Financial Statements
June 30, 2020

Jackson Hole Airport Board

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Independent Auditor's Report

To the Board of Directors
Jackson Hole Airport Board
Jackson, Wyoming

Report on the Financial Statements
We have audited the accompanying financial statements, of Jackson Hole Airport Board (the Board) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Board'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 Board's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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

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Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of passenger facility charges collected and expended – cash basis, is also presented for purposes of additional analysis, as specified in the Passenger Facility Charge Audit Guide for Public Entities, by the Federal Aviation Administration and is not a required part of the basic financial statement of the Jackson Hole Airport Board.

The schedule of passenger facility charges collected and expended are 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 schedule of passenger facility charges collected and expended are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated November 9, 2020 on our consideration of the Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 the Board'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 the Board's internal control over financial reporting and compliance.

Eide Bailly LLP

Boise, Idaho
November 9, 2020

The Jackson Hole Airport Board (the Board) is the operator and proprietor of the Jackson Hole Airport (the "Airport"), located north of the Town of Jackson, in Teton County, Wyoming. The Board offers readers of its Financial Statements this narrative overview of its financial activities for the fiscal year ended June 30, 2020 (the "Fiscal Year"). This narrative responds to the requirements of Government Accounting Standards Board ("GASB") No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

Financial Highlights. Financial highlights for this fiscal year are as follows:

- The total net position, which represents the residual interest in the Airport Board assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted, increased by $7,461,852 or 7.06% from last fiscal year.
- As of the close of the fiscal year, the Airport Board's unrestricted cash and investments balance was $6,896,906 (excluding PFCs and CFCs). Of this, $810,254 was invested in Certificates of Deposit in a federally insured institution, having maturities of greater than three months.
- At the close of the fiscal year, the Airport Board's passenger facility charge ("PFC") remaining cash balance was $38,282. This PFC balance is restricted for spending in accordance with the Airport Board's PFC applications, and as approved by the Federal Aviation Administration.
- The Airport Board's total long-term debt excluding the unfunded pension and compensated absences decreased by $2,699,954 during the current fiscal year.
- Despite the negative economic impacts of the COVID-19 pandemic over the last five months of the fiscal year, the Airport Board's operating revenue experienced a minor decrease of $93,534 compared to previous year.

Overview of the Financial Statements. The discussion and analysis are intended to serve as an introduction to the Airport Board's financial statements. The Airport Board's financial statements are comprised of basic financial statements which include all revenue and expenses, required supplementary information reflecting changes in employer's share of net pension liability and employer's contributions and supplementary information. In addition, this financial report includes a schedule of passenger facility charges collected and expended, a single audit section listing all Federal grants, a report on compliance with the Uniform Guidance, and a summary of the auditor's findings.

Basic Financial Statements. The Basic Financial Statements are made up of four components: (1) Statement of Net Position, at page 8-9; (2) Statement of Revenues, Expenses and Changes in Net Position, at pages 10-11; (3) Statement of Cash Flows, at pages 12-13; and (4) Notes to Financial Statements, at pages 14-27. These are designed to provide readers with a broad overview of the Airport Board's finances, in a manner similar to a private sector business.

Required Supplementary Information. Required supplementary information consist of the Schedule of Employer's Share of Net Pension Liability and the Schedule of Employer's Contributions. The schedules show historical pension and employer contribution data over the previous 6 years and are required by the Government Accounting Standards Boards (GASB).

Supplementary Information. The supplementary financial information is composed of the Schedule of Passenger Facility Charges Collected and Expended-cash basis. The schedule has not been prepared in accordance with generally accepted accounting principles (GAAP) but is required by the Federal Aviation Administration (FAA). The Schedule shows the PFC beginning balance, collections, expenditures and ending balance. The Schedule shows the amount of the FAA-authorized PFC which remains to be collected in future years.

Net Position

The Statement of Net Position presents the financial position of the Airport Board at the end of the fiscal year. The statement includes all assets and liabilities of the Airport Board. Net Position is the difference between total assets plus deferred outflows and total liabilities plus deferred inflows and is an indicator of the current fiscal health of the Airport Board.

A summary of the Airport Board's assets, liabilities, deferred outflows and inflows, and net position is shown below:

	2020	2019
Assets		
Current and other assets	$ 18,954,889	$ 15,581,437
Capital assets, net	122,984,628	122,997,718
Total assets	141,939,517	138,579,155
Deferred Outflows of Resources	1,651,511	3,038,451
Liabilities		
Current liabilities	5,075,139	7,486,108
Long-term liabilities	24,097,565	28,220,033
Total liabilities	29,172,704	35,706,141
Deferred Inflows of Resources	1,271,969	226,963
Net position		
Net investment in capital assets	104,056,071	101,369,208
Restricted	5,040,242	6,412,822
Unrestricted	4,050,042	(2,097,528)
Total net position	$ 113,146,355	$ 105,684,502

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Airport Board, assets exceeded liabilities by $113,146,355 at the close of the fiscal year.

Ninety two percent of the total net position ($104,056,071) reflects net investment in capital assets (buildings, runways, equipment and infrastructure) less any related outstanding debt used to acquire those assets. The Board uses these capital assets to operate the airport; consequently, these assets are not available for future spending. Although the Board's investment in its capital assets is reported net of related debt, it should be noted the resources needed to repay this debt must be provided from airport revenue or other sources acquired by the Airport, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining eight percent of the Board's net position represent resources that are restricted as well as unrestricted. The restricted resources ($5,040,242) are subject to external restrictions on how they are used. These restrictions are due to covenants made to the holders of the Board's revenue bonds. The unrestricted net position resources ($4,050,042) will be used to meet any of the Airport Board's ongoing operational needs. The change in unrestricted position resulted primarily to receipts of CARES Act funding.

Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position separately describe operating revenues and operating expenses by logical categories; non-operating revenues made up of interest, passenger facilities charge (PFC) reimbursements; customer facility charge (CFC) fees and capital contributions.

The Airport Board's total operating and non-operating revenues including capital contributions of $4,545,284 exceeded total operating and non-operating expenses for an increase in net position of $7,461,852. A summary of revenues and expenses is shown below:

	2020	2019
Program revenues	$ 23,737,104	$ 23,830,638
Program expenses	27,781,198	25,025,614
Loss from operations	(4,044,094)	(1,194,976)
Non-operating revenues and expenses		
Interest income	32,563	56,836
Interest expense	(909,119)	(785,122)
CARES Act funding	4,562,627	-
Passenger facilities reimbursements	1,555,979	1,291,657
Customer facility fees	1,729,547	1,580,135
Gain (loss) on disposal of capital asset	(10,934)	(453,557)
Total non-operating revenues and expenses	6,960,663	1,689,948
Net gain before capital contributions	2,916,569	494,972
Capital contributions	4,545,284	6,747,294
Change in Net Position	7,461,852	7,242,266
Net Position, Beginning of Year	105,684,502	98,442,236
Net Position, End of Year	$ 113,146,355	$ 105,684,502

Analysis of Significant Changes. For the fiscal year ending June 30, 2020, significant changes in the Airport Board's finances are discussed as follows:

General Comments. Operating revenues and expenses from year to year will depend to a significant degree upon the Airport's aircraft and passenger volume. For instance, fees received from many airport tenants are on a "percentage of gross" basis; parking revenues are directly related to parking lot usage; landing fees and fuel revenues are directly related to the volume of aircraft activity. Operating revenues can therefore be expected to mirror future changes in aircraft and passenger volumes. However, operating expenses do not immediately and automatically mirror aircraft and passenger volume and must therefore be closely monitored and adjusted by airport management when appropriate.

Capital outlays are funded in large part through grant revenues and PFC project reimbursements. Grant revenues are largely dependent on the appropriation of federal funds, and the Airport's aircraft and passenger volume upon which the level of grant funding is partially based. The amount of PFC reimbursements is directly related to passenger volumes. Lack of availability of one or both of these sources of revenue could dramatically limit the Airport Board's ability to make capital outlays in the future.

The Airport Board operates passenger security screening services under a contract from the Transportation Security Administration. Security screening reimbursements and expenses both reflect operations under that contract, which goes through February 28, 2022 if TSA chooses to exercise all the contract option terms. Should the contract not be renewed, both revenues and expenditures will simultaneously, or nearly simultaneously, terminate.

On May 4, 2020, the Board was awarded $16,494,770 under the CARES Act. During fiscal year 2020 the Airport requested reimbursement from this program and recognized the revenue of $4,562,627 for operating costs incurred after January 20, 2020.

Cash Position

Cash and cash equivalents (including amounts restricted from PFC and CFC) increased from $7,308,000 to $8,380,876, an increase of $1,072,876 over the last fiscal year. This was mainly due to receipts of reimbursements for landside terminal projects.

Accounts Payable and Retainage Payable

Accounts payable and retainage payable at the end of the fiscal year decreased from $3,686,161 to $763,571, a decrease of $2,922,591 from the last fiscal year. This decrease was due to the settlement of completed landside terminal projects.

Operating Revenues

Overall operating revenue decreased by $93,534 compared to last year. This decrease was mainly due to abatements on rental car fees and food concessions that resulted from declined number of passengers that passed through the airport.

Operating Expenses

Operating expenses increased from $25,025,614 to $27,781,198, an increase of $2,755,584 over the last fiscal year, due mainly to increases in fuel farm costs, repairs and maintenance, and snow removal costs. The increase in fuel farm expense is largely due to the variability of fuel pricing.

Non-Operating Revenues and Expenses
Non-operating revenues (and expenses) increased from $1,689,948 to $6,960,663, an increase of $5,270,715 over the last fiscal year primarily due to the recognition of revenue of $4,562,627 from the CARES Act funding.

Capital Assets Long-Term Debt Activity
At the end of June 30, 2020, the Airport had $122,984,628 reported in capital assets. There was $58,822,725 in construction activities completed during the year including the landside project (see Note 3 for more information).

Long-Term Debt Activity
The Airport settled $2,699,954 long-term debt during the year ended June 30, 2020. The Airport has four revenue bonds totaling $18,928,557 outstanding as of June 30, 2020 (see Note 4 for more information).

Requests for Information
This financial report is designed to provide a general overview of the Jackson Hole Airport Board's finances for all those with interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Administrative Offices of the Board at the following address:

Jackson Hole Airport Board
P.O. Box 159
1250 East Airport Road
Jackson, Wyoming 83001
Phone: (307) 733-7695
Fax: (307) 733-9270

Assets		
Current Assets		
Cash in bank and on hand	$	6,086,652
Investments		810,254
Accounts receivable		5,812,931
Receivable from state and federal governments		606,383
Prepaid expenses		351,439
Inventory		246,987
Total current assets		13,914,646
Noncurrent Assets		
Restricted cash - passenger facility charges		38,282
Restricted cash - customer facility fees		1,408,195
Restricted cash -for loan settlement / sinking fund		847,747
Restricted investments - sinking funds		2,746,018
Capital assets not being depreciated		2,957,696
Capital assets being depreciated		179,713,361
Accumulated depreciation		(59,686,429)
Total noncurrent assets		128,024,870
Total assets		141,939,517
Deferred Outflows of Resources-Pension		
Employer contributions subsequent to the measurement date		488,551
Changes in proportion		897,579
Changes in assumptions		265,382
Total deferred outflows of resources		1,651,511
Total assets and deferred outflows of resources	$	143,591,028

