the measurement date of the collective NPL and the Authority’s reporting date that are expected to have a significant effect on the Authority’s proportionate share of the collective NPL.

Missoula County Airport Authority
Notes to Financial Statements

Pension expense – At June 30, 2023, the Authority recognized \$324,038 for its proportionate share of the Plan’s pension expense and recognized grant revenue of \$109,618 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 6/30/2023	Pension expense as of 6/30/2022
Authority's proportionate share	\$ 324,038	\$ 155,054
State of Montana proportionate share associated with the employer	109,618	227,605
Total	\$ 433,656	\$ 382,659

Recognition of deferred inflows and outflows – At June 30, 2023, 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	\$ 45,051	\$ -
Change in assumptions	131,698	258,721
Projected vs. actual investment earnings	103,863	-
Changes in proportion share and differences between employer contributions and proportionate share of contributions	-	50,071
Employer contributions subsequent to measurement date	283,672	-
Total	\$ 564,284	\$ 308,792

Deferred outflows of resources related to pensions resulting from the Authority’s contributions subsequent to the measurement date in the amount of \$283,672 will be recognized as a reduction of the net pension liability in the year ending June 30, 2024.

Other amounts reported as deferred outflows and inflows of resources related to pensions are recognized in the Authority’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
2024	\$ (26,024)
2025	(126,609)
2026	(112,020)
2027	236,473
Thereafter	-

Missoula County Airport Authority

Notes to Financial Statements

Actuarial assumptions – The TPL in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

- Investment Return (net of admin expense) 7.30%
- Admin Expense as % of Payroll 0.29%
- General Wage Growth* 3.50%
- *includes Inflation at 2.75%
- 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 the PUB-2010 General Amount Weighted Employer Mortality projected to 2021 for males and females Projected using MP-2021.
- Mortality assumptions among disabled members are based on PUB-2010 General Amount Weighted Disabled Retiree Mortality table, projected to 2021, set forward one year for both males and females.

Missoula County Airport Authority

Notes to Financial Statements

The discount rate used to measure the TPL was 7.30%. The projection of cash flows used to determine the discount rate assumed the contributions from participating plan members, employers, and non-employer contributing entities would be made based on the Board's funding policy, which established the contractually required rates under the Montana Code Annotated. The state contributed 0.10% of the 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 2126. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected payments to determine the TPL. A municipal bond rate was not incorporated in the discount rate.

The long-term expected rate of return on pension plan investments is reviewed as part of regular experience studies prepared for the Plan about every five years. The long-term rate of return as of June 30, 2023, is based on analysis in the experience study report dated May 2, 2022 without consideration for the administrative expense analysis shown. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and an analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation), along with estimates of variability and correlations for each asset class. These ranges were combined to develop the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is intended to be a long-term assumption (30 to 50 years) and is not expected to change absent a significant change in the asset allocation, a change in the underlying inflation assumption, or a fundamental change in the market that alters expected returns in future years. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, are summarized in the following table.

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return Arithmetic Basis
Cash	3.00%	-0.33%
Domestic Equity	30.00%	5.90%
International Equity	17.00%	7.14%
Private Investments	15.00%	9.13%
Real Assets	5.00%	4.03%
Real Estate	9.00%	5.41%
Core Fixed Income	15.00%	1.14%
Non-Core		
Fixed Income	6.00%	3.02%
Total	100.00%	

Missoula County Airport Authority
Notes to Financial Statements

Sensitivity of the proportionate share of the net pension liability to changes in the discount rate –

The following presents the Authority’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 7.30%, 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 (6.30)%	Current Discount Rate	1.0% Increase (8.30)%
Missoula County Airport Authority’s net pension liability	\$ 5,094,414	\$ 3,533,992	\$ 2,224,816

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, 2022, 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 340 employers that have participants in the PERS-DCRP totaled \$1,681,603.

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/about/annualreports1/annualreports>.

Missoula County Airport Authority Notes to Financial Statements

Note 9 – Other Retirement and Medical Benefit Plans

Other retirement plan – In 2023 and 2022, 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 2023 and 2022 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, 2023 and 2022, were \$271,861 and \$224,905, respectively. Employee contributions to the Authority's 414(h) retirement plan for years ended June 30, 2023 and 2022, were \$135,930 and \$112,127, respectively.

Deferred compensation plan – The Authority sponsors a deferred compensation plan 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 2023 and 2022, the Authority paid \$543,423 and \$509,062, 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.

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 OPEB provision is accounted for in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The amounts related to OPEB are not material to the Authority; therefore, the additional disclosures related to OPEB have not been included within the notes to the financial statements.

Missoula County Airport Authority

Notes to 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, 2023, 2022 or 2021. 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, 2023 and 2022.

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, 2023 and 2022 were \$116,215 and \$98,795, respectively.

As discussed in Note 10, employee medical and life insurance is provided through the Authority's participation in the Missoula County self-insured medical plan.

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.

In fiscal year 2022, the sellers exercised their option to purchase 154.2 acres for \$858,514. The transaction resulted in the Authority recognizing a loss of \$207,500 and interest revenue of \$455,718.

Missoula County Airport Authority Notes to Financial Statements

As of June 30, 2022, the Authority reclassified the remaining land cost under the settlement agreement from land available to sell to other capital assets on the statements of net position as the ten-year period under the settlement agreement has expired.

In July 2022, the Authority began work on the East Concourse phase of the terminal project. The new concourse will include 4 additional boarding gates, a permanent baggage claim area, and space for rental car operations. The project is budgeted at approximately \$42 million and expected to be complete in 2025.

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 Montana Airport (the Airport) in a more efficient, cost-effective manner.

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 Guarantee	Percentage of Annual Gross Receipts (calculated for the contract years ended June 30)
June 30, 2024	\$ 729,998	50% of RPS’s annual gross receipts >\$0 but <\$200,000 80% of RPS’s annual gross receipts >\$200,000 but <\$500,000 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 in the amount of \$729,998 and \$1,465,062 for fiscal years June 30, 2023 and 2022, respectively. The deferred inflow of resources is amortized to revenue over the term of the agreement.

Missoula County Airport Authority
Notes to Financial Statements

Note 14 – Subsequent Events

Management has evaluated subsequent events through _____, 2023, the date on which the financial statements were available to be issued.

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Required Supplementary Information

Missoula County Airport Authority
Schedule of Proportionate Share of the PERS Net Pension Liability
*** For the Last Ten Fiscal Years**
June 30, 2023

Measurement date as of June 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's proportion of the net pension liability as a percentage	0.1486%	0.1467%	0.1572%	0.1538%	0.1355%	0.1709%	0.1536%	0.1509%	0.1402%
Employer's net pension liability as an amount	\$ 3,533,992	\$ 2,659,825	\$ 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>1,057,576</u>	<u>784,526</u>	<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>\$ 4,591,568</u>	<u>\$ 3,444,351</u>	<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 **	\$ 2,611,817	\$ 2,591,116	\$ 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	135.31%	102.65%	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	73.66%	79.91%	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 2022 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.*

See accompanying notes to required supplementary information.

Missoula County Airport Authority
Schedule of PERS Contributions
*** For the Last Ten Fiscal Years**
June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Schedule of Contributions for the Last Ten Fiscal Years*									
Contractually required contributions	\$ 283,672	\$ 232,285	\$ 229,622	\$ 231,111	\$ 218,276	\$ 188,692	\$ 177,398	\$ 153,809	\$ 145,159
Plan choice rate required contributions	-	-	-	-	-	-	-	8,830	11,371
Contributions in relation to the contractually required contributions	<u>283,672</u>	<u>232,285</u>	<u>229,622</u>	<u>231,111</u>	<u>218,276</u>	<u>188,692</u>	<u>177,398</u>	<u>162,639</u>	<u>156,530</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's covered-employee payroll **	\$ 3,162,448	\$ 2,611,817	\$ 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	8.97%	8.89%	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 2022 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.

See accompanying notes to required supplementary information.

Missoula County Airport Authority
Notes to Required Supplementary Information
June 30, 2023

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
June 30, 2023

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, 2022 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	0.29%

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.

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Supplementary Information

Missoula County Airport Authority
Operating Revenues
Years Ended June 30, 2023 and 2022

	2023	2022	Increase (Decrease)
LANDING FIELD			
Landing fees			
Airlines	\$ 774,422	\$ 831,547	\$ (57,125)
Freight carriers	44,423	40,248	4,175
Forest service	30,534	101,237	(70,703)
Non-based Landing Fees	124,755	83,028	41,727
Non-sig turn fees	1,850	368,340	(366,490)
Fuel flowage	103,008	133,167	(30,159)
Total landing field	<u>1,078,992</u>	<u>1,557,567</u>	<u>(478,575)</u>
TERMINAL			
Airline rentals	638,400	1,084,714	(446,314)
Advertising revenue	241,216	174,496	66,720
Land transportation facilities			
Customer facility charges	949,616	842,688	106,928
On-airport car rentals	2,155,272	2,052,382	102,890
Off-airport car rentals	45,583	26,746	18,837
Parking lot	2,975,990	2,256,973	719,017
Glycol disposal	25,061	-	25,061
Ground services	905,087	875,203	29,884
Ground transportation	172,109	-	172,109
Restaurant	155,336	64,929	90,407
Coffee concession	10,838	97,707	(86,869)
Liquor concession	131,203	7,301	123,902
Food truck concession	-	269	(269)
Travel agency	5,272	6,790	(1,518)
Gift shops	355,199	130,997	224,202
Non-sig use fees	134,534	-	134,534
Telephones and vending	32,101	38,109	(6,008)
Utilities reimbursement	36,674	32,414	4,260
Security reimbursement	122,821	131,925	(9,104)
Signatory use fee	761,977	-	761,977
Lease adjustment	(208,648)	(208,454)	(194)
Other	53,642	154,418	(100,776)
Total terminal	<u>9,699,283</u>	<u>7,769,607</u>	<u>1,929,676</u>
FIXED BASE/GOVERNMENT			
Fixed base operator's rental	<u>263,651</u>	<u>256,275</u>	<u>7,376</u>
Total fixed base/government	<u>263,651</u>	<u>256,275</u>	<u>7,376</u>
INDUSTRIAL PARK			
Building and ground rental	706,051	637,315	68,736
Agricultural ground rental	(2,674)	15,264	(17,938)
Fuel farm rental	4,303	4,176	127
Total industrial park	<u>707,680</u>	<u>656,755</u>	<u>50,925</u>
TOTAL OPERATING REVENUES	<u>\$ 11,749,606</u>	<u>\$ 10,240,204</u>	<u>\$ 1,509,402</u>

