December 8, 2023

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

We have audited the financial statements of Jackson Hole Airport Board (the Board) as of and for the year ended June 30, 2023, and have issued our report thereon dated December 8, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards* and our Compliance Audit under the Uniform Guidance

As communicated in our letter dated May 24, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and to express an opinion on whether the Board complied with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Board major federal program. Our audit of the financial statements and major program compliance does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Board solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Our responsibility, as prescribed by professional standards as it relates to the audit of the Board's major federal program compliance, is to express an opinion on the compliance for the Board's major federal programs based on our audit of the types of compliance requirements referred to above. An audit of major program compliance includes consideration of internal control over compliance with the types of compliance requirements referred to above as a basis for designing audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, as a part of our major program compliance audit, we considered internal control over compliance for these purposes and not to provide any assurance on the effectiveness of the Board's internal control over compliance.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our 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* dated December 8, 2023. We have also provided our comments regarding compliance with the types of compliance requirements referred to above and internal controls over compliance during our audit in our Independent Auditor's Report on Compliance with the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance dated December 8, 2023.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Board is included in Note 1 to the financial statements No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

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

The most sensitive accounting estimates affecting the financial statements are:

> Management's estimate of the net pension liability and the deferred inflows/outflows of resources related to the net pension is based on actuarial estimates provided by Gabriel Roeder Smith & Company to the Wyoming Retirement System and the Schedule of Employer Allocations and Collective Pension Amounts provided by the Wyoming Retirement System. This schedule was audited by independent auditors. We evaluated the key factors and assumptions used to develop the net pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Board's financial statements relate the disclosure related to the net pension liability which is based on actuarial estimates and fixed based operator acquisition that occurred in fiscal year 2023 and related financial statement disclosure.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected or corrected missstatements identified as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify any circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated December 8, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Board, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Board's auditors.

This report is intended solely for the information and use of the Board of Directors and management of Jackson Hole Airport Board and is not intended to be, and should not be, used by anyone other than these specified parties.

Eide Bailly LLP

Boise, Idaho

Financial Statements
June 30, 2023

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 Audit of the Financial Statements

Opinion

We have audited the financial statements of the business-type activities of the Jackson Hole Airport Board (the Board) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Board 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 Board's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board'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 Board's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Board's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award Uniform Guidance*, and is not a required part of the financial statements. 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and the schedule of passenger facility charges collected and expended – cash basis 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 our report dated December 8, 2023 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, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Board's internal control over financial reporting and compliance.

Eide Bailly LLP

Boise, Idaho
December 8, 2023

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 Airport Board offers readers of its Financial Statements this narrative overview of its financial activities for the fiscal year ended June 30, 2023 (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 represents the residual interest in the Airport Board's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted. For this fiscal year total net position increased by $16,550,385 or 9.76% from last fiscal year. The increase is due to the completed terminal projects and runway reconstruction project. The runway and terminal projects were financed by capital contributions received from federal and state grants and the issuance of Bond Series 2022A and 2022C.
- As of the close of the fiscal year, the Board's unrestricted cash and investments balance was $11,864,177 (excluding PFCs and CFCs). Of this, $400,000 was invested in Certificates of Deposit in a federally insured institution, having maturities of greater than three months.
- The Board's total operating revenue continued to grow with the start of the summer tourist season in 2022. The Board's total operating revenue increased by $8,273,247 or 27% from last fiscal year.
- As of May 1, 2023, the Board took over the management of the fixed based operation (FBO), including capital assets and rights to the customer database with an agreed price. More information is discussed in the Note 3 and Note 15 to financial statements.
- The FBO brought in $4,160,164 operating revenue during the first two (2) months of operation, representing 50.28% of the Board's operating revenue increase compared to last year. More information is discussed in Note 15 of this financial report.
- As of May 1, 2023, the Board discontinued operation of the passenger security screening services under contract from the Transportation Security Administration (TSA) resulting in a decrease of $419,558 operating revenue compared to last year.

Overview of the Financial Statements. The management discussion and analysis is 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 assets, deferred outflows, liabilities, deferred inflows, 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 9-10; (2) Statement of Revenues, Expenses and Changes in Net Position, at pages 11-12; (3) Statement of Cash Flows, at pages 13-14; and (4) Notes to Financial Statements, at pages 15-34. 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 consists 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 9 years and are required by the GASB.