Liabilities	
Current Liabilities	
Accounts payable	$ 742,555
Accrued wages payable	374,836
Bonds payable	2,773,197
Compensated absences	92,477
Interest payables	63,528
Refundable deposits	1,007,530
Retainage payable	21,016
Total current liabilities	5,075,139
Noncurrent Liabilities	
Compensated absences	412,633
Bonds payable	16,155,360
Net pension liability	7,529,571
Total noncurrent liabilities	24,097,565
Total liabilities	29,172,704
Deferred Inflows of Resources-Pension	
Net difference between projected and actual investment earnings	1,123,489
Differences between expected and actual experience	148,480
Total deferred inflows of resources	1,271,969
Net Position	
Net investment in capital assets	104,056,071
Restricted for passenger facility charges expenditures	38,282
Restricted for customer facility charges expenditures	1,408,195
Restricted for loan settlement / sinking fund	3,593,765
Unrestricted	4,050,042
Total net position	113,146,355
Total liabilities, deferred inflows of resources and net position	$ 143,591,028

Operating Revenues	
Airline landing fees and rent	$ 6,294,014
Rental car revenues and related fees	4,414,010
Security screening reimbursement (TSA)	7,090,061
LEO service reimbursement contract (TSA)	75,925
Fuel revenue and related fees	3,873,368
Parking and ground transportation income	1,305,193
F&B concession and related fees	338,869
Gas tax refund	253,540
Miscellaneous	92,123
Total operating revenues	23,737,104
Operating Expenses	
Capital maintenance	396,793
Depreciation	7,102,960
Dues and subscriptions	39,215
Environmental management	642,231
Fire rescue training and supplies	72,338
Franchise fees	531,998
Fuel	90,106
Fuel farm cost of sales and related expenses	1,924,416
Insurance	639,993
Repairs, maintenance and supplies	1,784,346
Miscellaneous	48,621
Office expenses	215,915
Payroll taxes and benefits	4,894,276
Professional fees	684,221
Public and employee relations	269,164
Salaries	6,655,935
Screening	129,027
Security	700,128
Snow removal	353,091
Telephone	44,929
Travel, meeting and training	123,270
Utilities	438,225
Total operating expenses	27,781,198
Loss from operations	(4,044,094)

Non-Operating Revenues and Expenses	
Interest income	32,563
Interest expense	(909,119)
CARES Act funding	4,562,627
Passenger facilities reimbursements	1,555,979
Customer facility fees	1,729,547
Loss on disposal of capital assets	(10,934)
Total non-operating revenues and expenses	6,960,663
Income before Capital Contributions	2,916,569
Capital Contributions	4,545,284
Change in Net Position	7,461,852
Total Net Position, Beginning of Year	105,684,502
Total Net Position, End of Year	$ 113,146,355

Operating Activities	
Cash received from operations	$ 26,238,313
Cash payments to suppliers for services	(11,516,745)
Cash payments to employees for services	(10,472,423)
Net Cash from Operating Activities	4,249,145
Capital and Related Financing Activities	
Acquisitions and construction of property and equipment	(7,142,503)
Proceeds from the disposal of capital assets	41,700
Passenger facilities reimbursements received	1,555,979
Customer facility charges received	1,729,547
Principal payments on bonds payable	(2,699,954)
Interest payments on bonds payable	(907,513)
Grants received from State and Federal governments	4,524,724
Net Cash used for Capital and Related Financing Activities	(2,898,019)
Investing Activities	
Advances to employees	(24,000)
Repayments of advances by employees	5,430
Investment purchase	(290,785)
Interest on investments	31,105
Net Cash used for Investing Activities	(278,250)
Net Increase in Cash	1,072,876
Cash in bank and on hand, Beginning of Year	7,308,000
Cash in bank and on hand, End of Year	$ 8,380,876
Statement of Net Position	
Cash in bank and on hand	$ 6,086,652
Restricted cash-passenger facility fees	38,282
Restricted cash-customer facility fees	1,408,195
Restricted for loan settlement / sinking fund	847,747
Total Cash in Bank and on Hand	$ 8,380,876

Reconciliation of Loss from Operations to Net Cash from Operating Activities

Loss from operations	$ (4,044,094)
Adjustments to reconcile loss from operations to net cash from operating activities	
Depreciation	7,102,960
Increase (decrease) in cash and cash equivalents resulting from changes in operating assets and liabilities	
Accounts receivable	2,501,209
Prepaid expenses	99,883
Inventory	(7,670)
Deferred outflows of resources	1,386,940
Accounts payable	(1,469,700)
Retainage payable	(1,452,890)
Deferred inflows of resources	1,045,006
Refundable deposits	441,659
Accrued wages payable	12,762
Compensated absences	140,981
Net pension liability	(1,507,901)
Net Cash from Operating Activities	$ 4,249,145

Note 1 - Principal Business Activity and Significant Accounting Policies

Reporting Entity and Organization

The Jackson Hole Airport Board (the Board) is the level of government which has governing responsibilities over all activities related to the Jackson Hole Airport. The Board is a joint powers board created by the Town of Jackson and County of Teton, as authorized by Wyoming Statute Sections 10-5-201 through 10-5-204. Though created by joint action of the Town and County, the Board is a separate and distinct governmental entity and "body corporate."