Missoula County Airport Authority
Operating Expenses
Years Ended June 30, 2023 and 2022

	2023	2022	Increase (Decrease)
Accounting and auditing services	\$ 32,500	\$ 38,006	\$ (5,506)
Consulting services	217,099	183,227	33,872
Display/visitor information center	3,228	3,082	146
Insurance	200,135	136,866	63,269
Legal services	12,041	3,701	8,340
Maintenance, repairs and equipment rentals	1,460,231	1,184,302	275,929
Membership and organization dues	46,183	18,151	28,032
Office supplies and equipment	69,270	64,354	4,916
Other	40,910	69,545	(28,635)
Petroleum products and tires	139,554	98,640	40,914
Safety supply and equipment	38,273	22,206	16,067
Salaries and related payroll expenses	5,300,313	4,881,326	418,987
Telephone	41,909	48,403	(6,494)
Landing fee commission	22,779	-	22,779
Training	89,191	52,810	36,381
Travel, meals and public relations	102,185	81,307	20,878
Uniforms and laundry	68,778	27,566	41,212
Utilities	597,801	492,678	105,123
	<u>\$ 8,482,380</u>	<u>\$ 7,406,170</u>	<u>\$ 1,076,210</u>

Missoula County Airport Authority
Revenue Bond Coverage
Year Ended June 30, 2023

GROSS REVENUES	
Operating	\$ 11,749,606
Plus: interest - unrestricted, debt service and debt service reserve	<u>271,899</u> 12,021,505
OPERATING EXPENSES	<u>8,482,380</u>
NET REVENUE AVAILABLE FOR DEBT SERVICE	<u>\$ 3,539,125</u>
FISCAL YEAR DEBT SERVICE REQUIREMENT	<u>\$ 1,385,148</u>
COVERAGE RATIO	2.56
MINIMUM DEBT SERVICE COVERAGE REQUIRED BY RATE COVENANT	<u>1.25</u>

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Missoula County Airport Authority
Airport Operations Information
Year Ended June 30, 2023

REVENUE PASSENGERS HANDLED

	2023	2022
Airlines		
Revenue passengers enplaned	441,974	418,671
Revenue passengers deplaned	437,063	413,500
Total	879,037	832,171

TOWER AIRCRAFT OPERATIONS

Total Traffic	41,468	45,289
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**Missoula County Airport Authority
Insurance in Force
Year Ended June 30, 2023**

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	75,879,494
	Terminal buildings limit	55,000
	Blanket contents limit	900,322
	Terminal contents	733,394
	Blanket business income limit	1,500,000
	Fencing, gates, and outdoor lighting	257,000
	Scheduled mobile equipment	6,037,894
	Flood coverage	1,000,000
	Earthquake coverage	5,000,000
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

The policy year for the contracts was July 1, 2022 through July 1, 2023.

**Missoula County Airport Authority
 Federally Funded Airport Projects
 Year Ended June 30, 2023**

AIP Funded Projects

Project #	Projects	Percent Complete	Grant Award
70	CARES (Coronavirus Aid, Relief & Economic Security)	100%	\$ 5,616,102
71	VALE (Voluntary Airport Low Emissions Program)	100%	756,995
72	CRRSA (Coronavirus Response & Relief Supplemental Appropriation)	100%	3,294,323
79	Terminal Core/Shell /Interior	100%	2,149,521
80	Master Plan	37%	990,000
81	Terminal Phase II	56%	11,000,000
82	Deice Pad	24%	3,849,000
83	Seal, Crack Repair	12%	1,014,436

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	16%	\$ 36,265,589

Missoula County Airport Authority
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Program Description	AL No.	Contract No.	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Transportation				
<i>Direct:</i>				
Administered by the Federal Aviation Administration				
COVID-19 Airport Improvement Program	20.106	3-30-0056-070-2020	\$ 588,161	\$ -
COVID-19 Airport Improvement Program	20.106	3-30-0056-071-2020	79,295	-
COVID-19 Airport Improvement Program	20.106	3-30-0056-072-2021	1,016,149	-
Airport Improvement Program	20.106	3-30-0056-079-2022	131,446	-
Airport Improvement Program	20.106	3-30-0056-080-2022	365,670	-
Airport Improvement Program	20.106	3-30-0056-081-2022	6,105,296	-
Airport Improvement Program	20.106	3-30-0056-082-2022	942,923	-
Airport Improvement Program	20.106	3-30-0056-083-2023	<u>120,975</u>	-
Total U.S. Department of Transportation			<u>9,349,915</u>	<u>-</u>
Total Federal Expenditures			<u>\$ 9,349,915</u>	<u>\$ -</u>

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See notes to the schedule of expenditures of federal awards.

Missoula County Airport Authority
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

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, 2023. 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 position, 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 accompanying financial statements.

Note 3 – Airport Improvement Projects

The Authority receives federal contributions totaling 90-95% of actual expenditures incurred on qualified airport improvement projects, and the Authority provides the remaining match. The CARES and CRSSAA Act provides funds to increase the federal share to 100% for Airport Improvement Program grants.

Note 4 – Indirect Cost Rate

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

See notes to the schedule of expenditures of federal awards.

Missoula County Airport Authority
Schedule of Passenger Facility Charges (PFC) Collected and Expended
Year Ended June 30, 2023

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

Quarter Ended	PFC Revenue Collected	Interest Earned	Expenditures on PFC Projects
September 2022	\$ 434,655	\$ 23	\$ 144,033
December 2022	440,052	28	134,692
March 2023	372,526	31	158,370
June 2023	<u>659,248</u>	<u>47</u>	<u>310,501</u>
Total	<u>\$ 1,906,481</u>	<u>\$ 129</u>	<u>\$ 747,596</u>

Total PFC collections authorized	\$ 59,763,524
Cumulative PFC collections	<u>32,046,199</u>
Remaining PFC collections authorized	<u>\$ 27,717,325</u>

See notes to the schedule of passenger facility charges (PFC) collected and expended.

Missoula County Airport Authority
Notes to the Schedule of Passenger Facility Charges Collected and Expended

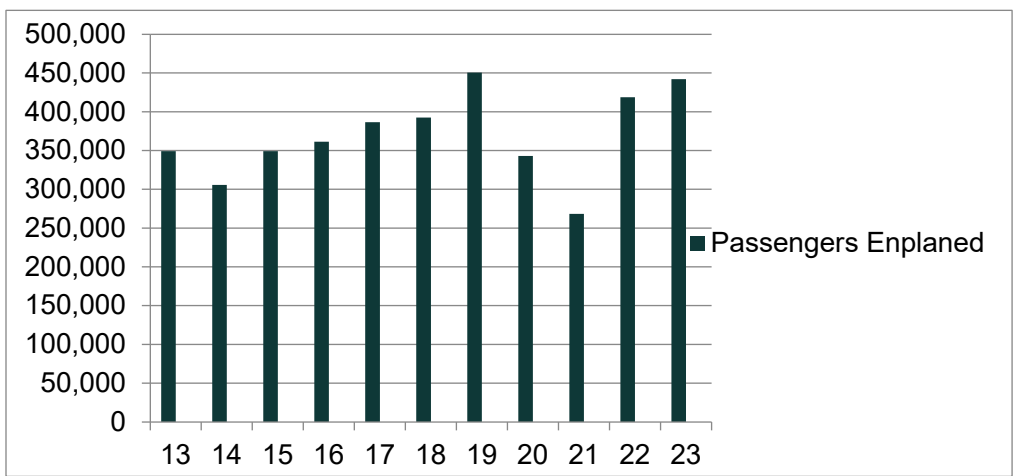
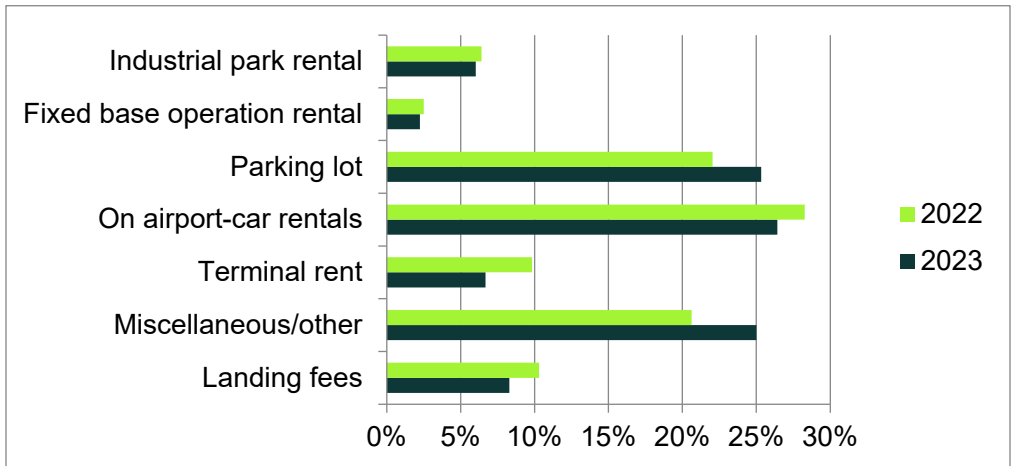
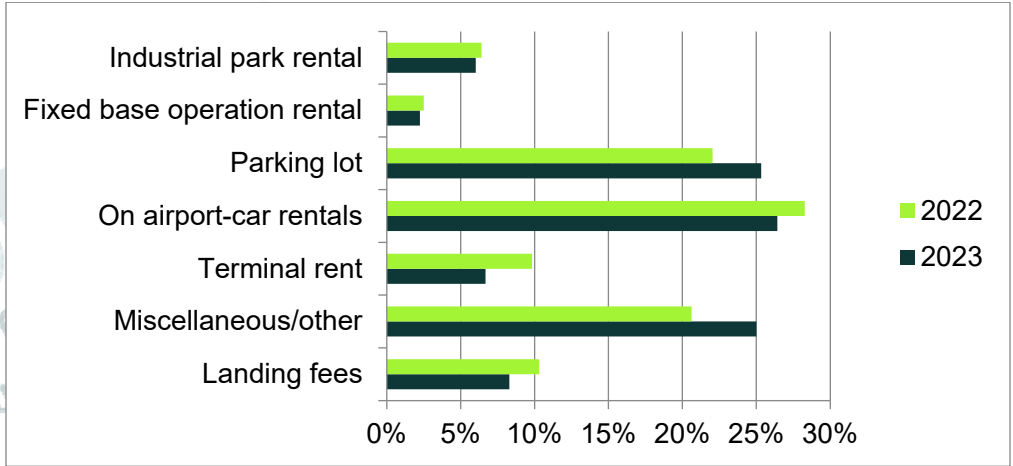
Note 1 – Basis of Accounting

This Schedule of Passenger Facility Charges (PFC) Collected and Expended (the Schedule) is reported on a cash basis. Therefore, only those revenues received and expenses paid for the quarter are reported. PFC revenues not received or expenses incurred prior to the end of each quarter are not accrued and are reported as revenues and expenses of the subsequent reporting period.

