

GREELEY-WELD COUNTY
AIRPORT AUTHORITY



FINANCIAL STATEMENTS

Years Ended December 31, 2020 and 2019



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Independent Auditors' Report

Board of Commissioners
Greeley-Weld County Airport Authority
Greeley, Colorado

We have audited the accompanying basic financial statements of the Greeley-Weld County Airport Authority as of and for the years ended December 31, 2020 and 2019, as listed in the table of contents and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinion

In our opinion, financial statements referred to above present fairly, in all material respects, the financial position of the Greeley-Weld County Airport Authority as of December 31, 2020 and 2019, and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

Other Matters

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules on pages 23-25 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Accounting principles generally accepted in the United States require that management discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, 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 evidence sufficient to express an opinion or provide any assurance.

Anderson & Whitney, P.C.

September 10, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Greeley-Weld County Airport Authority (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the years ended December 31, 2020 and 2019.

FINANCIAL HIGHLIGHTS

- * The Authority's working capital position increased from \$1,842,285 to \$2,028,849, due to increased capital grants and paying down debt. The current ratio at December 31, 2020 is 13.24 to 1.0, up from 6.3 to 1.0 at December 31, 2019. The Airport Authority is currently a financially self-supporting agency in regards to its annual operations. The Authority continues to rely on capital grants from the Federal Aviation Administration, and the State of Colorado to finance capital improvement projects of the Airport. The City of Greeley, Colorado, Weld County, Colorado and the State of Colorado have historically provided matching fund support on obtaining Federal Aviation Administration Airport Improvement Program grants.
- * The Authority's net position decreased 7.3% or \$1,487,087, primarily due to oil and gas royalty and easement income of \$108,614, offset by charges for depreciation and amortization for 2020 of \$1,816,302. Most of the Authority's net position is reflected in the net investment in capital assets – 90%. Accordingly, these assets are not an available source for future spending.
- * The Authority had a net loss before capital contributions for 2020 of \$1,686,664, which was primarily the result of depreciation and amortization expense in the amount of \$1,816,302. A heavy investment in depreciable infrastructure results in large annual provisions for depreciation. Airports are generally not able to fully recover capital costs through user fees or rents because they are financed primarily by federal capital grants. However, the infrastructure must be maintained, and the Authority budgets for such maintenance, through some combination of the Authority's own resources, state grants and support from City of Greeley and Weld County, Colorado. The 2020 operating income before depreciation and amortization was \$129,638, an increase of \$21,573 from the operating income before depreciation of \$108,065 for 2019.
- * During 2020, the Authority expended \$232,170 less than total budgeted expenditures. This is primarily because of capital outlay was less than budgeted expenditures.
- * Capital purchases include - \$80,554 towards airport equipment, and \$9,871 furnace replacement and \$49,949 for Gate #12.

- * The Authority's mission requires that it provide the Greeley and Weld County communities and the flying public nationwide with a well-managed and safe public aviation facility. This is important for the airport to draw new or relocated businesses to the region. In this endeavor, the Authority focuses on the marketing strategies to attract new tenants and corporate development, maintenance programs for existing infrastructure and safety as well as ongoing security programs for the airport. In addition to the above, moving forward the capital improvement program and master plan updates, to allow for expanded capacity and continuing to improve and enhance existing relationships with airport tenants and the community. The Authority's 2021 budget reflects these goals.
- * The Authority entered into new leases effective during the year of 2020. This will allow the Airport to continue to sustain the programs that we have offered without impairing or reducing our finances. The Authority has been self-sustaining financially and this addition of new lease revenue will cover increasing recurring expenses and maintenance requirements and allow the Airport to be productive in its mission. Capital projects will continue to be funded with current Authority funds and capital grants from the State of Colorado and the FAA.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *Management's Discussion and Analysis* (this section), the *Basic Financial Statements*, and *Supplementary Information*. Comparative data are presented when available. The Authority has one type of fund, from which all the financial statements are derived. This fund is a *Proprietary Fund* intended to report on the business-type activities of the Authority. The Authority is financed and operated in a manner similar to private business enterprises – i.e. the intent of the Board of Commissioners is to provide services on a continuing basis and to have the costs associated with these services recovered through user charges as opposed to taxation. Since the Authority uses only one fund for its operations, the entity-wide and the fund presentation information is the same. The basic financial statements include the Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position, and the Statements of Cash Flows. They are prepared on the accrual basis of accounting and provide both long-term and short-term information about the Authority's overall financial status.