The Board receives funding from state and federal government sources and must comply with the requirements of these funding source entities. The Board serves as the nucleus for the reporting entity under the provisions of GASB Statement No. 14, 39 and 61 for its basic financial statements. Using this premise, the Board is not financially accountable for any other organizations; thus, the report includes only the financial statements of the Board. The Board has no component units nor is it considered a component unit of any other government.

The Board operates in Grand Teton National Park under an agreement with the U.S. Department of Interior. The operating agreement between the Board and U.S. Department of Interior expires in 2053. The Board pays a use fee to the U.S. Department of Interior equal to three percent of the first $4,000,000 of eligible operating receipts and four percent of any eligible operating receipts in excess of $4,000,000.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The basic financial statements are reported using the economic resources measurements focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the Board's enterprise fund are charges to users of the airport facilities. Operating expenses for the enterprise fund include the cost of providing the services for the airport, administrative expense, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Receivables

The Board recognizes bad debts at the time specific accounts become doubtful of collection; accordingly, accounts receivable is included in the accompanying statement of net position at face value with no provision for losses thereon. This form of presentation is preferable due to the nature of receivables and the immaterial amounts of doubtful collections involved. Federal and state reimbursement-type grants are recorded as receivables and revenue when the related expense is incurred.

Cash in Bank and On Hand

For purposes of the cash flow statement, the Board considers cash in bank, cash on hand (petty cash), demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition to be cash in bank and on hand.

Investments

Investments for the Board are reported at fair value. Fair value is determined based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as the measurement date. The Board's investment policy allows the Board to invest in U.S. Treasury instruments, certificates of deposits which are fully insured by the FDIC or fully secured by a pledge of U.S. Treasury instruments, and the Wyoming State Treasurer's Asset Reserve as permitted by Wyoming Statutes. Management reviews statements of investments on a monthly basis to identify significant downturns which might affect the fair value measurements of investments.

Inventory and Prepaid Items

Inventory consists of avgas, unleaded gas, dyed diesel and glycol and is valued at cost using the first in/first out (FIFO) method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

Capital assets, which include property, equipment and infrastructure assets (e.g., runways and aprons), are reported in the basic financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of 2 years. Depreciation is recorded on the straight-line basis over the estimated useful lives of the properties. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	Years
Buildings	10 to 40
Runways	10 to 20
Equipment	5 to 10
Furniture, fixtures and computer equipment	5 to 10
Vehicles including fire trucks	5 to 10
Apron/taxiway	10 to 20
Landside terminal expansion	15 to 39
RCF-QTA Facility	15
Wastewater conveyance system	7

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The Board only has one item that qualifies for reporting in this category. The Board reports deferred outflows of resources for pension plan items.

Deferred Inflows of Resources

In addition, to the liabilities, the statement of net position may sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Board has one item that qualifies for reporting in this category. The Board reports deferred inflow of resources for pension plan items.

Compensated Absences

Compensated absences (paid time off) are accrued based on an employee's years of employment. Employees receive 128 hours of compensated absences in their first through fourth year of employment, 168 hours in their fifth through ninth year of employment, and 208 hours in their tenth year of employment and beyond. Carryover of compensated absences is limited to 288 hours for both non-exempt and exempt employees. Unused sick leave hours are not paid out upon termination and are not accrued as a liability in the financial statements.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The estimates of the pension liability are especially significant to the Board. It is reasonably possible that this estimate will change within one year of the date of the financial statements due to one or more future events. The effect of the change could be material to the financial statements and could result in a loss.

Net Position

Net position is reported as restricted when constraints are placed on net position use are externally imposed by creditors (such as debt covenants, grantors, contributors, or laws of regulations of other governments), or when use is constrained through enabling legislation. Net investment in capital assets represents the Board's investment in capital assets (net of accumulated depreciation) reduced by the related debt. When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources as they are needed.

Passenger Facility Charge (PFC) Funds

PFC funds are collected based on an approved FAA application to "impose" charges on enplaned passengers at the Airport. These funds are restricted for "use" on designated capital projects and any debt incurred to finance the construction of these projects. By letter dated November 29, 1993, the FAA issued a Record of Decision to the Airport that authorized the collection and expenditure of PFC revenue. PFC's are imposed on enplaning passengers by airports for the purpose of generating resources for airport projects that increase capacity, increase safety, security, or that mitigate noise impacts. In the first application, the Airport received approval for a $3 PFC to finance projects totaling approximately $375,000. Collection for the first application began in 1994. There were number of amendments to the Records of Decision since 1994. These amendments have increased the authorized collections and project expenditures to approximately $39,383,556 in total. Additionally, the May 18, 2001 Record of Decision amended the PFC rate to increase the collection level to $4.50. Passenger Facility Charges collected are reported as restricted assets.

Rental Car Facility Fee (CFC)

In June 2010, the Board established an on-airport rental car facility charge to be collected by on-airport rental car companies from their customers entering into a motor vehicle agreement and paid over to the Board for the purpose of financing and payment of the planning, design, enabling, construction, improvement and/or repair of facilities and improvements which benefit the on-airport rental car companies. The car facility charge of $2 per customer per transaction day was increased to $4 per customer per transaction day in October 2012, then to $5 per customer per transaction day in July 2018 with no cap on the number of transaction days. Car facility charges are recorded as restricted assets. The car facility charges commenced on August 1, 2010 and will continue until terminated by the Board.

