

GREELEY-WELD COUNTY
AIRPORT AUTHORITY



FINANCIAL STATEMENTS

Years Ended December 31, 2021 and 2020



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Independent Auditors' Report

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

Opinions

We have audited the accompanying financial statements of the business-type activities of the Greeley-Weld County Airport Authority (the Authority) as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Greeley-Weld County Airport Authority as of December 31, 2021 and 2020, and the respective changes in financial position and cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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.

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 within one year after the date that the financial statements are issued or available to be issued.

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 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, 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 require that management discussion and analysis 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, 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.

Supplementary Information

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedule on pages 24-26 is 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 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.

Anderson & Whitney, P.C.

September 15, 2022

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, 2021 and 2020.

FINANCIAL HIGHLIGHTS

- * The Authority's working capital position increased from \$2,028,849 to \$2,345,598, due to increased Oil and gas and cutting expenses. The current ratio at December 31, 2021 is 14.81 to 1, up from 13.24 to 1 at December 31, 2020. 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 5.48% or \$1,047,931, primarily due to oil and gas royalty and easement income of \$229,126, offset by charges for depreciation and amortization for 2021 of \$1,415,559. Most of the Authority's net position is reflected in the net investment in capital assets – 88%. Accordingly, these assets are not an available source for future spending.
- * The Authority had a net loss before capital contributions for 2021 of \$1,283,536, which was primarily the result of depreciation and amortization expense in the amount of \$1,415,559. 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 2021 operating income before depreciation and amortization was \$132,023, an increase of \$2,385 from the operating income before depreciation of \$129,638 for 2020.
- * During 2021, the Authority expended \$47,781 less than total budgeted expenditures. This is primarily because of capital outlay was less than budgeted expenditures.
- * Capital purchases include - \$29,130 towards a water heater and furnace, and \$21,748 towards Gas main extension and water sewer taps.

- * 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 2022 budget reflects these goals.
- * The Authority entered into new leases effective during the year of 2021. 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, 2021, assets exceeded liabilities by \$18,074,277.

The following table provides a summary of the Authority's net position for 2021 and 2020.

December 31	2021	2020
Assets:		
Current and other assets	\$ 2,515,444	\$ 2,194,588
Capital assets	15,852,547	17,217,226
Total Assets	18,367,991	19,411,814
Liabilities:		
Current liabilities	169,846	165,739
Noncurrent liabilities	123,868	123,867
Total Liabilities	293,714	289,606
Net Position:		
Net investment in capital assets	15,852,547	17,217,226
Unrestricted	2,221,730	1,904,982
Total Net Position	\$ 18,074,277	\$ 19,122,208

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	2021	2020
Revenue:		
Operating revenue:		
Leases and rentals	\$ 696,312	\$ 709,050
Other operating revenue	141,602	140,042
Nonoperating revenue:		
Federal and State grants	6,353	73,592
Oil and gas revenue	229,126	108,614
Earnings on investments	126	142
Gain on disposal of assets	--	7,642
Capital contributions	--	14,400
Total Revenue and Capital Contributions	1,073,519	1,053,482
Expenses:		
Operating expenses:		
Personal services	445,516	471,104
Contractual services	22,449	22,177
Supplies	12,006	12,378
Repairs and maintenance	34,528	49,363
Utilities	96,723	75,278
Other operating expenses	94,669	89,154
Depreciation and amortization	1,415,559	1,816,302
Nonoperating expenses:		
Interest expense	--	4,813
Total Expenses	2,121,450	2,540,569
Change in Net Position	\$ (1,047,931)	\$(1,487,087)

Capital contributions decreased in 2021 due to grant receivables from the Federal Aviation Administration in 2020.