The financial statements also include notes, which explain information contained in the basic financial statements and provide more detailed information on certain aspects of the financial statements.

The financial statements are followed by *supplementary information* that further explains and supports the data presented in the basic financial statements. For Greeley-Weld County Airport Authority, this supplementary information consists of a statement comparing final operating results with the Authority's adopted budget.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2020, assets exceeded liabilities by \$19,113,366.

The following table provides a summary of the Authority's net position for 2020 and 2019.

December 31	2020	2019
Assets:		
Current and other assets	\$ 2,194,588	\$ 2,215,630
Capital assets	17,217,226	18,893,154
Total Assets	19,411,814	21,108,784
Liabilities:		
Current liabilities	165,739	373,345
Noncurrent liabilities	123,867	126,144
Total Liabilities	289,606	499,489
Net Position:		
Net investment in capital assets	17,217,226	18,893,154
Unrestricted	1,904,982	1,716,141
Total Net Position	\$ 19,122,208	\$ 20,609,295

Capital assets and the related net investment in capital assets decreased primarily due to depreciation expense being more than capital outlay during the year.

The decrease in unrestricted net position generally reflects current year net operating and nonoperating revenues being less than operating costs. The Authority will generally have a net loss, due to depreciation expense, except for years when there are significant federally funded capital projects.

The following table indicates the changes in net position:

December 31	2020	2019
Revenue:		
Operating revenue:		
Leases and rentals	\$ 709,050	\$ 666,442
Other operating revenue	140,042	148,983
Nonoperating revenue:		
Federal and State grants	73,592	--
Oil and gas revenue	108,614	580,478
Earnings on investments	142	238
Gain on disposal of assets	7,642	10,300
Capital contributions	14,400	241,548
Total Revenue and Capital Contributions	1,053,482	1,647,989
Expenses:		
Operating expenses:		
Personal services	471,104	453,646
Contractual services	22,177	27,140
Supplies	12,378	11,583
Repairs and maintenance	49,363	41,420
Utilities	75,278	82,150
Other operating expenses	89,154	91,421
Depreciation and amortization	1,816,302	2,058,946
Nonoperating expenses:		
Interest expense	4,813	9,946
Total Expenses	2,540,569	2,776,252
Change in Net Position	\$ (1,487,087)	\$(1,128,263)

Capital contributions decreased in 2020 due to grant receivables from the Federal Aviation Administration in 2019.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, investors, creditors, and oversight agencies with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. Persons desiring further information are encouraged to contact the Authority by writing to: Airport Manager, Greeley-Weld County Airport Authority, P.O. Box 727, Greeley, Colorado 80632, or by calling the Authority's office at (970) 336-3000.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

STATEMENTS OF NET POSITION

December 31	2020	2019
ASSETS		
Current Assets:		
Cash on hand	\$ 150	\$ 150
Cash in checking	2,000	3,188
Cash with Weld County Treasurer	863,583	687,379
Cash in money market accounts	1,120,687	930,483
Total Cash and Cash Equivalents	1,986,420	1,621,200
Receivables:		
Leases and fees	135,639	75,689
Oil and gas royalties	-	105,628
Grants and capital contributions:		
Federal Aviation Administration	5,400	349,484
State of Colorado	-	-
Total Receivables	141,039	530,801
Prepaid Items	67,129	63,629
Total Current Assets	2,194,588	2,215,630
Noncurrent Assets:		
Capital Assets:		
Nondepreciable capital assets	4,652,475	4,652,475
Depreciable capital assets - net	12,564,751	14,240,679
Total Noncurrent Assets	17,217,226	18,893,154
TOTAL ASSETS	\$ 19,411,814	\$ 21,108,784