Revenue Recognition

Additional types of Airport revenue are recognized as follows:

Airfield Landing Fees

Landing fees are principally generated from scheduled passenger and cargo carriers, as well as non-scheduled commercial aviation, and are based on the landed weight of the aircraft. The estimated landing fee structure is determined annually pursuant to an agreement between the Airport and each of the signatory airlines based on the Certified Gross Weight of the aircraft landed. Landing fees are recognized as revenue when the related facilities are utilized.

Terminal Rents, Rental Car Revenues, and Concessions

Rental and concession fees are generated from airlines, parking facilities, food and beverage operations, rental car agencies, advertisers and other commercial tenants. Leases are for terms from one to five years and generally require rentals based on the volume of business; specific minimum annual rental payments are required for some of the leases. Rental revenue is recognized over the life of the respective leases and concession revenue is recognized based on reported concessionaire revenue.

Fuel Revenue

The fuel farm provides fuel and glycol to the fixed based operator and the airlines at FIFO cost plus Board approved administration fee.

Grant Revenue and Capital Contributions

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Pensions

For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Wyoming Retirement System's Public Employer Pension Plan (WRS Plan) and additions to /deductions from the WRS Plan fiduciary net position have been determined on the same basis as they are reported by the WRS Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit term. Investment are reported at fair value.

Note 2 - Investments

As of June 30, 2020, all the Board's investments consisted of Certificates of Deposit with original maturity dates of six months and interest rates ranging from 0.35% to 1.02%. In addition, the Board had $1,639,557 in WYO-STAR, which is a government investment pool, established in 1987 offered exclusively to Wyoming governmental entities. The value of the Board's investment in WYO-STAR is equal to the value of its share in WYO-STAR. Amounts held in WYO-STAR are considered cash and cash equivalents. As of June 30, 2020, the interest rate earned on WYO-STAR was .7645%.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Board's investments and cash and cash equivalents are held in certificates of deposit and in external pooled investment accounts with a focus on liquidity. As a means of limiting its exposure to fair value losses arising from interest rates, the Board attempts to match investment maturities with its expected cash flow needs. With this investment focus, investment and cash and cash equivalents are expected to reach maturity with limited gains and losses.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. On June 30, 2020, the Board was not exposed to credit risk as respects to investments held in certificates of deposit. With respect to funds held at WYO-STAR, the Board has invested monies at fixed contract rate of interest. WYO-STAR pool is not rated.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Board's deposits may not be redeemable to it. State Statutes require that the Board's deposits in excess of the federal depository insurance amount be collateralized. On June 30, 2020, the Board's deposits excluding WYO-STAR investments were collateralized as required by statutes and Board policy with securities held by the pledging financial institution's trust department or agent, in joint custody of the bank and the Board.

	Wells Fargo	Bank of the West	First Interstate Bank	Total
Bank balances	$ 5,136,139	$ 1,928,835	$ 3,483,380	$ 10,548,354
FDIC insurance	(250,000)	(250,000)	(250,000)	(750,000)
Uninsured	4,886,139	1,678,835	3,233,380	9,798,354
Collateralized with securities held by the pledging financial institution's trust department in the Board's name	(5,286,139)	(2,767,358)	(9,000,000)	(17,053,497)
Uninsured and uncollateralized	$ -	$ -	$ -	$ -

Note 3 - Property and Equipment

A summary of changes in capital assets follows:

	Beginning Balance July 1, 2019	Additions	Deletions, Transfers and Reclassifications	Ending Balance June 30, 2020
Capital assets, not being depreciated				
Art - terminal building	$ 830,825	$ -	$ (78,348)	$ 752,477
Construction in progress	55,124,458	5,903,486	(58,822,725)	2,205,219
	55,955,283	5,903,486	(58,901,073)	2,957,696
Capital assets, being depreciated				
Apron/taxiway	-	16,613,950	-	16,613,950
Buildings and runways	114,036,027	896,819	(7,250,082)	107,682,764
Equipment	6,019,268	1,213,838	(1,453,321)	5,779,785
Fuel farm facility	-	13,340,277	-	13,340,277
Furniture, fixtures and computer Equipment	647,500	25,178	(18,111)	654,567
Landside terminal expansion	305,354	16,388,712	-	16,694,066
RCF-QTA Facility	-	11,582,967	-	11,582,967
Vehicles including fire trucks	4,162,741	-	(34,622)	4,128,119
Wastewater conveyance system	3,236,866	-	-	3,236,866
Total capital assets, being depreciated	128,407,756	60,061,741	(8,756,136)	179,713,361
Less accumulated depreciation	(61,365,321)	(7,102,960)	8,781,852	(59,686,429)
Total capital assets, being depreciated, net	67,042,435	52,958,781	25,716	120,026,932
Capital assets, net	$ 122,997,718	$ 58,862,267	$ (58,875,357)	$ 122,984,628

Depreciation expense for the year ended June 30, 2020 was $7,102,960.