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See notes to the schedule of passenger facility charges (PFC) collected and expended.

Missoula County Airport Authority Graphs Years Ended June 30, 2023 and 2022



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Single Audit Section

Report of Independent Auditors 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*

The Board of Commissioners
Missoula County Airport Authority

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) which comprise the statement of net position as of June 30, 2023, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise Missoula County Airport Authority's basic financial statements, and have issued our report thereon dated November 28, 2023.

Report on 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) as a basis for designing 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 or significant deficiencies may exist that were not identified.

Report on 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 financial statements. 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.

Portland, Oregon
November 28, 2023

Report of Independent Auditors on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

The Board of Commissioners
Missoula County Airport Authority

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Missoula County Airport Authority's (the Authority) compliance with the types of compliance requirements identified as subject to audit 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, 2023. 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.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2023.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Portland, Oregon
November 28, 2023

Missoula County Airport Authority
Schedule of Findings and Questioned Costs
Year Ended June 30, 2023

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued on whether the financial statements audited were prepared in accordance with GAAP: *Unmodified*

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of Major Federal Programs and Type of Auditor’s Report Issued on Compliance for Major Federal Programs

<i>Federal Assistance Listing Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor’s Report Issued on Compliance for Major Federal Program</i>
20.106	COVID-19 – Airport Improvement Program	<i>Unmodified</i>

Dollar threshold used to distinguish between type A and type B programs: \$750,000
 Auditee qualified as low-risk auditee? Yes No

Section II – Financial Statement Findings

None reported.

Section III – Federal Awards Findings and Questioned Costs

None reported.

Missoula County Airport Authority
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023

Prior Year Financial Statement Findings

Finding: #2022-001 Capital Contributions

Status: Corrected

Prior Year Federal Award Findings and Questioned Costs

None reported.

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Other Compliance Reports

Report of Independent Auditors on Compliance with Requirements that Could Have a Direct and Material Effect on the Passenger Facility Charge Program and Report on Internal Control Over Compliance in Accordance with the *Passenger Facility Charge Program Audit Guide for Public Agencies*

The Board of Commissioners
Missoula County Airport Authority

Report on Compliance for the Passenger Facility Charge Program

Opinion on 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 Program 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, 2023.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its PFC program for the year ended June 30, 2023.

Basis for Opinion on the Passenger Facility Charge Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of the Guide. Our responsibilities under those standards and the Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the PFC program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's PFC program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of the Guide as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 the PFC program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a 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 the PFC 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 the PFC 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 Guide. Accordingly, this report is not suitable for any other purpose.

Portland, Oregon
November 28, 2023

November 28, 2023

Moss Adams LLP
805 SW Broadway, Suite 1400
Portland, OR 97205

We are providing this letter in connection with your audit of the financial statements of Missoula County Airport Authority (the Authority), which comprise the statement of net position as of June 30, 2023, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to 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 (U.S. GAAP). We have also provided you with the schedule of expenditures of federal awards and schedule of passenger facility charges collected and expended for expressing an opinion as to whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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 the 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.

Except where otherwise stated below, immaterial matters less than \$35,000 collectively are not considered to be exceptions that require disclosure for the purpose of the following representations. This amount is not necessarily indicative of amounts that would require adjustment to or disclosure in the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 8, 2023, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
2. 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.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal controls to prevent and detect fraud.
4. The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP.
5. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

6. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
7. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.

Information Provided

8. 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, documentation, and other matters;
 - b) Minutes of the meetings of the Board of Commissioners and committees of Commissioners, or summaries of actions of recent meetings for which minutes have not yet been prepared;
 - c) Additional information that you have requested from us for the purpose of the audit;
 - d) Unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
9. All transactions have been properly recorded in the accounting records and are reflected in the financial statements.
10. We have retained copies of all information we provided to you during the engagement and have been provided copies of all necessary financial and non-financial schedules, memos, data, and other information related to all services performed by you, such that in our opinion our records are complete, including our records supporting our financial statements and all related accounting policies and positions. Furthermore, you do not act as the sole host of any financial or non-financial information system for us, nor do you provide any electronic security or back-up services for our data or records.
11. 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.
12. We have no knowledge of any fraud or suspected fraud that affects the entity and involves management, employees who have significant roles in internal control, or others when the fraud could have a material effect on the financial statements.
13. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others.
14. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
15. We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
16. We have disclosed to you the identity of all the entity's related parties and all the related party relationships and transactions of which we are aware.
17. The following have been properly recorded or disclosed in the financial statements:

- a. Significant estimates and material concentrations known to management that are required to be disclosed in accordance with GAAP. [Significant estimates are estimates at the statement of net position date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.]
 - b. Guarantees, whether written or oral, under which the Authority is contingently liable.
18. To the best of our knowledge, there are no component units requiring financial presentation and disclosure in the Authority's financial statements in accordance with GAAP to the best of our knowledge.
19. 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, other than as disclosed in the financial statements.
20. 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.
21. Disclosures regarding custodial credit risk, concentration of credit risk and interest rate risk, as they relate to the Authority's deposits and investment securities, are made in accordance with GAAP.
22. Capital assets exist and are in use and are properly capitalized, reported, and if applicable, depreciated.
23. The Authority is in compliance with all bond covenants as of June 30, 2023.
24. We believe that the net position balances are appropriately classified as unrestricted, net investment in capital assets, and restricted amounts in accordance with GAAP.
25. Management has prepared the Management's Discussion and Analysis section of the financial statements in accordance with GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. Additionally, management has prepared the schedule of proportionate share of the PERS net pension liability, schedule of PERS contributions, and notes to required supplementary information in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68*. We acknowledge that this is not part of the basic financial statements but is required supplementary information. We are solely responsible for the required supplementary information being fairly stated, in all material respects, in relation to the basic financial statements as a whole. All condensed financial amounts provided are in agreement with current and previously audited financial statements. We note the following:

- a. We are responsible to include the auditor's report on the required supplementary information in any document that contains the required supplementary information and indicates that Moss Adams LLP has reported on such required supplementary information.
 - b. We are responsible to present the required supplementary information with the audited basic financial statements or, if the required supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the required supplementary information no later than the date of issuance by the Authority of the required supplementary information and the auditor's report thereon.
26. The census data provided to the Montana Public Employee Retirement Administration for purposes of calculating and allocating the net pension liability, pension expense, and deferred inflows and outflows of resources for GASB 68 compliance was complete and accurate.
27. In accordance with GASB 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*, the Authority has evaluated the OPEB liability in accordance with the updated statement. The amounts related to OPEB are not material to the Authority; therefore, the additional disclosures related to OPEB have not been included within the notes to the financial statements or required supplementary information.
28. All cash, investments, and other assets that are required to be segregated and that are restricted in their use are properly classified as restricted in the financial statements.
29. With respect to the supplementary information listed below we acknowledge our responsibility for presenting the supplementary information in accordance with the required basis of accounting, and we believe the supplementary information, including its form and content, is fairly presented in accordance with the required basis of accounting. We acknowledge our responsibility to provide the audit report to all recipients of the supplementary information. The methods of measurement and presentation of the supplementary information 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. If the supplementary information 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. The following supplementary information accompanies the audited financial statements:
 - a. Operating Revenues
 - b. Operating Expenses
 - c. Revenue Bond Coverage
 - d. Airport Operations Information

- e. Insurance in Force
 - f. Federally Funded Airport Projects
 - g. Graphs
30. We have assessed going concern and conclude that no additional disclosure or adjustment to the financial statements is necessary as of and for the year ended June 30, 2023.
31. All disclosures for debt are presented in accordance with GASB 88, *Certain Disclosures Related to Debt*. There is no additional debt or other liabilities which are not recorded and disclosed as of June 30, 2023.
32. We have re-assessed the provisions of GASB Statement No. 87, *Leases*, during the fiscal year ended June 30, 2023 and included the required disclosures within the financial statements.
33. We have adopted the provisions of GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. There was no impact to the Authority as the Authority had already recorded a concession services arrangement in accordance with GASB Statement No. 60, *Accounting for Service Concession Arrangements*, and no changes were required as a result of the adoption of GASB Statement No. 94.
34. We have adopted the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, during the fiscal year ended June 30, 2023. Due to the immaterial nature of the impact to the prior year, the financial statements for the year ended June 30, 2022 were not restated to conform to the provisions of GASB 96.
35. As part of your audit, you assisted in preparing the draft financial statements and related notes. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have assumed all management responsibilities. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
36. With respect to federal award programs:
- a) We are responsible for understanding and complying with the 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), laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs.
 - b) We acknowledge our responsibility for presenting the schedule of expenditures of federal awards (SEFA) 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 Circular. The methods of measurement and 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 and 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 supplementary information 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 and included in the SEFA expenditures made during the audit period for all awards provided by federal agencies in the form of grants, 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 laws, regulations, and the provisions of contracts and grant agreements related to each of our federal programs and have identified and disclosed to you the requirements of laws, regulations and the provisions of contracts and grant agreements that are considered to have a direct and material effect on each major program.
- f) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance requirements applicable to federal programs that provides reasonable assurance that we are managing our federal awards in compliance with laws, regulations, and the provisions of contracts and grant agreements 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 Uniform Guidance, 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 to you 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) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- m) 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.
- n) 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.
- o) There are no known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- p) No changes have been made in internal control over compliance or other factors that might significantly affect internal control subsequent to the period covered by the auditor's report.
- q) 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.
- r) The copies of federal program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency, or pass-through entity (in the case of subrecipients), as applicable.
- s) We have charged costs to federal awards in accordance with applicable cost principles.
- t) We are responsible for and will accurately prepare the auditee section of the Data Collection Form as required by the Uniform Guidance.
- u) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- v) The SEFA is prepared on the accrual basis and is considered to be complete and accurately stated as of June 30, 2023. We have no knowledge of significant federal expenditures related to 2023 that are not accrued for in the SEFA.