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	2021	2020
ASSETS		
Current Assets:		
Cash on hand	\$ 150	\$ 150
Cash in checking	2,000	2,000
Cash with Weld County Treasurer	1,010,303	863,583
Cash in money market accounts	1,304,460	1,120,687
Total Cash and Cash Equivalents	2,316,913	1,986,420
Receivables:		
Leases and fees	130,551	135,639
Grants and capital contributions:		
Federal Aviation Administration	-	5,400
State of Colorado	-	-
Total Receivables	130,551	141,039
Prepaid Items	67,980	67,129
Total Current Assets	2,515,444	2,194,588
Noncurrent Assets:		
Capital Assets:		
Nondepreciable capital assets	4,652,475	4,652,475
Depreciable capital assets - net	11,200,072	12,564,751
Total Noncurrent Assets	15,852,547	17,217,226
TOTAL ASSETS	\$ 18,367,991	\$ 19,411,814

Continued on next page

GREELEY-WELD COUNTY AIRPORT AUTHORITY

STATEMENTS OF NET POSITION

December 31	2021	2020
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 33,272	\$ 26,026
Current portion of lease revenue received in advance	-	2,278
Compensated absences	16,924	19,925
Accrued wages	14,263	13,776
Payroll taxes and benefits payable	1,083	1,046
Accrued interest payable	6,322	6,322
Lease revenue invoiced in advance	97,982	96,366
Total Current Liabilities	169,846	165,739
Noncurrent Liabilities:		
Lease revenue received in advance -		
Colorado Air National Guard	122,346	122,345
Tenant deposits	1,522	1,522
Total Noncurrent Liabilities	123,868	123,867
TOTAL LIABILITIES	293,714	289,606
NET POSITION		
Net investment in capital assets	15,852,547	17,217,226
Unrestricted	2,221,730	1,904,982
TOTAL NET POSITION	\$ 18,074,277	\$ 19,122,208

See Accompanying Notes to Financial Statements.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

STATEMENTS OF ACTIVITIES

Years Ended December 31	2021	2020
Operating Revenue:		
Leases and rentals	\$ 696,312	\$ 709,050
Charges for services	22,746	21,644
Operators licenses	4,385	5,140
Other operating revenue	114,471	113,258
Total Operating Revenue	837,914	849,092
Operating Expenses:		
Personnel services	445,516	471,104
Contractual services	22,449	22,177
Supplies	12,006	12,378
Repairs and maintenance	34,528	49,363
Utilities	96,723	75,278
Other operating expenses	94,669	89,154
Depreciation	1,415,559	1,816,302
Total Operating Expenses	2,121,450	2,535,756
Operating Income (Loss)	(1,283,536)	(1,686,664)
Nonoperating Revenue (Expenses):		
Earnings on investments	126	142
Federal and State Grants	6,353	73,592
Oil and gas revenue	229,126	108,614
Gain on disposal of assets	-	7,642
Interest expense and loan escrow fee	-	(4,813)
Capital contributions	-	14,400
Net Nonoperating Revenue	235,605	199,577
Net Loss	(1,047,931)	(1,487,087)
Net Position, Beginning of Year	19,122,208	20,609,295
Net Position, End of Year	\$ 18,074,277	\$ 19,122,208

See Accompanying Notes to Financial Statements.

GREELEY-WELD COUNTY AIRPORT AUTHORITY

STATEMENTS OF CASH FLOWS

Years Ended December 31	2021	2020
Cash Flows from Operating Activities:		
Cash received from customers	\$ 850,248	\$ 863,508
Cash payments to suppliers	(259,609)	(253,112)
Cash payments to employees	(447,993)	(455,941)
Net Cash Provided by Operating Activities	142,646	154,455
Cash Flows From Noncapital Financing Activities:		
Oil and gas lease revenue	229,126	108,614
Net Cash Provided by Noncapital Financing Activities	229,126	108,614
Cash Flows from Capital and Related Financing Activities:		
Proceeds from sale of assets and grants of permanent easements	-	-
Payments on Colorado SIB note payable	(2,278)	(192,522)
Proceeds of capital grants	5,400	344,084
Proceeds from Federal and State grants	6,353	87,992
Payments made for interest	-	(4,813)
Acquisition of property and equipment	(50,880)	(140,374)
Net Cash Used by Capital and Related Financing Activities	(41,405)	94,367
Cash Flows from Investing Activities:		
Proceeds from sale of equipment	-	7,642
Interest on investments	126	142
Net Cash Provided by Investing Activities	126	7,784
Net Increase (Decrease) in Cash	330,493	365,220
Cash, beginning of year	1,986,420	1,621,200
Cash, end of year	\$ 2,316,913	\$ 1,986,420