Note 4 - Long-Term Debt, Long-Term Liabilities and Pledged Revenue

The following is a summary of changes in long-term debt and long-term liabilities of the Board for the year ended June 30, 2020:

	Balance June 30, 2019	New Debt Incurred	Debt Retired	Balance June 30, 2020	Due Within One Year
BOW S.2013 Revenue Bond	$ 1,352,304	$ -	$ 216,915	$ 1,135,389	$ 222,933
BOW S.2018 Revenue Bond	7,915,803	-	725,632	7,190,171	756,870
FIB S.2018B Revenue Bond	10,700,000	-	1,070,000	9,630,000	1,070,000
FIB S.2018C Revenue Bond	1,660,403	-	687,407	972,996	723,394
Total long-term debt	21,628,511	-	2,699,954	18,928,557	2,773,197
Compensated absences	364,129	251,059	110,078	505,110	92,477
	$ 21,992,640	$ 251,059	$ 2,810,032	$ 19,433,667	$ 2,865,674

On October 10, 2018, the Board issued ten (10) Series 2018B revenue bonds ("Bond") totaling $10,700,000 to finance the cost incurred in connection with the design and construction of the rental car quick-turn-around facility. Each revenue bond will mature November 1st of every year. The interest rates for these bonds range from 4.279% to 4.968%. Interest payments are due monthly based on a ten year fully amortized note until all the bonds are retired. Payment of loan and interest will come from CFCs collected from rental cars. Pledged revenues totaled $1,729,547 compared to debt service of $1,562,624 for the year ended June 30, 2020 There is no prepayment penalty on the Bond. The annual requirements to pay principal and interest on this loan are as follows:

	FIB Series 2018B Revenue Bonds		
Years ending June 30,	Principal	Interest	Total
2021	$ 1,070,000	$ 443,481	$ 1,513,481
2022	1,070,000	393,441	1,463,441
2023	1,070,000	342,020	1,412,020
2024	1,070,000	290,606	1,360,606
2025	1,070,000	237,097	1,307,097
Thereafter	4,280,000	413,118	4,693,118
	$ 9,630,000	$ 2,119,763	$11,749,763

On October 10, 2018, the Board also issued Series 2018C revenue bond ("Bond") in the amount of at $2,100,000 at an annual fixed rate of 5% to finance the retirement of the Wyoming Business Council bonds. Principal and interest payments are due monthly based on a three year fully amortized note. Payment of loan and interest will come from PFCs and airport cash. Pledged revenues were $1,555,979 compared to debt service of $757,399 for the year ended June 30, 2020. There is no prepayment penalty on the Bond. The annual requirements to pay principal and interest on this loan are as follows:

	FIB Series 2018C Revenue Bonds		
Years ending June 30,	Principal	Interest	Total
2021	$ 723,394	$ 32,699	$ 756,093
2022	249,602	2,650	252,252
	$ 972,996	$ 35,349	$ 1,008,345

In June 2018, the Board issued Series 2018A revenue bond ("Bond") in the amount of $8,500,000 at an annual fixed rate of 4.05% to finance the cost incurred in connection with the design and construction of the new fuel facility. Principal and interest payments are due monthly based on a ten year fully amortized note. The maturity of the Bond is the twelfth anniversary of the closing date of the Bond, unless extended by the Bank in writing. Only interest is required to be repaid during the draw period for a maximum of 24 months. Fuel facility fees of $0.25 per gallon are pledged towards repayment of the Bond. Pledged revenues were $3,873,368 compared to debt service of $1,051,304 for fiscal year ended June 30, 2020. The Bond is subject to redemption prior to the stated maturity, at the option of the Board. There is no prepayment penalty on the Bond. The annual requirements to pay principal and interest on this loan are as follows:

	BOW Series 2018 Revenue Bonds		
Years ending June 30,	Principal	Interest	Total
2021	$ 756,870	$ 281,141	$ 1,038,011
2022	788,551	249,470	1,038,021
2023	821,547	216,474	1,038,021
2024	855,440	182,581	1,038,021
2025	891,719	146,302	1,038,021
Thereafter	3,076,045	209,647	3,285,692
	$ 7,190,171	$ 1,285,615	$ 8,475,786

In November 2013, the Board issued Series 2013 Revenue Bond ("Bond") in the amount of $4,100,000, at an annual fixed rate of 2.66% for the purpose of financing a portion of the design and construction of a new and expanded baggage claim building as part of the passenger terminal building and paying costs incurred in connection with the issuance of this bond. Principal and interest in the amount of $20,901 shall be paid in monthly installments commencing in May 2015 until May 2025. The provisions of the 2013 Bond were amended in 2018 and include: establishment of the special trust account for payment of the principal and interest; the principal and interest payments are payable solely from PFC and gross revenues less operating costs, maintenance costs, FBO revenues, and rental car Customer Facility Fees. The Board may issue additional bonds or other obligations having a lien on the pledged airport revenues so long as no event of default has occurred and net revenues including PFCs and fuel facilities revenues are equal to at least 150% of the debt service requirement for all outstanding bonds and obligations and proposed additional obligations for such period. The pledged revenues were $4,512,306 compared to debt service of $250,817 for the year ended June 30, 2020. The Bond is subject to redemption prior to the stated maturity, at the option of the Board. There is no prepayment penalty on the Bond. The annual requirements to pay principal and interest on this loan are as follows:

	BOW Series 2013 Revenue Bonds		
Years ending June 30,	Principal	Interest	Total
2021	$ 222,933	$ 27,884	$ 250,817
2022	229,021	21,796	250,817
2023	235,275	15,542	250,817
2024	241,677	9,140	250,817
2025	206,483	2,539	209,022
	$ 1,135,389	$ 76,901	$ 1,212,290

Note 5 - Risk Management

The Board is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors, and omissions, injuries to employees and natural disasters. During the year ended June 30, 2020, the Board contracted with various insurance companies for property insurance (including boiler and machinery), general liability insurance, fuel farm insurance, professional insurance and vehicle insurance. The coverages under each type of insurance policy vary in amounts and deductibles. The Board has not had significant settlements exceeding insurance coverage in any of the past three fiscal years.