37. With respect to the PFC program:

- a) We are responsible for complying, and have complied, with the requirements of the PFC Program.
- b) We have identified and reported to the Federal Aviation Administration (“FAA”) all PFC receipts and expenditures as stated in the Schedule of Passenger Facility Charge Program Receipts and Expenditures in accordance with the *Passenger Facility Audit Guide for Public Agencies*.
- c) There have been no communications from regulatory agencies concerning noncompliance with or deficiencies in financial reporting practices related to the PFC program.
- d) We are responsible for complying with the requirements of laws, regulations, and the provisions of contracts and agreements related to the PFC program.
- e) We are responsible for establishing and maintaining effective internal control over compliance for the PFC program that provides reasonable assurance that management of PFC receipts and expenditures is in compliance with laws, regulations, and the provisions of contracts or agreements that could have a material effect on the PFC program.
- f) We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
- g) We have made available all contracts and agreements (including amendments, if any) and any other correspondence that have taken place with the FAA and are related to the PFC program.
- h) We have identified and disclosed to you, the requirements of laws, regulations and the provisions of contracts and agreements that could have a direct and material effect on the PFC program, including any material and applicable law changes.
- i) We have complied, in all material respects, with the compliance requirements in connection with the PFC program, including the PFC Assurances set forth under Part 158 of the PFC program as defined by the FAA.
- j) We have identified and disclosed to you the results of other audits or program reviews as it pertains to the PFC program.
- k) Our interpretations of any compliance requirements that have varying interpretations have been provided.
- l) We have made available all documentation related to the compliance requirements, including information related to the PFC program financial reports.
- m) Schedule of Passenger Facility Charges (PFC) Collected and Expended are supported by our books and records, the input from which the Authority’s financial statements are prepared.

- n) We have complied with reporting requirements in connection with the PFC program and copies of the PFC program financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the federal agency or pass-through entity, as applicable.
- o) We have disclosed any known noncompliance occurring subsequent to the period for which compliance is audited.
- p) We have disclosed whether any changes in internal control over compliance or other factors that might significantly affect internal control have occurred subsequent to the date as of which compliance is audited.

To the best of our knowledge and belief, no events have occurred subsequent to the statement of net position date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

Brian Ellestad, A.A.E., Airport Director

Tim Damrow, A.A.E., Deputy Director

William Parnell, CPA, Director, Administration and Finance

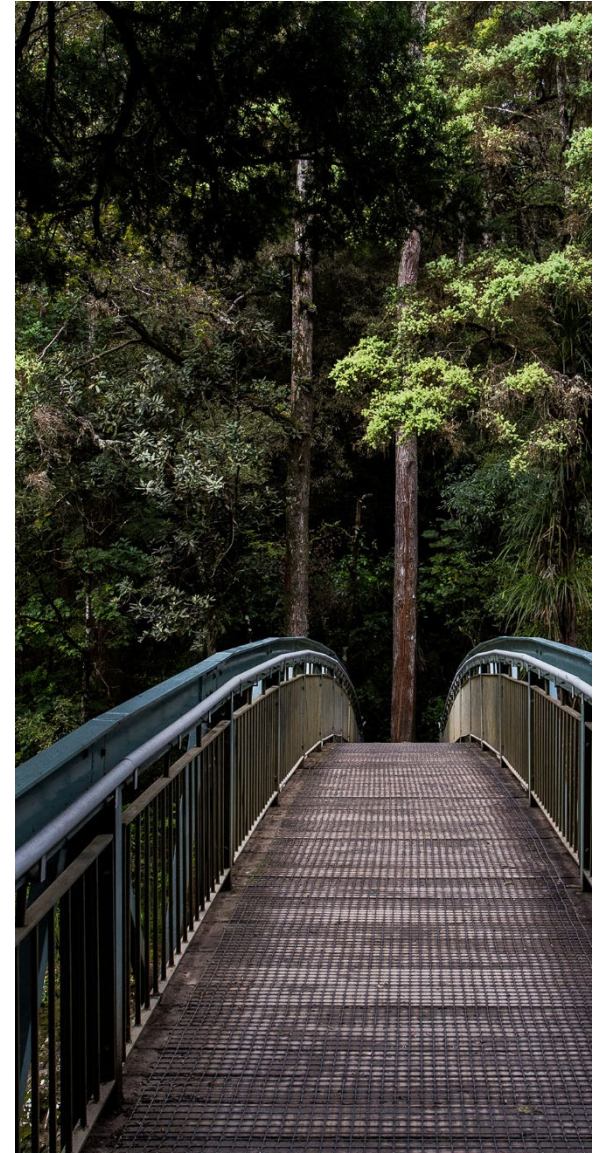


Agenda

1. Auditor Opinions and Reports
2. Required Communications with Those Charged with Governance
3. Other Information



Auditor Opinions & Reports





Auditor Report on the Financial Statement

Report of Independent Auditors

- Unmodified opinion
- Financial statements are presented fairly in accordance with US GAAP



Other Auditor Reports – Single Audit

<p>GAGAS Report on Internal Control Over Financial Reporting and on Compliance and Other Matters</p>	<ul style="list-style-type: none">• No control findings• No compliance findings
<p>Report on Compliance with Requirements that could have a Direct and Material Effect on the Major Federal Program and on Internal Control Over Compliance in accordance with the Uniform Guidance for Federal Awards (2 CFR Part 200)</p>	<ul style="list-style-type: none">• No control findings• No compliance findings

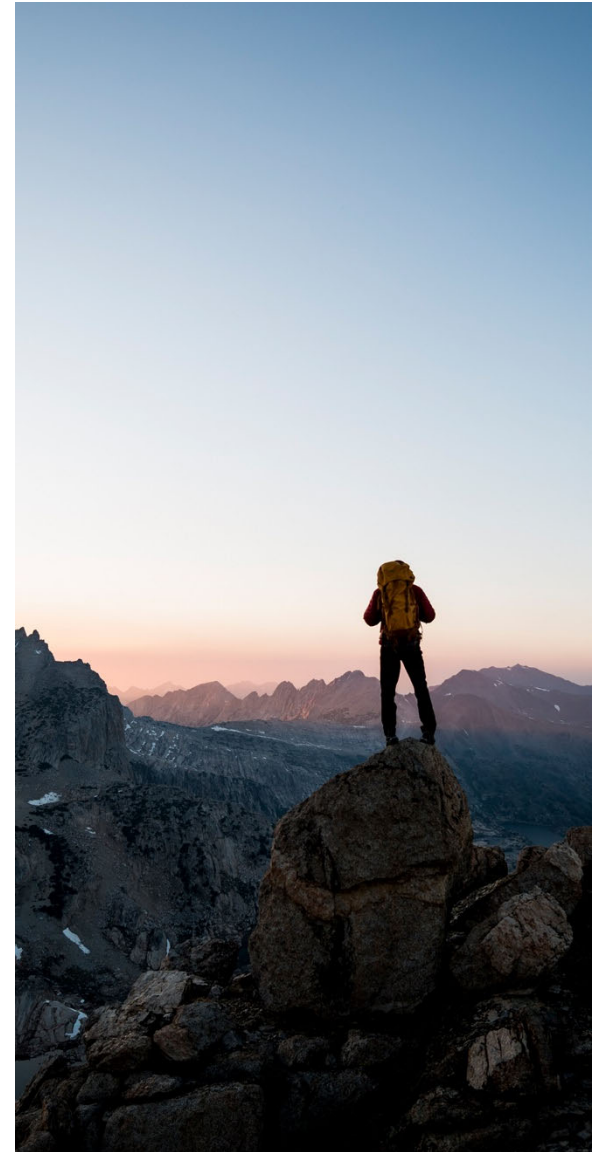


Other Auditor Reports – Passenger Facility Charges

<p>GAGAS Report on Internal Control Over Financial Reporting and on Compliance and Other Matters</p>	<ul style="list-style-type: none">• No control findings• No compliance findings
<p>Report on Compliance with Requirements Applicable to the Passenger Facility Charge Program and on Internal Control over Compliance</p>	<ul style="list-style-type: none">• No control findings• No compliance findings



Communications with Those Charged with Governance





Our Responsibility Under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

1

To express our opinion on whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, and in accordance with U.S. GAAP. However, our audit does not relieve you or management of your responsibilities.

2

To perform an audit in accordance with generally accepted auditing standards issued by the AICPA and Government Auditing Standards issued by the Comptroller General of the United States, and design the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement.

3

To consider internal control over financial reporting and internal control over compliance as a basis for designing audit procedures but not for the purpose of expressing an opinion on its effectiveness or to provide assurance concerning such internal control.

4

To communicate findings that, in our judgment, are relevant to your responsibilities in overseeing the financial reporting process and administering federal awards. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

COMMUNICATION WITH GOVERNING BODY

Planned Scope & Timing of the Audit

It is the auditor's responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence and to communicate with those charged with governance an overview of the planned scope and timing of the audit.

Our Comments

The planned scope and timing of the audit was communicated to the Board of Commissioners during the audit entrance meeting on August 29, 2023.





COMMUNICATION WITH GOVERNING BODY

Significant Accounting Policies & Unusual Transactions

The auditor should determine that the Board of Commissioners is informed about the initial selection of and changes in significant accounting policies or their application. The auditor should also determine that the Board of Commissioners is informed about the methods used to account for significant unusual transactions and the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Our Comments

Management has the responsibility for selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in the footnotes to the financial statements. Throughout the course of an audit, we review changes, if any, to significant accounting policies or their application, and the initial selection and implementation of new policies. There were no changes to significant accounting policies for the year ended June 30, 2023; however, the Authority did adopt the following standards in the current year: *GASB 94, Public-Private and Public-Public Partnerships and Availability Payment*, and *GASB 96, Subscription-Based Information Technology Arrangements*.

We believe management has selected and applied significant accounting policies appropriately and consistent with those of the prior year.

COMMUNICATION WITH GOVERNING BODY

Management Judgments & Accounting Estimates

The Board of Commissioners should be informed about the process used by management in formulating particularly sensitive accounting estimates and about the basis for the auditor's conclusions regarding the reasonableness of those estimates.