Continued on next page

GREELEY-WELD COUNTY AIRPORT AUTHORITY

STATEMENTS OF NET POSITION

December 31	2020	2019
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 26,026	\$ 57,288
Current portion of lease revenue received in advance	2,278	2,278
Current portion of Colorado SIB note payable	-	192,522
Compensated absences	19,925	19,586
Accrued wages	13,776	-
Payroll taxes and benefits payable	1,046	-
Accrued interest payable	6,322	6,322
Lease revenue invoiced in advance	96,366	95,349
Total Current Liabilities	165,739	373,345
Noncurrent Liabilities:		
Lease revenue received in advance - Colorado Air National Guard	122,345	124,622
Tenant deposits	1,522	1,522
Total Noncurrent Liabilities	123,867	126,144
TOTAL LIABILITIES	289,606	499,489
NET POSITION		
Net investment in capital assets	17,217,226	18,893,154
Unrestricted	1,904,982	1,716,141
TOTAL NET POSITION	\$ 19,122,208	\$ 20,609,295

See Accompanying Notes to Financial Statements.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

STATEMENTS OF ACTIVITIES

Years Ended December 31	2020	2019
Operating Revenue:		
Leases and rentals	\$ 709,050	\$ 666,442
Charges for services	21,644	25,566
Operators licenses	5,140	5,140
Other operating revenue	113,258	118,277
Total Operating Revenue	849,092	815,425
Operating Expenses:		
Personnel services	471,104	453,646
Contractual services	22,177	27,140
Supplies	12,378	11,583
Repairs and maintenance	49,363	41,420
Utilities	75,278	82,150
Other operating expenses	89,154	91,421
Depreciation	1,816,302	2,058,946
Total Operating Expenses	2,535,756	2,766,306
Operating Income (Loss)	(1,686,664)	(1,950,881)
Nonoperating Revenue (Expenses):		
Earnings on investments	142	238
Federal and State Grants	73,592	-
Oil and gas revenue	108,614	580,478
Gain on disposal of assets	7,642	10,300
Interest expense and loan escrow fee	(4,813)	(9,946)
Capital contributions	14,400	241,548
Net Nonoperating Revenue	199,577	822,618
Net Loss	(1,487,087)	(1,128,263)
Net Position, Beginning of Year	20,609,295	21,737,558
Net Position, End of Year	\$ 19,122,208	\$ 20,609,295

See Accompanying Notes to Financial Statements.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

STATEMENTS OF CASH FLOWS

Years Ended December 31	2020	2019
Cash Flows from Operating Activities:		
Cash received from customers	\$ 863,508	\$ 829,692
Cash payments to suppliers	(253,112)	(259,930)
Cash payments to employees	(455,941)	(453,646)
Net Cash Provided by Operating Activities	154,455	116,116
Cash Flows From Noncapital Financing Activities:		
Oil and gas lease revenue	108,614	135,874
Net Cash Provided by Noncapital Financing Activities	108,614	135,874
Cash Flows from Capital and Related Financing Activities:		
Proceeds from sale of assets and grants of permanent easements	-	363,540
Payments on Colorado SIB note payable	(192,522)	(215,247)
Proceeds of capital grants	344,084	253,573
Proceeds from Federal and State grants	87,992	-
Payments made for interest	(4,813)	-
Acquisition of property and equipment	(140,374)	(555,164)
Net Cash Used by Capital and Related Financing Activities	94,367	(153,298)
Cash Flows from Investing Activities:		
Proceeds from sale of equipment	7,642	-
Interest on investments	142	238
Net Cash Provided by Investing Activities	7,784	238
Net Increase (Decrease) in Cash	365,220	98,930
Cash, beginning of year	1,621,200	1,522,270
Cash, end of year	\$ 1,986,420	\$ 1,621,200