During the fiscal year 2009, the Board received the Support Anti-Terrorism by Fostering Effective Technologies (SAFETY) Act designation. This designation for the Board means that for any claim arising out of an act of terrorism and involving the Board's security screening operation; a) exclusive jurisdiction is in federal court; b) liability is limited to an amount of liability specified by insurance coverage; c) joint and several liability for non-economic damages is prohibited, so the Board can only be liable for that percentage of non-economic damages proportionate to its responsibility for the harm; d) punitive damages and prejudgment interest are barred, and e) plaintiff's recovery is reduced by amounts they receive from "collateral sources", such as insurance benefits. The Board pays into the State Worker's Compensation System a premium based on a rate per covered payroll. This rate is calculated based on accident history and administrative costs. The Board paid approximately $210,932 in 2020.

Note 6 - Retirement Plan

The Board participates in the Public Employees' Pension Plan ("PEPP"), a statewide cost-sharing multiple-employer public employee retirement system administered by the State of Wyoming Retirement System Board. Substantially all Board full-time employees are eligible to participate.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wyoming Retirement System ("WRS") plans and additions to/deductions from WRS's fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Wyoming Retirement System issues a publicly available financial report which includes audited financial statements and required supplementary information for each plan. Detailed information about the pension plans' fiduciary net position is available in separately issued Wyoming Retirement System financial report. The report may be obtained from the Wyoming Retirement System website at http://retirement.state.wy.us.

Pension Benefits

The PEPP provides retirement, disability and death benefits according to predetermined formulas and allows retirees to select one of seven optional methods for receiving benefits, including two joint and survivor forms of benefits: a 100% joint and survivor annuity, and a 50% joint and survivor annuity. The benefit amounts under these options are determined on an actuarially equivalent basis. Any cost of living adjustment provided to retirees must be granted by the State Legislature. Benefits are established by Title 9, Chapter 3 of the Wyoming Statutes.

Member and Employer Contributions

PEPP members are required to contribute 8.75% of their annual covered salary and the Board is required to contribute 8.87% of the annual covered payroll. Legislation enacted in 1979 allows the employer to pay any or all the employees' contribution in addition to the matching contribution. The Board currently contributes 16.19% of their annual covered salary and the employees are required to pay 1.43% of their annual salary. Contribution rates are established by Title 9, Chapter 3 of the Wyoming Statutes. The Board's contributions to the PEPP for the year ended June 30, 2020 were $960,040.

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

On June 30, 2020, the Board reported a total liability of $7,529,571 for its proportionate share of the net pension liability. The net pension liability was determined based on the results of an actuarial valuation performed as of January 1, 2019 and rolled forward to the measurement date of December 31, 2019. The Board's proportion of the net pension liability was based on the Board's contributions to the pension plans relative to the contributions of all participating governmental entities during the measurement period. On December 31, 2019, the Board's proportion increased to .3204174% from .2967688% compare to December 31, 2018.

For the year ended June 30, 2020, the Board recognized pension expense of $1,412,596. On June 30, 2020, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 1,123,489
Differences between actual and expected experience	-	148,480
Change in assumptions	265,381	-
Change in proportion	897,579	-
Subtotal	1,162,960	1,271,969
Contributions subsequent to the measurement date	488,551	-
Total	$ 1,651,511	$ 1,271,969

The Board reported $488,551 as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date which will be recognized as reduction of the net pension liability in the year ended June 30, 2021.

Other amounts reported as deferred outflows or inflows of resources related to pensions will be recognized in pension expense (increase of expense) as follows:

Years ended June 30,	
2021	$ 251,797
2022	12,355
2023	128,857
2024	(502,018)
	$ (109,009)

Actuarial Assumptions

The total pension liability in the January 1, 2019, actuarial valuation date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions and Methods	
Valuation Date	January 1, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	29 years
Asset valuation method	5-year Smoothed Market
Actuarial assumptions:	
Salary increases	2.50% to 6.50%, including inflation
Payroll growth rate	2.50%
Inflation rate	2.25%
Cost of living increases	0.00%
Investment rate of return	7.00%
Mortality	RP-2014 Healthy Annuitant Mortality Table, generational with scale MP-2017

An experience study was performed in 2018 for the period January 1, 2012 thru December 31, 2016 which reviewed all economic and demographic assumptions, including mortality.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation.

For each major asset class that is included in the pension plans' target allocation as of January 1, 2020, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Cash	2.00%	-0.20%
Fixed income	21.00%	1.32%
Equity	48.50%	5.43%
Marketable alternatives	19.00%	3.46%
Private markets	9.50%	4.46%
Total	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions for participating governmental entities will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following table presents the Board's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Board's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

Pension Plan	1% Decrease (6.00)%	Current Discount Rate (7.00)%	1% Increase (8.00)%
Net pension liability	$ 11,375,914	$ 7,529,571	$ 4,319,447

Note 7 - Support from Government Units

The Board receives a substantial amount support from federal and state governments to fund its capital project and airport related studies. If a significant reduction in this level of support were to occur, it may have a significant effect on the Board's ability to continue its capital project activities at their present level. During the fiscal year ended June 30, 2020, the Board received $4,545,284 in support from federal, state and local governments to fund its capital projects and airport related studies, and $4,562,627 from CARES Act to fund its operations to reduce the financial impacts of COVID-19.

Note 8 - Major Customers

During 2020, the Board had one major customer (any customer who provided 10% or more of total revenues). The Board received $7,090,061 in revenues from Transportation Security Administration under a contract to provide screening services and had $605,478 in receivables as of June 30, 2020.

Note 9 - Contractual Commitments

As of the fiscal year ended June 30, 2020, the Board had outstanding engineering and construction contracts in the amounts of $1,743,059 for the Airfield Markings Project, Runway 1/19 Reconstruction Project and ARFF/SRE Facility Project. The major funding sources for the projects are the Airport Improvement Program grants and operating revenue.