Our Comments

Management's judgments and accounting estimates are based on knowledge and experience about past and current events and assumptions about future events. We apply audit procedures to management's estimates to ascertain whether the estimates are reasonable under the circumstances and do not materially misstate the financial statements.

We deemed all significant management estimates reasonable.





COMMUNICATION WITH GOVERNING BODY

Financial Statement Disclosures

Our views about qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures.

Our Comments

The disclosures in the financial statements are clear and consistent. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We draw your attention to the following:

Note 1 – Summary of Significant Accounting Policies

Note 4 – Capital Assets

Note 5 – Long-Term Debt

Note 6 – Lease of Airport Facilities

Note 8 – Public Employees' Retirement System (PERS)

Note 13 – Service Concession Arrangement

COMMUNICATION WITH GOVERNING BODY

Difficulties Encountered in Performing the Audit

The Board of Commissioners should be informed of any significant difficulties encountered in dealing with management related to the performance of the audit.

Our Comments

No significant difficulties were encountered during our audit.





COMMUNICATION WITH GOVERNING BODY

Significant Audit Adjustments & Unadjusted Differences Considered by Management To Be Immaterial

The Board of Commissioners should be informed of all significant audit adjustments arising from the audit. Consideration should be given to whether an adjustment is indicative of a significant deficiency or a material weakness in the Authority's internal control over financial reporting, or in its process for reporting interim financial information, that could cause future financial statements to be materially misstated.

The Board of Commissioners should also be informed of uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements as a whole.

Our Comments

There were no corrected or uncorrected audit adjustments identified as a result of our audit procedures.

COMMUNICATION WITH GOVERNING BODY

Potential Effect on the Financial Statements of Significant Risks & Exposures & Uncertainties

The Board of Commissioners should be adequately informed of the potential effect on the financial statements of significant risks and exposures and uncertainties that are disclosed in the financial statements.

Our Comments

The Authority is subject to potential legal proceedings and claims that arise in the ordinary course of business; however, no adjustment or disclosure in the financial statements was necessary.



COMMUNICATION WITH GOVERNING BODY

Disagreements with Management

Disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the Authority's financial statements, or the auditor's report.

Our Comments

We are pleased to report that there were no disagreements with management.





COMMUNICATION WITH GOVERNING BODY

Deficiencies in Internal Control

Any material weaknesses and significant deficiencies in the design or operation of internal control that came to the auditor's attention during the audit must be reported to the Board of Commissioners.

Our Comments

- **Material weakness**
 - None noted
- **Significant deficiencies & non-compliance**
 - None noted



COMMUNICATION WITH GOVERNING BODY

Management's Consultation with Other Accountants

In some cases, management may decide to consult about auditing and accounting matters. If management has consulted with other accountants about an auditing and accounting matter that 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.

Our Comments

We are not aware of any significant accounting or auditing matters for which management consulted with other accountants.

COMMUNICATION WITH GOVERNING BODY

Other Material Written Communications

Report to the Board of Commissioners
significant written communications
between the auditor and client
management.

Our Comments

Other than the engagement letter, standard audit contract, and
management representation letter, there have been no other
significant communications.



COMMUNICATION WITH GOVERNING BODY

Material Uncertainties Related to Events & Conditions

Any doubt regarding the entity's ability to continue, as a going concern, should be communicated to the Board of Commissioners.

Our Comments

No such matters came to our attention.





COMMUNICATION WITH GOVERNING BODY

Fraud & Noncompliance with Laws and Regulations

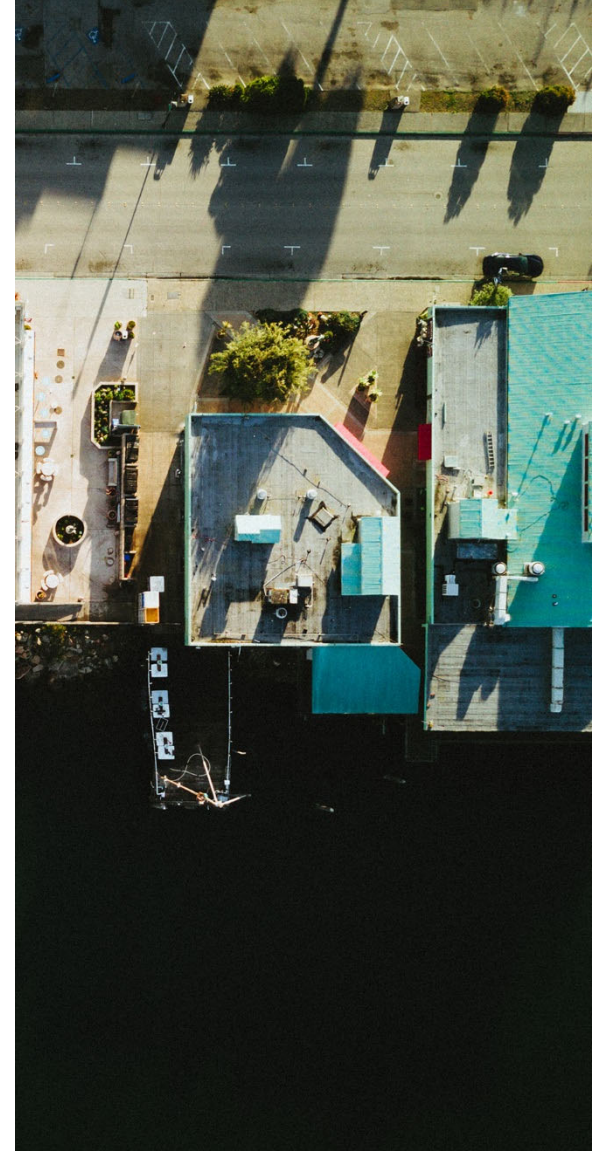
Fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements should be communicated. We are also required to communicate any noncompliance with laws and regulations involving senior management that come to our attention, unless clearly inconsequential.

Our Comments

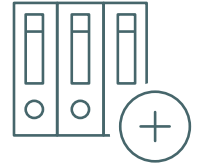
We have not become aware of any instances of fraud or noncompliance with laws and regulations.



Accounting Update



New Standards



GASB 99, Omnibus 2022 – varied effective dates from immediate to 2024.

GASB 100, Accounting Changes and Error Corrections – effective for the Authority’s fiscal year 2024.

GASB 101, Compensated Absences – effective for the Authority’s fiscal year 2025.





Contact Us



+ Ashley Osten, Partner

ashley.osten@mossadams.com

(503) 478-2251



THANK
YOU

Missoula County Airport Authority

Agenda Action Sheet

Meeting Date: November 28, 2023

1. **TITLE:** Election of Calendar Year 2024 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." Chair Larry Anderson is proposing following the Succession Order in that Vice Chair Winton Kemmis be elevated to Chair, and that Secretary/Treasurer Deb Poteet be elevated to Vice-Chair. Chair Larry Anderson will also be prepared to nominate a new Secretary/Treasurer at the meeting. In addition, Chair Larry Anderson will call for nominations from the floor.

5. **BUDGET INFORMATION:** NONE

6. **SUPPLEMENTAL AGENDA INFORMATION:** NONE

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 Larry Anderson.

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

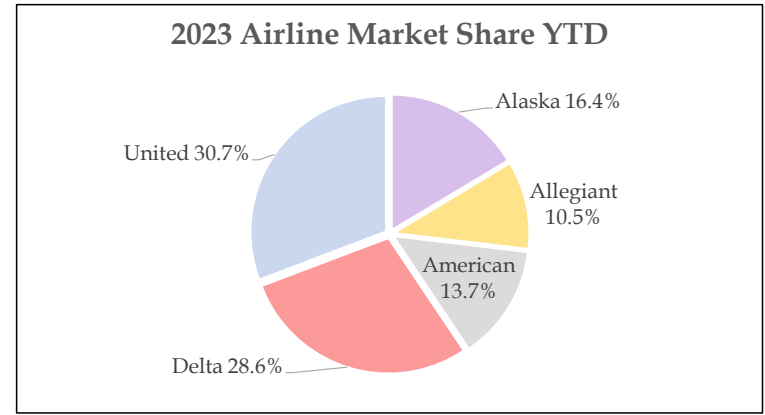
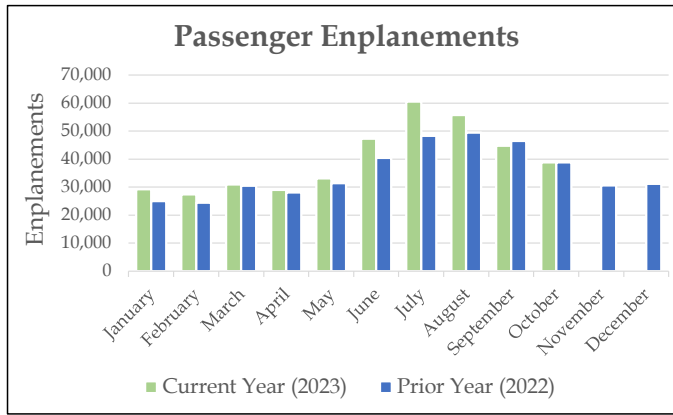
9. **COMMITTEE REVIEW:** None

Summary

- Record total passengers for October '23 (76,293)
- Previous record of 76,121 in October '22
- 2023 enplanements trending to surpass 2019 as peak high for enplanements

Air Service Highlights

- United surpasses Delta as market share leader in MSO
- Allegiant LAX, SNA, OAK on seasonal suspension
- American and United last ORD flights are Sep 4/5
- Please reach out with any comments or changes to improve our report going forward!