Reconciliation of Operating Loss to Net Cash Provided

by Operating Activities:		
Operating loss	\$ (1,686,664)	\$ (1,950,881)
Change in assets and liabilities:		
Increase (decrease) in:		
Long-term lease amortization	(2,278)	(2,278)
Depreciation and amortization	1,816,302	2,058,946
Decrease (increase) in accounts receivable	45,678	18,901
(Increase) decrease in prepaid items	(3,500)	(25,072)
(Decrease) increase in accounts payable	(31,262)	34,652
Increase (decrease) in accrued expenses	15,161	(15,796)
(Increase) decrease in lease revenue invoiced in advance	1,018	(2,356)
Net Cash Provided by Operating Activities	\$ 154,455	\$ 116,116

See Accompanying Notes to Financial Statements.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies:

The financial statements of the Authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority's accounting policies are described below.

Reporting Entity:

The Greeley-Weld County Airport Authority is a political subdivision of the State of Colorado. The Authority currently operates as the Greeley-Weld County Airport. The Authority was created on August 11, 1978 by joint action of the City of Greeley, Colorado and the County of Weld, Colorado. Prior to 1978, the Weld County Municipal Airport was jointly operated by Weld County and the City of Greeley. The Authority is administered by a seven-member board of commissioners appointed by the governmental units that established the entity.

The mission of the Authority is to provide the Greeley and Weld County, Colorado communities with a public aviation facility operated in a safe and cost effective manner, while providing superior commercial aviation ground support services through a commitment to quality and excellence, and to act as an economic base for local businesses, and as a magnet for the attraction of new businesses to the area through the development of new and existing facilities and infrastructure, and to increase the demands of corporate, industrial, and general aviation users through new and innovative marketing strategies.

For financial reporting purposes, management has considered all potential component units. The Authority meets the criteria of an "other stand-alone government" as defined in GASB No. 39.

Basis of Presentation:

The accounts of the Authority are organized on the basis of a single proprietary-type (enterprise) fund. The operations of this fund are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, net position, revenues, and expenses.

Proprietary funds are accounted for on a flow of economic resources measurement focus. This means that all assets and liabilities (whether current or non-current) associated with the fund's activity are included on the statement of net position. Proprietary fund type operating statements present increases (revenue) and decreases (expenses) in total net position.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Basis of Presentation – Continued:

Further, enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body and/or regulatory agencies is to provide goods and services on a continuing basis, with the costs associated with these goods and services to be recovered primarily through user charges; or where the governing body and/or regulatory agencies have decided that periodic determination of the revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Basis of Accounting:

Accounting is on the accrual basis. Revenue and expenses are recognized and recorded as earned or incurred, respectively.

Accounts Receivable:

Accounts receivable are stated at management’s estimate of the net realizable amount. Accounts not considered collectible have been charged to current operations.

Net Position:

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position represents the net position of the Authority not restricted for any project or other purpose. A deficit will require future funding. The Authority applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available. The Authority did not have any restricted net position for 2020.

Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from primary activities. For the Authority, these revenues are leases and rentals, charges for services, operator licenses and miscellaneous reimbursements. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the Authority.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Contributions of Capital:

Contributions of capital arise from outside contributions of fixed assets or outside contributions of resources restricted to capital acquisition and construction.

Estimates:

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Deposits and Investments:

The Authority maintains demand deposits, savings accounts and certificates of deposit with various financial institutions and the Weld County Treasurer. Deposits are displayed on the statement of net position as cash and cash equivalents. Deposits are carried at cost.

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. Authority funds are invested in accordance with the Public Deposit Protection Act and other state statutes.