Note 10 - Contractual Obligations

Terminal space is rented to various car rental companies; the rental revenue is determined by applying the agreed upon percent of gross receipts, or a minimum guaranteed amount based on the individual rental agreements.

Note 11 - Commitments and Transactions with Related Organizations

The Board has entered various contracts that extend beyond the current year. The Board has an agreement with the Town of Jackson with respect to the provision of law enforcement services. The 3-year contract negotiated on July 1, 2017 expired and was renewed effective July 1, 2020 for another three years for an annual amount of $553,635 payable monthly at $46,136. This agreement may be terminated by either of the parties without cause.

The Board has a three-year contract for custodial services effective May 1, 2018, amended effective October 1, 2019 for additional services payable monthly at $51,582 until April 30, 2020, then payable monthly at $54,162 until October 30, 2021, the expiration of the contract.

Note 12 - Subsequent Events

Subsequent to year-end, the United States and global markets experienced significant volatility in value resulting from uncertainty caused by the world-wide coronavirus pandemic. The Board is closely monitoring its investment portfolio, and its liquidity and is actively working to minimize the impact of this volatility. The Board’s financial statements do not include adjustments to fair value that have resulted from this volatility.

Required Supplementary Information
June 30, 2020

Jackson Hole Airport Board

	2020	2019	2018	2017	2016	2015
Public Employees Pension Plan						
Board's proportion of the net pension liability	0.320417322%	0.296768821%	0.266028289%	0.247429800%	0.227495553%	0.229180744%
Board's proportionate share of the net pension liability	$ 7,529,571	$ 9,037,473	$ 6,063,690	$ 5,981,615	$ 5,299,162	$ 4,044,335
Board's covered payroll	$ 5,698,913	$ 5,165,063	$ 4,682,409	$ 4,557,759	$ 3,967,627	$ 3,917,644
Board's proportionate share of the net pension liability as a percentage of its covered payroll	132.12%	174.97%	129.50%	131.24%	133.56%	103.23%
Plan fiduciary net position as a percentage of the total pension liability	76.83%	69.17%	76.35%	73.42%	73.40%	79.08%

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Board will present information for those years for which information is available.

Data reported is measured as of December 31 (measurement date).

Mortality assumptions were updated in 2019 to reflect changes in the discount rate, inflation, and life expectancy. The new assumptions decreased the total pension liability by $186,151.

	2020	2019	2018	2017	2016	2015
Public Employees Pension Plan						
Contractually required contribution	$ 960,040	$ 854,522	$ 739,186	$ 689,656	$ 676,000	$ 650,000
Contributions in relations to the contractually required contributions	(960,040)	(854,522)	(739,186)	(689,656)	(676,000)	(650,000)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
Board's covered-payroll	$ 5,929,835	$ 5,477,037	$ 4,866,270	$ 4,540,199	$ 4,067,389	$ 4,095,778
Contributions as a percentage of covered payroll	16.19%	15.60%	15.19%	15.19%	16.62%	15.87%

*GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Board will present information for those years for which information is available.

Data reported is measured as of June 30 (fiscal year-end).

Supplementary Information
June 30, 2020

Jackson Hole Airport Board

PFC Projects	Balance Unliquidated PFC June 30, 2019	PFC Collections	Interest Earned	PFC Expenditures	Balance Unliquidated PFC June 30, 2020
APP 12 and 13 Terminal, Master Plan, Operations, and Administration	$ (15,359,509)	$1,555,964	$ 15	$ (102,600)	$ (13,906,130)

Other Information
June 30, 2020

Jackson Hole Airport Board

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Board of Directors
Jackson Hole Airport Board
Jackson, Wyoming

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 the business-type activities, of Jackson Hole Airport Board (the Board) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated November 9, 2020.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Board's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board'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 Board'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Board'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 result of that testing, and not to provide an opinion on the effectiveness of the Board'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 Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Boise, Idaho
November 9, 2020

Independent Auditor's Report on Compliance with Requirements Applicable to the Passenger Facility Charge Program and on Internal Control over Compliance

To the Board of Directors
Jackson Hole Airport Board
Jackson, Wyoming

Report on Compliance
We have audited Jackson Hole Airport Board's (the Board) compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* (the Guide), issued by the Federal Aviation Administration applicable to its passenger facility charge program for the year ended June 30, 2020.

Management's Responsibility
Compliance with the requirements of laws and regulations applicable to its passenger facility charge program is the responsibility of Jackson Hole Airport Board's management.

Auditors' Responsibility
Our responsibility is to express an opinion on Jackson Hole Airport Board's compliance based on our audit. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on passenger facility charges programs occurred. An audit includes examining, on a test basis, evidence about the Jackson Hole Airport Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with the passenger facility charge program. However, our audit does not provide a legal determination of the Jackson Hole Airport Board's compliance.

Opinion on Compliance with Passenger Facility Charge Audit Guide for Public Agencies
In our opinion, Jackson Hole Airport Board complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the passenger facility charge program for the year ended June 30, 2020.

Internal Control Over Compliance
The management of the Jackson Hole Airport Board is responsible for establishing and maintaining effective internal control over compliance with the requirements referred to above. In planning and performing our audit of compliance, we considered Jackson Hole Airport Board's internal control over compliance in accordance with the types of requirements that could have a direct and material effect on the passenger facility charge program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion of compliance 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Jackson Hole Airport Board's internal control over compliance.

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

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

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

Eide Bailly LLP

Boise, Idaho
November 9, 2020