Tower Operations	Ops Type	January	February	March	April	May	June	July	August	September	October	November	December	Total	Y/Y
	Air Carrier	570	535	617	565	661	908	1084	1072	846	671	0	0	7,529	6%
Air Taxi	364	371	380	367	444	547	733	672	460	446	0	0	4,784	-7%	
GA	843	727	1030	1251	1632	1705	2613	2310	1751	1604	0	0	15,466	-2%	
Military	46	137	96	29	56	84	92	112	96	70	0	0	818	30%	
Civil	794	824	983	762	1081	590	786	624	866	1078	0	0	8,388	-16%	
Total	2023	2,617	2,594	3,106	2,974	3,874	3,834	5,308	4,790	4,019	3,869	0	0	36,985	-4%
	2022	2,799	2,845	3,411	3,578	3,604	4,376	5,064	5,165	4,125	3,600	2,502	2,013	43,082	

Enplaned Passengers	Airlines	January	February	March	April	May	June	July	August	September	October	November	December	Total	Y/Y
	Alaska	5,777	4,955	5,542	5,009	6,091	6,178	8,373	8,126	7,780	7,096	0	0	64,927	7%
Allegiant	3,619	3,582	4,029	2,644	3,395	6,139	6,828	4,554	2,870	3,915	0	0	41,575	13%	
American	2,652	3,333	2,086	2,082	2,128	7,898	12,675	10,173	6,365	4,937	0	0	54,329	6%	
Delta	8,746	7,657	9,789	9,516	10,043	12,821	15,576	15,209	13,312	10,835	0	0	113,504	3%	
United	8,457	7,941	9,482	9,784	11,457	14,150	17,101	17,658	14,078	11,773	0	0	121,881	26%	
Charters	0	0	0	0	0	68	0	0	369	252	0	0	689	-48%	
Total	2023	29,251	27,468	30,928	29,035	33,114	47,254	60,553	55,720	44,774	38,808	0	0	396,905	9%
	2022	25,015	24,499	30,526	28,138	31,390	40,453	48,381	49,425	46,445	38,897	30,620	31,156	424,945	
LF	2023	81.9%	80.1%	84.9%	87.8%	86.4%	80.4%	87.6%	84.3%	89.4%	91.2%			85.5%	
	2022	79.7%	84.3%	86.6%	83.2%	81.5%	82.7%	87.1%	85.7%	89.4%	91.7%	91.1%	87.9%	86.1%	

Deplaned Passengers	Airlines	January	February	March	April	May	June	July	August	September	October	November	December	Total	Y/Y
	Alaska	5,295	4,982	5,803	5,000	6,099	6,447	8,432	8,197	7,553	7,143	0	0	64,951	7%
Allegiant	3,330	3,664	3,971	2,191	3,566	6,810	6,819	4,280	2,710	3,706	0	0	41,047	12%	
American	2,160	3,228	1,856	1,924	2,091	8,560	12,699	9,344	5,990	4,599	0	0	52,451	5%	
Delta	8,458	7,606	9,582	9,338	10,526	13,281	15,258	14,431	12,411	10,419	0	0	111,310	3%	
United	8,095	8,274	9,570	10,259	12,326	15,857	16,892	16,862	13,076	11,366	0	0	122,577	28%	
Charters	0	24	0	0	0	0	76	0	359	252	0	0	711	-23%	
Total	2023	27,338	27,778	30,782	28,712	34,608	50,955	60,176	53,114	42,099	37,485	0	0	393,047	10%
	2022	23,736	24,083	29,743	28,540	32,833	43,242	47,104	47,358	43,850	37,224	29,932	31,422	419,067	

Total Pax	2023	56,589	55,246	61,710	57,747	67,722	98,209	120,729	108,834	86,873	76,293	0	0	789,952	10%
2022	48,751	48,582	60,269	56,678	64,223	83,695	95,485	96,783	90,295	76,121	60,552	62,578	844,012		
T12M		858,514													

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

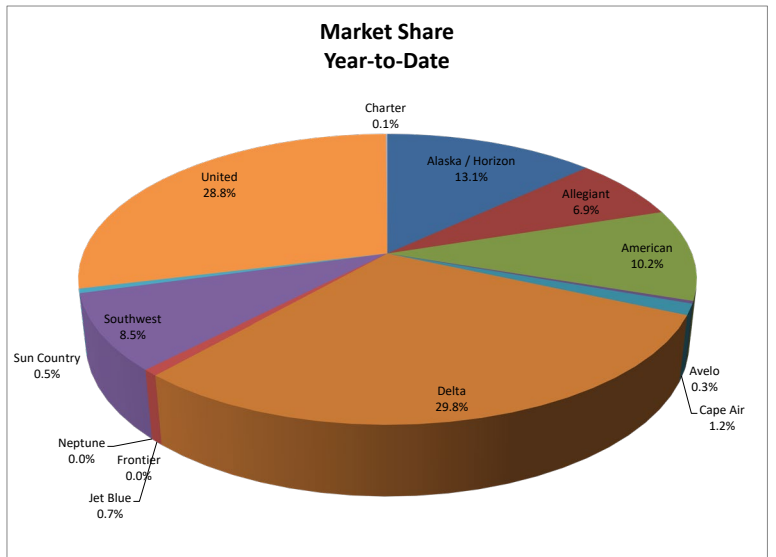
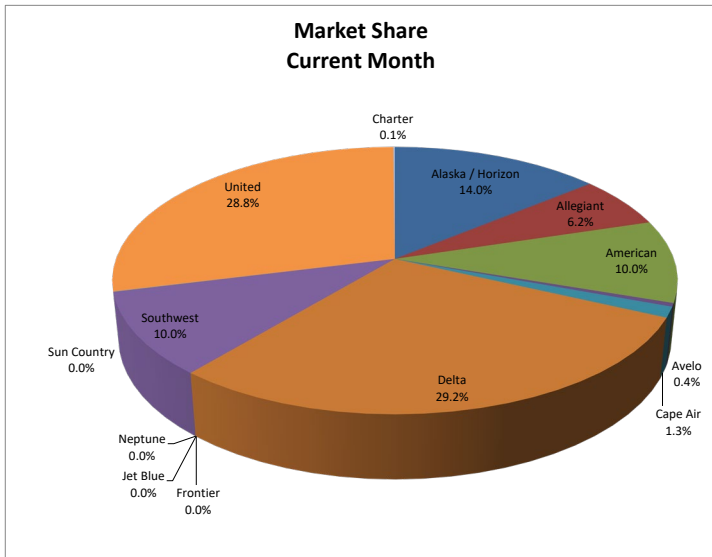
State of Montana Airline Enplanements

October 2023

	Alaska / Horizon	Allegiant	American	Avelo	Cape Air	Delta	Frontier	Jet Blue	Neptune	Southwest	Sun Country	United	Charter	Total	Tower Operations
Billings	5,492	3,492	4,348		1,545	11,323						9,883		36,083	8,349
Bozeman	10,529	4,453	6,255	781		24,479				25,069		24,801		96,367	10,748
Butte						1,448								1,448	
Glasgow					239									239	
Glendive					205									205	
Great Falls	2,093	2,482				6,274						6,121		16,970	2,936
Havre					265									265	
Helena	1,870					3,554						2,800		8,224	3,782
Kalispell	8,057	1,253	9,432	287		14,647					80	16,750		50,506	3,959
Missoula	7,096	3,915	4,937			10,835						11,773	252	38,808	3,869
Sidney					667									667	
Wolf Point					275									275	
Yellowstone						538								538	
Total	35,137	15,595	24,972	1,068	3,196	73,098	-	-	-	25,069	80	72,128	252	250,595	33,643
Market Share %	14.0%	6.2%	10.0%	0.4%	1.3%	29.2%	0.0%	0.0%	0.0%	10.0%	0.0%	28.8%	0.1%		

Year-to-Date

	Alaska / Horizon	Allegiant	American	Avelo	Cape Air	Delta	Frontier	Jet Blue	Neptune	Southwest	Sun Country	United	Charter	Total	Tower Operations
Billings	44,368	31,626	44,050	-	14,852	113,696	-	-	-	-	498	97,216	-	346,306	75,559
Bozeman*	111,827	53,509	104,654	4,103	-	272,725	-	17,532	-	211,704	7,709	286,645	1,132	1,071,540	110,583
Butte	-	-	-	-	-	12,838	-	-	-	-	-	-	-	12,838	-
Glasgow	-	-	-	-	2,391	-	-	-	-	-	-	-	-	2,391	-
Glendive	-	-	-	-	1,767	-	-	-	-	-	-	-	-	1,767	-
Great Falls	19,849	19,495	-	-	-	59,197	-	-	-	-	-	53,053	89	151,683	33,978
Havre	-	-	-	-	2,465	-	-	-	-	-	-	-	-	2,465	-
Helena	17,986	-	-	-	-	35,247	-	-	-	-	-	20,288	-	73,521	37,212
Kalispell	67,847	26,595	51,551	3,074	-	131,017	-	-	-	-	3,932	139,338	32	423,386	38,209
Missoula*	64,927	41,575	54,329	-	-	113,504	-	-	-	-	-	121,881	689	396,905	36,985
Sidney	-	-	-	-	6,638	-	-	-	-	-	-	-	-	6,638	-
Wolf Point	-	-	-	-	2,569	-	-	-	-	-	-	-	-	2,569	-
Yellowstone	-	-	-	-	-	7,604	-	-	-	-	-	1,131	-	8,735	-
Total	326,804	172,800	254,584	7,177	30,682	745,828	-	17,532	-	211,704	12,139	719,552	1,942	2,500,744	332,526
Market Share %	13.1%	6.9%	10.2%	0.3%	1.2%	29.8%	0.0%	0.7%	0.0%	8.5%	0.5%	28.8%	0.1%		



STATE TOTAL

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	178,518	173,999	352,517	352,517	203,399	194,565	397,964	397,964	13.9%	11.8%	12.9%	12.9%
FEB	179,469	179,191	358,660	711,177	194,183	200,352	394,535	792,499	8.2%	11.8%	10.0%	11.4%
MAR	217,195	209,429	426,624	1,137,801	228,758	222,850	451,608	1,244,107	5.3%	6.4%	5.9%	9.3%
APR	170,265	169,166	339,431	1,477,232	180,103	178,744	358,847	1,602,954	5.8%	5.7%	5.7%	8.5%
MAY	192,594	204,851	397,445	1,874,677	202,071	213,418	415,489	2,018,443	4.9%	4.2%	4.5%	7.7%
JUN	252,470	267,262	519,732	2,394,409	277,543	297,282	574,825	2,593,268	9.9%	11.2%	10.6%	8.3%
JUL	301,745	298,344	600,089	2,994,498	346,671	346,339	693,010	3,286,278	14.9%	16.1%	15.5%	9.7%
AUG	302,698	290,414	593,112	3,587,610	338,235	324,297	662,532	3,948,810	11.7%	11.7%	11.7%	10.1%
SEP	254,440	242,127	496,567	4,084,177	279,186	264,719	543,905	4,492,715	9.7%	9.3%	9.5%	10.0%
OCT	213,513	201,841	415,354	4,499,531	250,595	200,753	451,348	4,944,063	17.4%	-0.5%	8.7%	9.9%
NOV	174,970	173,252	348,222	4,847,753	-	-	-	4,944,063	-100.0%	-100.0%	-100.0%	2.0%
DEC	174,704	204,743	379,447	5,227,200	-	-	-	4,944,063	-100.0%	-100.0%	-100.0%	-5.4%
	2,612,581	2,614,619			2,500,744	2,443,319						