Capital assets:

Capital assets are recorded at acquisition cost. The Authority capitalizes fixed assets with a minimum acquisition unit value of \$5,000. Donated capital assets are recorded at their fair value as of the date received. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Category	Years
Buildings	3-40
Vehicles, equipment and furniture	3-20
Land improvements	5-30

Compensated absences:

Accumulated unpaid vacation pay is accrued when incurred. The maximum accumulation of vacation leave is limited to 320 hours. Employees are paid 100% of their accumulated vacation pay when they terminate their employment for any reason.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Comparative Data:

Comparative total data for the prior year have been presented in the financial statements in order to provide an understanding of the changes in the financial position and operations. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

Budget Information and Control:

The annual budget of the Authority is prepared on the basis of the flow of financial resources or working capital, exclusive of the current portion of long-term debt or assets.

The Authority is subject to the Colorado Local Government Budget Law. Appropriations lapse at the end of the budget year. The Authority must appropriate monies not greater than the budgeted total expenditures at which level actual expenditures may not exceed appropriations for the year. Generally, additional appropriations may be authorized by law during the year in cases of emergency caused by a public enemy or some contingency which could not have been reasonably foreseen at the time of adoption of the budget.

The following calendar includes various deadlines for the budget process set by state statute:

October 15: Submission of proposed budget to Board of Commissioners. Notice of budget is published setting the public hearing date.

December 31: Budget must be adopted. Certified copy of budget is sent to the Division of Local Government within 30 days of adoption. The Board of Commissioners appropriates funds for the budget year.

Intangible Assets:

The cost of Authority adopted master plans are capitalized and amortized over 5 - 10 years using the straight-line method, and are reported with capital assets.

Subsequent Events:

Management has evaluated subsequent events through the date the financial statements were available for issuance, which is the same date as the auditor's report.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – Deposits and Investments:

Cash Deposits:

Custodial credit risk – deposits:

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The Authority's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State regulatory commissions for banks and financial services are required by statute to monitor the naming of the eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2020, all the Authority's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

At December 31, 2020, the Authority's cash deposits had bank and carrying balances as follows:

	Bank Balance	Carrying Balance
FDIC Insured	\$ 250,000	\$ 250,000
PDPA Collateralized	872,837	872,837
With Weld County Treasurer	863,583	863,583
Total Cash Deposits	\$ 1,986,420	\$ 1,986,420

GREELEY-WELD COUNTY AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – Capital Assets:

	Balance, 1/1/20	Additions	Reclassifications /Deletions	Balance, 12/31/20
<u>Business-type activities</u>				
Capital assets not being depreciated:				
Land	\$ 4,652,475	\$ --	\$ --	\$4,652,475
Total capital assets not being depreciated	4,652,475	--	--	4,652,475
Capital assets being depreciated:				
Land improvements	34,385,476	49,949	--	34,435,425
Buildings and improvements	4,769,090	9,871	--	4,778,961
Vehicles, equipment and furniture	1,150,153	80,554	(25,696)	1,205,011
Master plan	243,070	--	--	243,070
Total capital assets being depreciated	40,547,789	140,374	(25,696)	40,662,467
Less Accumulated Depreciation:				
Land improvements	23,164,737	1,555,523	--	24,720,260
Buildings and improvements	2,265,040	152,088	--	2,417,128
Vehicles, equipment and furniture	808,475	84,384	(25,696)	867,163
Master plan	68,858	24,307	--	93,165
Total accumulated depreciation	26,307,110	1,816,302	(25,696)	28,097,716
Total capital assets being depreciated, net	14,240,679	(1,675,928)	--	12,564,751
Business-type activities capital assets, net	\$18,893,154	\$(1,675,928)	\$ --	\$17,217,226

GREELEY-WELD COUNTY AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – Capital Assets – Continued:

	Balance, 1/1/19	Additions	Reclassifications/ Deletions	Balance, 12/31/19
<u>Business-type activities</u>				
Capital assets not being depreciated:				
Land	\$ 4,652,475	\$ --	\$ --	\$ 4,652,475
Total capital assets not being depreciated	4,652,475	--	--	4,652,475
Capital assets being depreciated:				
Land improvements	34,190,844	194,632	--	34,385,476
Buildings and improvements	4,636,427	132,663	--	4,769,090
Vehicles, equipment and furniture	1,164,311	--	(14,158)	1,150,153
Master plan	243,070	--	--	243,070
Total capital assets being depreciated	40,234,652	327,295	(14,158)	40,547,789
Less Accumulated Depreciation:				
Land improvements	21,277,120	1,887,617	--	23,164,737
Buildings and improvements	2,094,181	170,859	--	2,265,040
Vehicles, equipment and furniture	702,190	120,443	(14,158)	808,475
Master plan	44,554	24,304	--	68,858
Total accumulated depreciation	24,118,045	2,203,223	(14,158)	26,307,110
Total capital assets being depreciated, net	16,116,607	(1,875,928)	--	14,240,679
Business-type activities capital assets, net	\$20,769,082	\$(1,875,928)	\$ --	\$18,893,154

GREELEY-WELD COUNTY AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE 4 – Long-Term Debt:

Changes in long-term obligations for the year ended December 31, 2020 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due in One Year
Colorado State Infrastructure Bank Note	\$192,522	\$ --	\$192,522	\$ --	\$ --

The Authority borrowed \$1,000,000 through the Colorado State Infrastructure Bank on May 13, 2016 for the purpose of funding the rehabilitation of the west hangar taxilane. The note carries an interest rate of 2.5% and is to be paid in annual installments of principal and interest of \$215,247 through May of 2020. All revenues of the Authority are pledged for repayment, including the oil and gas lease revenue. The Authority must maintain cash reserves and other readily liquid securities sufficient to pay the remaining principal and interest due at any time.

NOTE 5 –Taxpayer’s Bill of Rights:

On November 3, 1992, Colorado voters enacted the Taxpayer’s Bill of Rights (TABOR). The net financial effect of this amendment to the state constitution relates to the limitation of the amount of revenue, after 1992, able to be spent or retained by a Colorado governmental entity subject to its provisions. Generally, subject revenue may be increased annually to the extent of the combined percentage increase in inflation and growth in actual value of real property within the government’s boundaries. Also, Colorado governments are still subject to restrictions under laws existing prior to November 3, 1992, until changed by the voters. Revenue in excess of limitations must be refunded to taxpayers unless voters approve the retention of such revenue.

TABOR also restricts the imposition, without prior voter approval, new or increased taxes, increasing a property tax mill levy above that of the prior year, extending expiring taxes or changing tax policies causing net revenue increases. TABOR generally forbids debt or other financial obligations (including pension) with maturities in excess of one year without prior voter approval.

TABOR is complex and subject to judicial interpretation. The Authority’s governing board has adopted the position that it is not subject to the provisions of TABOR because the governing board is not an elected board, does not have an electoral constituency, and does not have the power to impose taxes, all basic operational requirements of TABOR.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – Conditional Gift:

On April 9, 1993, the Authority received, as a conditional gift from the U.S. Aerospace Maintenance and Regeneration Center, a GT-38A jet aircraft solely for use as a static display. The conditions for transfer include (a) the Authority may not dispose of the aircraft without prior approval of the transferor or use it as security and (b) if not used as a static display or if the Authority does not wish to retain the aircraft, title reverts to transferor. All costs associated with the transport, maintenance and disposition of the aircraft are the responsibility of the Authority. The aircraft has been properly decommissioned and therefore, is not in flying condition. The value of this conditional gift is not readily determinable and it has not been capitalized.