Reconciliation of Operating Loss to Net Cash Provided

by Operating Activities:		
Operating loss	\$ (1,283,536)	\$ (1,686,664)
Change in assets and liabilities:		
Increase (decrease) in:		
Long-term lease amortization	-	(2,278)
Depreciation and amortization	1,415,559	1,816,302
Decrease (increase) in accounts receivable	5,088	45,678
(Increase) decrease in prepaid items	(851)	(3,500)
(Decrease) increase in accounts payable	7,246	(31,262)
Increase (decrease) in accrued expenses	(2,477)	15,161
(Increase) decrease in lease revenue invoiced in advance	1,617	1,018
Net Cash Provided by Operating Activities	\$ 142,646	\$ 154,455

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 2021.

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, 2021, 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, 2021, the Authority's cash deposits had bank and carrying balances as follows:

	Bank Balance	Carrying Balance
FDIC Insured	\$ 250,000	\$ 250,000
PDPA Collateralized	1,056,459	1,056,459
With Weld County Treasurer	1,010,303	1,010,303
Total Cash Deposits	\$ 2,316,762	\$ 2,316,762

GREELEY-WELD COUNTY AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – Capital Assets:

	Balance, 1/1/21	Additions	Reclassifications /Deletions	Balance, 12/31/21
<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	34,435,425	21,748	--	34,457,173
Buildings and improvements	4,778,961	29,1321	--	4,808,093
Vehicles, equipment and furniture	1,205,011	--	(--)	1,205,012
Master plan	243,070	--	--	243,070
Total capital assets being depreciated	40,662,467	50,880	(--)	40,713,348
Less Accumulated Depreciation:				
Land improvements	24,720,260	1,143,936	--	25,864,196
Buildings and improvements	2,417,128	162,941	--	2,580,069
Vehicles, equipment and furniture	867,163	84,375	(--)	951,538
Master plan	93,165	24,307	--	117,472
Total accumulated depreciation	28,097,716	1,415,559	(--)	29,513,275
Total capital assets being depreciated, net	12,564,751	(1,364,679)	--	11,200,072
Business-type activities capital assets, net	\$17,217,226	\$(1,364,679)	\$ --	\$15,852,547

GREELEY-WELD COUNTY AIRPORT AUTHORITY

NOTES TO FINANCIAL STATEMENTS

NOTE 3 – Capital Assets – Continued:

	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 4 – Long-Term Debt:

Changes in long-term obligations for the year ended December 31, 2021 are as follows:

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

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.

The loan was paid off during 2020.

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, 2021, are summarized by source as follows:

State of Colorado Internship Reimbursement	\$ 6,353
Total capital contributions	\$ 6,353

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, 2021 and 2020 totaled \$14,300 and \$16,493, 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, 2021 of \$ 1,326,646. There are 114 T-hangar units and 14 storage units. During 2021, 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 \$1,020,583 at December 31, 2021, and land underground 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 \$746,238 at December 31, 2021.

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, 2021	2021 Actual	Original Budget	Final Budget	Variance
<u>FINANCIAL RESOURCES PROVIDED</u>				
<u>Leases and rentals</u>				
Land rents	\$ 297,585	\$ 272,000	\$ 272,000	\$ 25,585
Air National Guard land	2,278	2,278	2,278	-
Hangar rents	360,372	387,855	387,855	(27,483)
Tie-downs	660	660	660	-
Office and restaurant	20,858	20,000	20,000	858
Farm cash rents	14,559	13,900	13,900	659
Other rents	-	69,000	69,000	(69,000)
Total leases and rentals	696,312	765,693	765,693	(69,381)
<u>Charges for services</u>				
Fuel flow fees	22,746	20,000	20,000	2,746
Operators licenses	4,385	5,140	5,140	(755)
<u>Other operating revenue</u>				
Colorado fuel and sales tax distribution	15,677	32,000	32,000	(16,323)
Miscellaneous revenue	98,794	5,000	5,000	93,794
Total other operating revenue	114,471	37,000	37,000	77,471
<u>Other financial resources provided</u>				
Federal COVID funding	-	-	-	-
Grants from State of Colorado	6,353	9,000	9,000	(2,647)
Earnings on investments	126	150	150	(24)
Oil and gas royalties and leases	229,126	50,000	50,000	179,126
Proceeds from sale of assets	-	-	-	-
Total other resources provided	235,605	59,150	59,150	176,455
Total resources provided	1,073,519	886,983	886,983	186,536