BILLINGS

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	25,611	24,708	50,319	50,319	30,579	29,130	59,709	59,709	19.4%	17.9%	18.7%	18.7%
FEB	25,459	25,135	50,594	100,913	25,699	30,369	56,068	115,777	0.9%	20.8%	10.8%	14.7%
MAR	29,370	29,743	59,113	160,026	34,812	35,542	70,354	186,131	18.5%	19.5%	19.0%	16.3%
APR	27,183	28,161	55,344	215,370	32,066	33,072	65,138	251,269	18.0%	17.4%	17.7%	16.7%
MAY	31,564	31,972	63,536	278,906	34,285	35,627	69,912	321,181	8.6%	11.4%	10.0%	15.2%
JUN	32,119	33,305	65,424	344,330	35,859	37,207	73,066	394,247	11.6%	11.7%	11.7%	14.5%
JUL	36,295	35,660	71,955	416,285	41,749	41,631	83,380	477,627	15.0%	16.7%	15.9%	14.7%
AUG	37,154	37,199	74,353	490,638	40,237	39,716	79,953	557,580	8.3%	6.8%	7.5%	13.6%
SEP	36,557	35,300	71,857	562,495	34,937	33,833	68,770	626,350	-4.4%	-4.2%	-4.3%	11.4%
OCT	35,304	34,858	70,162	632,657	36,083	35,135	71,218	697,568	2.2%	0.8%	1.5%	10.3%
NOV	33,285	32,611	65,896	698,553	-	-	-	697,568	-100.0%	-100.0%	-100.0%	-0.1%
DEC	34,796	35,759	70,555	769,108	-	-	-	697,568	-100.0%	-100.0%	-100.0%	-9.3%
	384,697	384,411			346,306	351,262						

BOZEMAN

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	83,551	83,492	167,043	167,043	91,699	90,610	182,309	182,309	9.8%	8.5%	9.1%	9.1%
FEB	84,977	86,119	171,096	338,139	93,190	94,850	188,040	370,349	9.7%	10.1%	9.9%	9.5%
MAR	105,959	100,257	206,216	544,355	108,022	104,062	212,084	582,433	1.9%	3.8%	2.8%	7.0%
APR	71,578	68,453	140,031	684,386	74,215	70,743	144,958	727,391	3.7%	3.3%	3.5%	6.3%
MAY	79,383	85,762	165,145	849,531	83,166	90,085	173,251	900,642	4.8%	5.0%	4.9%	6.0%
JUN	109,698	115,712	225,410	1,074,941	119,193	129,299	248,492	1,149,134	8.7%	11.7%	10.2%	6.9%
JUL	128,371	127,863	256,234	1,331,175	142,930	143,233	286,163	1,435,297	11.3%	12.0%	11.7%	7.8%
AUG	130,033	124,412	254,445	1,585,620	142,631	138,813	281,444	1,716,741	9.7%	11.6%	10.6%	8.3%
SEP	103,482	100,362	203,844	1,789,464	120,127	114,462	234,589	1,951,330	16.1%	14.0%	15.1%	9.0%
OCT	87,449	80,402	167,851	1,957,315	96,367	88,793	185,160	2,136,490	10.2%	10.4%	10.3%	9.2%
NOV	66,606	66,606	133,212	2,090,527	-	-	-	2,136,490	-100.0%	-100.0%	-100.0%	2.2%
DEC	84,594	89,576	174,170	2,264,697	-	-	-	2,136,490	-100.0%	-100.0%	-100.0%	-5.7%
	1,135,681	1,129,016			1,071,540	1,064,950						

BUTTE

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	1,483	1,443	2,926	2,926	1,104	1,167	2,271	2,271	-25.6%	-19.1%	-22.4%	-22.4%
FEB	1,613	1,589	3,202	6,128	882	939	1,821	4,092	-45.3%	-40.9%	-43.1%	-33.2%
MAR	1,595	1,631	3,226	9,354	1,420	1,439	2,859	6,951	-11.0%	-11.8%	-11.4%	-25.7%
APR	1,354	1,482	2,836	12,190	1,095	1,250	2,345	9,296	-19.1%	-15.7%	-17.3%	-23.7%
MAY	1,680	1,958	3,638	15,828	1,239	1,424	2,663	11,959	-26.3%	-27.3%	-26.8%	-24.4%
JUN	1,846	2,148	3,994	19,822	1,344	1,638	2,982	14,941	-27.2%	-23.7%	-25.3%	-24.6%
JUL	1,450	1,476	2,926	22,748	1,684	1,606	3,290	18,231	16.1%	8.8%	12.4%	-19.9%
AUG	1,188	1,228	2,416	25,164	1,365	1,328	2,693	20,924	14.9%	8.1%	11.5%	-16.8%
SEP	1,375	1,435	2,810	27,974	1,257	1,285	2,542	23,466	-8.6%	-10.5%	-9.5%	-16.1%
OCT	1,431	1,325	2,756	30,730	1,448	1,421	2,869	26,335	1.2%	7.2%	4.1%	-14.3%
NOV	1,392	1,410	2,802	33,532	-	-	-	26,335	-100.0%	-100.0%	-100.0%	-21.5%
DEC	2,489	2,351	4,840	38,372	-	-	-	26,335	-100.0%	-100.0%	-100.0%	-31.4%
	18,896	19,476			12,838	13,497						

GLASGOW

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	212	197	409	409	192	173	365	365	-9.4%	-12.2%	-10.8%	-10.8%
FEB	201	203	404	813	175	150	325	690	-12.9%	-26.1%	-19.6%	-15.1%
MAR	237	236	473	1,286	167	141	308	998	-29.5%	-40.3%	-34.9%	-22.4%
APR	114	121	235	1,521	232	236	468	1,466	103.5%	95.0%	99.1%	-3.6%
MAY	179	202	381	1,902	246	229	475	1,941	37.4%	13.4%	24.7%	2.1%
JUN	188	191	379	2,281	281	274	555	2,496	49.5%	43.5%	46.4%	9.4%
JUL	347	356	703	2,984	310	288	598	3,094	-10.7%	-19.1%	-14.9%	3.7%
AUG	367	342	709	3,693	309	305	614	3,708	-15.8%	-10.8%	-13.4%	0.4%
SEP	431	331	762	4,455	240	226	466	4,174	-44.3%	-31.7%	-38.8%	-6.3%
OCT	306	295	601	5,056	239	225	464	4,638	-21.9%	-23.7%	-22.8%	-8.3%
NOV	199	194	393	5,449	-	-	-	4,638	-100.0%	-100.0%	-100.0%	-14.9%
DEC	194	192	386	5,835	-	-	-	4,638	-100.0%	-100.0%	-100.0%	-20.5%
	2,975	2,860			2,391	2,247						

GLENDIVE

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	146	175	321	321	139	163	302	302	-4.8%	-6.9%	-5.9%	-5.9%
FEB	166	157	323	644	146	122	268	570	-12.0%	-22.3%	-17.0%	-11.5%
MAR	246	226	472	1,116	148	172	320	890	-39.8%	-23.9%	-32.2%	-20.3%
APR	420	416	836	1,952	164	145	309	1,199	-61.0%	-65.1%	-63.0%	-38.6%
MAY	570	533	1,103	3,055	186	159	345	1,544	-67.4%	-70.2%	-68.7%	-49.5%
JUN	484	491	975	4,030	199	182	381	1,925	-58.9%	-62.9%	-60.9%	-52.2%
JUL	526	527	1,053	5,083	190	204	394	2,319	-63.9%	-61.3%	-62.6%	-54.4%
AUG	543	535	1,078	6,161	239	227	466	2,785	-56.0%	-57.6%	-56.8%	-54.8%
SEP	507	491	998	7,159	151	143	294	3,079	-70.2%	-70.9%	-70.5%	-57.0%
OCT	390	384	774	7,933	205	155	360	3,439	-47.4%	-59.6%	-53.5%	-56.6%
NOV	172	159	331	8,264	-	-	-	3,439	-100.0%	-100.0%	-100.0%	-58.4%
DEC	174	154	328	8,592	-	-	-	3,439	-100.0%	-100.0%	-100.0%	-60.0%
	4,344	4,248			1,767	1,672						

GREAT FALLS

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	9,570	9,327	18,897	18,897	12,209	11,627	23,836	23,836	27.6%	24.7%	26.1%	26.1%
FEB	9,777	9,616	19,393	38,290	11,409	11,365	22,774	46,610	16.7%	18.2%	17.4%	21.7%
MAR	11,282	11,400	22,682	60,972	14,180	14,050	28,230	74,840	25.7%	23.2%	24.5%	22.7%
APR	11,564	11,759	23,323	84,295	13,466	14,070	27,536	102,376	16.4%	19.7%	18.1%	21.4%
MAY	11,544	12,011	23,555	107,850	14,098	14,743	28,841	131,217	22.1%	22.7%	22.4%	21.7%
JUN	11,878	11,939	23,817	131,667	15,765	16,663	32,428	163,645	32.7%	39.6%	36.2%	24.3%
JUL	12,191	12,099	24,290	155,957	18,965	19,240	38,205	201,850	55.6%	59.0%	57.3%	29.4%
AUG	12,505	12,347	24,852	180,809	18,407	17,785	36,192	238,042	47.2%	44.0%	45.6%	31.7%
SEP	12,487	12,016	24,503	205,312	16,214	15,819	32,033	270,075	29.8%	31.6%	30.7%	31.5%
OCT	14,334	13,868	28,202	233,514	16,970	-	16,970	287,045	18.4%	-100.0%	-39.8%	22.9%
NOV	12,551	12,250	24,801	258,315	-	-	-	287,045	-100.0%	-100.0%	-100.0%	11.1%
DEC	13,754	13,434	27,188	285,503	-	-	-	287,045	-100.0%	-100.0%	-100.0%	0.5%
	143,437	142,066			151,683	135,362						