NOTE 7 – Risk Management:

The Authority is exposed to losses related to torts; theft of, damage to, or destruction of assets; errors and omissions; job-related illnesses or injuries to employees, and natural disasters. The Authority purchases sufficient commercial insurance to cover losses from these events other than deductibles, and does not self-insure or participate in a public entity risk pool. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

NOTE 8 – Capital Contributions:

In the normal course of operations, the Authority receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Capital contributions for the year ended December 31, 2020, are summarized by source as follows:

State of Colorado	\$ 14,400
Total capital contributions	\$ 14,400

GREELEY-WELD COUNTY AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – Simplified Employee Pension Plan:

The Authority has established an employer Simplified Employee Pension Plan, which is a “money-purchase” defined contribution plan under current law and U.S. Treasury regulations. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate twelve months from the date of employment. The Authority contributes 5% of base salary each pay period. Contributions made by the Authority are not taxable to the employee until they are withdrawn. All contributions vest immediately to the employee. The Authority has no statutory or contractual liability for any individual’s post-employment benefits under this plan. Employer contributions for the years ended December 31, 2020 and 2019 totaled \$16,493 and \$13,359, respectively.

NOTE 10 – Operating Leases:

Cancelable Leases:

The Airport has twelve hangars (9 T-hangars and 3 conventional hangars) and three T-sheds in which space is available for lease. Cost of the buildings, built or purchased between 1959 and 2015, was \$1,876,545 with accumulated depreciation at December 31, 2020 of \$ 1,256,843. There are 114 T-hangar units and 14 storage units. During 2019, monthly rental rates ranged from \$210 to \$423 for each hangar unit and \$110 for each T-shed unit. Lease terms range from one month up to one year but are generally cancelable at any time at the lessee’s option. One hangar building (hangar 49) with 2 hangars and an office was subject to an annual lease with a monthly rent of \$1,379.

Noncancelable Land and/or Terminal Area Leases:

The Authority leases depreciable property with a total cost of \$2,067,775 and accumulated depreciation of \$970,816 at December 31, 2020, and land under ground leases. Included in these amounts is the terminal, of which only a portion is leased, with a cost of \$1,761,549 and accumulated depreciation of \$702,200 at December 31, 2020.

NOTE 11 – Contingencies

There is a claim that if asserted has a possible unfavorable outcome in the sum of approximately \$42,000 involving an airplane propeller and related damages.

SUPPLEMENTARY INFORMATION

GREELEY-WELD COUNTY AIRPORT AUTHORITY

**SCHEDULE OF FINANCIAL RESOURCES PROVIDED, APPLIED AND
CHANGES IN WORKING CAPITAL - BUDGET AND ACTUAL**

Year Ended December 31, 2020	2020 Actual	Original Budget	Final Budget	Variance
<u>FINANCIAL RESOURCES PROVIDED</u>				
<u>Leases and rentals</u>				
Land rents	\$ 276,935	\$ 267,550	\$ 267,550	\$ 9,385
Air National Guard land	2,278	2,278	2,278	-
Hangar rents	395,085	387,855	387,855	7,230
Tie-downs	660	660	660	-
Office and restaurant	19,570	20,000	20,000	(430)
Farm cash rents	14,522	13,900	13,900	622
Other rents	-	69,000	69,000	(69,000)
Total leases and rentals	709,050	761,243	761,243	(52,193)
<u>Charges for services</u>				
Fuel flow fees	21,644	20,249	20,249	1,395
Operators licenses	5,140	6,060	6,060	(920)
<u>Other operating revenue</u>				
Colorado fuel and sales tax distribution	14,536	34,000	34,000	(19,464)
Miscellaneous revenue	98,722	5,000	5,000	93,722
Total other operating revenue	113,258	39,000	39,000	74,258
<u>Other financial resources provided</u>				
Federal COVID funding	69,000	-	-	69,000
Grants from State of Colorado	18,992	9,000	9,000	9,992
Earnings on investments	142	250	250	(108)
Oil and gas royalties and leases	108,614	50,000	50,000	58,614
Proceeds from sale of assets	7,642	-	-	7,642
Total other resources provided	204,390	59,250	59,250	145,140
Total resources provided	1,053,482	885,802	885,802	167,680