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, 2021	2021 Actual	Original Budget	Final Budget	Variance
<u>FINANCIAL RESOURCES APPLIED</u>				
<u>Personnel services</u>				
Salaries and wages	\$ 339,388	\$ 363,430	\$ 363,430	\$ 24,042
FICA/Medicare	26,006	28,000	28,000	1,994
Health and life insurance	60,298	70,000	70,000	9,702
Worker's compensation	5,274	5,000	5,000	(274)
Retirement contributions	14,300	16,000	16,000	1,700
Employee wellness	250	1,500	1,500	1,250
Total personnel services	445,516	483,930	483,930	38,414
<u>Contractual services</u>				
Audit	12,400	12,400	12,400	-
Security	4,240	4,500	4,500	260
Legal	2,800	5,000	5,000	2,200
EPA storm water assessment	-	185	185	185
Internet fees/other professional fees	3,009	3,500	3,500	491
Total contractual services	22,449	25,585	25,585	3,136
<u>Supplies</u>				
Office supplies	2,765	3,000	3,000	235
Computer software	264	2,000	2,000	1,736
Consumable supplies	4,220	4,500	4,500	280
Durable supplies/tools	1,632	2,000	2,000	368
Uniforms and clothing	3,125	3,500	3,500	375
Total supplies	12,006	15,000	15,000	2,994
<u>Repairs and maintenance</u>				
Buildings	3,864	11,250	11,250	7,386
Equipment	7,101	10,000	10,000	2,899
Grounds	23,563	16,000	16,000	(7,563)
Total repairs and maintenance	34,528	37,250	37,250	2,722
<u>Utilities</u>				
Telephone	19,464	7,500	7,500	(11,964)
Electric	46,521	46,000	46,000	(521)
Water utility	3,608	5,495	5,495	1,887
Irrigation water assessments	13,616	15,000	15,000	1,384
Natural gas	13,514	10,500	10,500	(3,014)
Total utilities	96,723	84,495	84,495	(12,228)

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GREELEY-WELD COUNTY AIRPORT AUTHORITY

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

Year Ended December 31, 2021	2021 Actual	Original Budget	Final Budget	Variance
<u>FINANCIAL RESOURCES APPLIED - Continued</u>				
<u>Other</u>				
Insurance	\$ 66,528	\$ 65,000	\$ 65,000	\$ (1,528)
Equipment rent	2,324	6,000	6,000	3,676
Dues and subscriptions	3,226	4,000	4,000	774
Miscellaneous	(206)	1,000	1,000	1,206
Bad debts	-	-	-	-
Credit card processing	4,975	5,600	5,600	625
Postage	1,681	1,500	1,500	(181)
Promotion and advertising	195	3,500	3,500	3,305
ARFF equipment/training	-	3,000	3,000	3,000
Fuel for equipment	12,653	15,000	15,000	2,347
Meetings and travel	3,293	5,000	5,000	1,707
Total other	94,669	109,600	109,600	14,931
Total current operating expenses	705,891	755,860	755,860	49,969
<u>Debt service</u>				
Interest and loan escrow fees	-	-	-	-
Principal payments	24,307	-	-	(24,307)
Total debt service	24,307	-	-	(24,307)
<u>Capital outlay</u>				
Property and equipment	50,879	73,000	73,000	22,121
Total resources applied	781,077	828,860	828,860	47,783
INCREASE (DECREASE) IN FINANCIAL RESOURCES	292,442	58,123	58,123	234,319
<u>WORKING CAPITAL*</u>				
Beginning of year	2,058,096	2,058,096	2,058,096	-
End of year	\$2,350,538	\$2,116,219	\$ 2,116,219	\$ 234,319

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