HAVRE

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	208	238	446	446	183	181	364	364	-12.0%	-23.9%	-18.4%	-18.4%
FEB	212	204	416	862	225	226	451	815	6.1%	10.8%	8.4%	-5.5%
MAR	227	240	467	1,329	257	224	481	1,296	13.2%	-5.8%	3.0%	-2.5%
APR	223	210	433	1,762	249	238	487	1,783	11.7%	6.7%	12.5%	1.2%
MAY	245	254	499	2,261	261	225	486	2,269	6.5%	-11.4%	-2.6%	0.4%
JUN	208	198	406	2,667	256	230	486	2,755	23.1%	16.2%	19.7%	3.3%
JUL	283	238	521	3,188	270	256	526	3,281	-4.6%	7.6%	1.0%	2.9%
AUG	273	285	558	3,746	282	274	556	3,837	3.3%	-3.9%	-0.4%	2.4%
SEP	264	235	499	4,245	217	211	428	4,265	-17.8%	-10.2%	-14.2%	0.5%
OCT	286	251	537	4,782	265	248	513	4,778	-7.3%	-1.2%	-4.5%	-0.1%
NOV	253	244	497	5,279	-	-	-	4,778	-100.0%	-100.0%	-100.0%	-9.5%
DEC	181	170	351	5,630	-	-	-	4,778	-100.0%	-100.0%	-100.0%	-15.1%
	2,863	2,767			2,465	2,313						

HELENA

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	6,258	6,378	12,636	12,636	6,485	6,139	12,624	12,624	3.6%	-3.7%	-0.1%	-0.1%
FEB	6,331	6,172	12,503	25,139	5,911	5,901	11,812	24,436	-6.6%	-4.4%	-5.5%	-2.8%
MAR	6,839	6,497	13,336	38,475	6,904	6,882	13,786	38,222	1.0%	5.9%	3.4%	-0.7%
APR	7,263	7,537	14,800	53,275	6,436	6,541	12,977	51,199	-11.4%	-13.2%	-12.3%	-3.9%
MAY	8,007	8,018	16,025	69,300	6,678	7,321	13,999	65,198	-16.6%	-8.7%	-12.6%	-5.9%
JUN	6,688	6,988	13,676	82,976	7,861	8,255	16,116	81,314	17.5%	18.1%	17.8%	-2.0%
JUL	6,889	6,757	13,646	96,622	8,305	8,154	16,459	97,773	20.6%	20.7%	20.6%	1.2%
AUG	7,199	6,774	13,973	110,595	8,566	8,379	16,945	114,718	19.0%	23.7%	21.3%	3.7%
SEP	7,050	6,650	13,700	124,295	8,151	7,725	15,876	130,594	15.6%	16.2%	15.9%	5.1%
OCT	7,186	6,984	14,170	138,465	8,224	8,036	16,260	146,854	14.4%	15.1%	14.7%	6.1%
NOV	6,444	6,445	12,889	151,354	-	-	-	146,854	-100.0%	-100.0%	-100.0%	-3.0%
DEC	6,581	6,614	13,195	164,549	-	-	-	146,854	-100.0%	-100.0%	-100.0%	-10.8%
	82,735	81,814			73,521	73,333						

KALISPELL

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	25,722	23,539	49,261	49,261	30,846	27,315	58,161	58,161	19.9%	16.0%	18.1%	18.1%
FEB	25,431	25,124	50,555	99,816	28,310	27,967	56,277	114,438	11.3%	11.3%	11.3%	14.6%
MAR	30,038	28,634	58,672	158,488	30,880	28,580	59,460	173,898	2.8%	-0.2%	1.3%	9.7%
APR	21,855	21,981	43,836	202,324	22,261	22,812	45,073	218,971	1.9%	3.8%	2.8%	8.2%
MAY	27,270	29,769	57,039	259,363	27,256	27,397	54,653	273,624	-0.1%	-8.0%	-4.2%	5.5%
JUN	46,604	50,825	97,429	356,792	46,846	49,791	96,637	370,261	0.5%	-2.0%	-0.8%	3.8%
JUL	64,526	63,792	128,318	485,110	68,504	68,229	136,733	506,994	6.2%	7.0%	6.6%	4.5%
AUG	61,676	57,517	119,193	604,303	67,432	61,505	128,937	635,931	9.3%	6.9%	8.2%	5.2%
SEP	43,583	39,386	82,969	687,272	50,545	46,385	96,930	732,861	16.0%	17.8%	16.8%	6.6%
OCT	27,010	25,119	52,129	739,401	50,506	27,949	78,455	811,316	87.0%	11.3%	50.5%	9.7%
NOV	22,563	22,563	45,126	784,527	-	-	-	811,316	-100.0%	-100.0%	-100.0%	3.4%
DEC	-	24,360	24,360	808,887	-	-	-	811,316	#DIV/0!	-100.0%	-100.0%	0.3%
	396,278	412,609			423,386	387,930						

MISSOULA

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	25,015	23,736	48,751	48,751	29,251	27,338	56,589	56,589	16.9%	15.2%	16.1%	16.1%
FEB	24,499	24,083	48,582	97,333	27,468	27,778	55,246	111,835	12.1%	15.3%	13.7%	14.9%
MAR	30,526	29,743	60,269	157,602	30,928	30,782	61,710	173,545	1.3%	-6.6%	2.4%	10.1%
APR	28,138	28,540	56,678	214,280	29,035	28,712	57,747	231,292	3.2%	0.6%	1.9%	7.9%
MAY	31,390	32,833	64,223	278,503	33,114	34,608	67,722	299,014	5.5%	5.4%	5.4%	7.4%
JUN	40,453	43,242	83,695	362,198	47,254	50,955	98,209	397,223	16.8%	17.8%	17.3%	9.7%
JUL	48,381	47,104	95,485	457,683	60,553	60,176	120,729	517,952	25.2%	27.8%	26.4%	13.2%
AUG	49,425	47,358	96,783	554,466	55,720	53,114	108,834	626,786	12.7%	12.2%	12.5%	13.0%
SEP	46,445	43,850	90,295	644,761	44,774	42,099	86,873	713,659	-3.6%	-4.0%	-3.8%	10.7%
OCT	38,897	37,224	76,121	720,882	38,808	37,485	76,293	789,952	-0.2%	0.7%	0.2%	9.6%
NOV	30,620	29,932	60,552	781,434	-	-	-	789,952	-100.0%	-100.0%	-100.0%	1.1%
DEC	31,156	31,422	62,578	844,012	-	-	-	789,952	-100.0%	-100.0%	-100.0%	-6.4%
	424,945	419,067			396,905	393,047						

SIDNEY

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	533	576	1,109	1,109	525	510	1,035	1,035	-1.5%	-11.5%	-6.7%	-6.7%
FEB	563	538	1,101	2,210	568	517	1,085	2,120	0.9%	-3.9%	-1.5%	-4.1%
MAR	626	596	1,222	3,432	752	700	1,452	3,572	20.1%	17.4%	18.8%	4.1%
APR	430	375	805	4,237	610	658	1,268	4,840	41.9%	75.5%	57.5%	14.2%
MAY	552	560	1,112	5,349	696	635	1,331	6,171	26.1%	13.4%	19.7%	15.4%
JUN	489	433	922	6,271	734	680	1,414	7,585	50.1%	57.0%	53.4%	21.0%
JUL	515	548	1,063	7,334	722	744	1,466	9,051	40.2%	35.8%	37.9%	23.4%
AUG	518	521	1,039	8,373	711	680	1,391	10,442	37.3%	30.5%	33.9%	24.7%
SEP	551	492	1,043	9,416	653	631	1,284	11,726	18.5%	28.3%	23.1%	24.5%
OCT	612	592	1,204	10,620	667	666	1,333	13,059	9.0%	12.5%	10.7%	23.0%
NOV	635	596	1,231	11,851	-	-	-	13,059	-100.0%	-100.0%	-100.0%	10.2%
DEC	549	501	1,050	12,901	-	-	-	13,059	-100.0%	-100.0%	-100.0%	1.2%
	6,573	6,328			6,638	6,421						

WOLF POINT

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN	209	190	399	399	187	212	399	399	-10.5%	11.6%	0.0%	0.0%
FEB	240	251	491	890	200	168	368	767	-16.7%	-33.1%	-25.1%	-13.8%
MAR	250	226	476	1,366	288	276	564	1,331	15.2%	22.1%	18.5%	-2.6%
APR	143	131	274	1,640	274	267	541	1,872	91.6%	103.8%	97.4%	14.1%
MAY	210	179	389	2,029	287	269	556	2,428	36.7%	50.3%	42.9%	19.7%
JUN	255	243	498	2,527	192	194	386	2,814	-24.7%	-20.2%	-22.5%	11.4%
JUL	299	295	594	3,121	305	287	592	3,406	2.0%	-2.7%	-0.3%	9.1%
AUG	332	267	599	3,720	316	330	646	4,052	-4.8%	23.6%	7.8%	8.9%
SEP	337	326	663	4,383	245	245	490	4,542	-27.3%	-24.8%	-26.1%	3.6%
OCT	308	291	599	4,982	275	251	526	5,068	-10.7%	-13.7%	-12.2%	1.7%
NOV	250	242	492	5,474	-	-	-	5,068	-100.0%	-100.0%	-100.0%	-7.4%
DEC	236	210	446	5,920	-	-	-	5,068	-100.0%	-100.0%	-100.0%	-14.4%
	3,069	2,851			2,569	2,499						

*** YELLOWSTONE**

	2022 Passengers				2023 Passengers				% 2022 VS 2023			
	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE	ON	OFF	TOTAL	YEAR-TO-DATE
JAN												
FEB												
MAR												
APR												
MAY	-	800	800	800	559	696	1,255	1,255	#DIV/0!	-13.0%	56.9%	56.9%
JUN	1,560	1,547	3,107	3,907	1,759	1,914	3,673	4,928	12.8%	23.7%	18.2%	26.1%
JUL	1,672	1,629	3,301	7,208	2,184	2,291	4,475	9,403	30.6%	40.6%	35.6%	30.5%
AUG	1,485	1,629	3,114	10,322	2,020	1,841	3,861	13,264	36.0%	13.0%	24.0%	28.5%
SEP	1,371	1,253	2,624	12,946	1,675	1,655	3,330	16,594	22.2%	32.1%	26.9%	28.2%
OCT	-	248	248	13,194	538	389	927	17,521	#DIV/0!	56.9%	273.8%	32.8%
NOV												
DEC												
	6,088	7,106			8,735	8,786						

* The Yellowstone Airport is a seasonal airport.

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

*2022 season operating May 2022 through October 2022.