Continued on next page.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

SCHEDULE OF FINANCIAL RESOURCES PROVIDED, APPLIED AND CHANGES IN WORKING CAPITAL - BUDGET AND ACTUAL

Year Ended December 31, 2020	2020 Actual	Original Budget	Final Budget	Variance
<u>FINANCIAL RESOURCES APPLIED</u>				
<u>Personnel services</u>				
Salaries and wages	\$ 357,199	\$ 349,219	\$ 349,219	\$ (7,980)
FICA/Medicare	27,105	30,000	30,000	2,895
Health and life insurance	66,330	84,000	84,000	17,670
Worker's compensation	3,550	10,500	10,500	6,950
Retirement contributions	16,493	16,000	16,000	(493)
Employee wellness	425	1,500	1,500	1,075
Total personnel services	471,102	491,219	491,219	20,117
<u>Contractual services</u>				
Audit	12,300	12,000	12,000	(300)
Security	3,167	5,000	5,000	1,833
Legal	2,100	5,000	5,000	2,900
EPA storm water assessment	-	185	185	185
Internet fees/other professional fees	4,610	4,600	4,600	(10)
Total contractual services	22,177	26,785	26,785	4,608
<u>Supplies</u>				
Office supplies	2,422	3,000	3,000	578
Computer software	231	2,000	2,000	1,769
Consumable supplies	5,487	4,500	4,500	(987)
Durable supplies/tools	646	3,000	3,000	2,354
Uniforms and clothing	3,592	5,500	5,500	1,908
Total supplies	12,378	18,000	18,000	5,622
<u>Repairs and maintenance</u>				
Buildings	6,796	10,500	10,500	3,704
Equipment	29,045	20,000	20,000	(9,045)
Grounds	13,522	17,000	17,000	3,478
Total repairs and maintenance	49,363	47,500	47,500	(1,863)
<u>Utilities</u>				
Telephone	12,919	7,500	7,500	(5,419)
Electric	44,537	42,500	42,500	(2,037)
Water utility	3,645	5,000	5,000	1,355
Irrigation water assessments	186	14,000	14,000	13,814
Natural gas	13,991	10,000	10,000	(3,991)
Total utilities	75,278	79,000	79,000	3,722

Continued on next page.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

**SCHEDULE OF FINANCIAL RESOURCES PROVIDED, APPLIED AND
CHANGES IN WORKING CAPITAL - BUDGET AND ACTUAL**

Year Ended December 31, 2020	2020 Actual	Original Budget	Final Budget	Variance
<u>FINANCIAL RESOURCES APPLIED - Continued</u>				
<u>Other</u>				
Insurance	\$ 63,258	\$ 60,000	\$ 60,000	\$ (3,258)
Equipment rent	2,697	6,000	6,000	3,303
Dues and subscriptions	2,756	5,000	5,000	2,244
Miscellaneous	344	1,501	1,501	1,157
Bad debts	-	-	-	-
Credit card processing	4,849	5,600	5,600	751
Postage	956	1,600	1,600	644
Promotion and advertising	27	3,500	3,500	3,473
ARFF equipment/training	-	3,000	3,000	3,000
Fuel for equipment	7,192	15,000	15,000	7,808
Meetings and travel	7,075	14,500	14,500	7,425
Total other	89,154	115,701	115,701	26,547
Total current operating expenses	719,452	778,205	778,205	58,753
<u>Debt service</u>				
Interest and loan escrow fees	4,813	-	-	(4,813)
Principal payments	24,307	-	-	(24,307)
Total debt service	29,120	-	-	(29,120)
<u>Capital outlay</u>				
Property and equipment	140,374	342,911	342,911	202,537
Total resources applied	888,946	1,121,116	1,121,116	232,170
<u>INCREASE (DECREASE) IN FINANCIAL RESOURCES</u>	164,536	(235,314)	(235,314)	399,850
<u>WORKING CAPITAL*</u>				
Beginning of year	1,893,560	1,893,560	1,893,560	-
End of year	\$2,058,096	\$1,658,246	\$ 1,658,246	\$ 399,850

*Current assets minus current liabilities, deposits, plus current portion of notes payable and advance lease payments.