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:

	2023	2022
Assets		
Current and other assets	$ 31,327,964	$ 51,721,735
Capital assets, net	202,349,247	178,406,753
Total assets	233,677,211	230,128,488
Deferred Outflows of Resources	4,235,114	1,936,650
Liabilities		
Current liabilities	7,554,961	26,637,797
Long-term liabilities	39,412,666	21,512,429
Total liabilities	46,967,627	48,150,226
Deferred Inflows of Resources	4,753,015	14,273,614
Net Position		
Net investment in capital assets	170,378,106	160,584,560
Restricted	11,263,150	8,100,527
Unrestricted	4,550,427	956,212
Total net position	$ 186,191,683	$ 169,641,298

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Airport Board, assets plus deferred outflow exceeded liabilities and deferred inflows by $186,191,683 at the close of the fiscal year.

91.5% of the total net position $170,378,106 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 8.5% of the Board's net position represent resources that are restricted as well as unrestricted. The restricted resources $11,263,150 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 $4,550,427 will be used to meet any of the Airport Board's ongoing operational needs and grant/non-grant projects of the Airport. It is expected that the unrestricted resources will be augmented by proceeds from federal and state grants and bond issuance receipts.

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) fees, customer facility charge (CFC) fees, ARP Act funding and capital contributions.

The Airport Board's total operating and non-operating revenues including capital contributions of $60,340,799 exceeded total operating and non-operating expenses of $43,790,414, an increase in net position of $16,550,385. A summary of revenues and expenses is shown below:

	2023	2022
Program revenues	$ 38,422,709	$ 30,149,462
Program expenses	40,734,632	33,280,296
Loss from operations	(2,311,923)	(3,130,834)
Non-operating Revenues and Expenses		
Interest income	375,215	566,556
Interest expense	(951,401)	(646,332)
Federal assistance - COVID 19	2,696,604	5,828,575
Passenger facilities fees	1,611,952	1,810,704
Customer facility fees	1,600,389	2,040,601
Contributions revenue - donations	98,500	-
Gain (loss) on disposal of capital asset	(2,104,382)	(4,706)
Total non-operating revenues and expenses	3,326,877	9,595,397
Income Before Capital Contributions	1,014,954	6,464,563
Capital Contributions	15,535,431	36,016,281
Change in Net Position	16,550,385	42,480,846
Net Position, Beginning of Year	169,641,298	127,160,453
Net Position, End of Year	$ 186,191,683	$ 169,641,298

Analysis of Significant Changes. For the fiscal year ending June 30, 2023, 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, issued bonds 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 fees is directly related to passenger volumes. Lack of availability of one or both sources of revenue could dramatically limit the Airport Board's ability to make capital outlays in the future.

The Transportation Security Administration terminated the contract with the Airport Board to operate passenger security screening services as of April 30, 2023.

The Board exercised its proprietary exclusive right on management takeover of fixed based operation (FBO) when the lease of Jackson Hole Aviation expired April 30, 2023. The Airport Board incurred a start-up cost of $990,456 and invested an additional $1,416,309 for aircraft equipment to make the FBO operational from day 1 of taking over. A reporting on FBO's financial and operations from May 1, 2023, to June 30, 2023, is presented in pages 30 to 33.

July 22, 2021, the Board was awarded $5,277,603 under the Airport Rescue Plan Act (ARPA). During fiscal year 2023, the Airport requested the remaining balance from this program and recognized the revenue of $2,696,604 for operating costs incurred during the year.

During the fiscal year 2023, FAA awarded the Board a total grant of $13,215,032 for the expansion and renovation of the terminal building and security screening checkpoint, and design for the taxiway and deice rehabilitation projects. The Airport requested $12,642,581 from these grants and recognized the revenue to finance these projects.

Cash Position
Cash and restricted cash decreased from $17,058,934 to $16,847,072, a decrease of $211,862 over the last fiscal year. The decrease was mainly due to the settlement of airport construction costs during the year, final settlement of vacation/sick leave payouts to outgoing screening employees, acquisition of FBO related properties, and hired new FBO employees.

Accounts Receivable
Accounts receivable increased by $1,144,447 over the last fiscal year due to an increase in airlines and FBO receivables close to year-end.

Receivable from State and Federal Governments
As of June 30, 2023, the Airport reported $816,368 as receivable from the federal government that consists mainly of grants related to the terminal building expansion.

Lease Receivables and Deferred Inflows—Lease Related
Lease receivables and deferred inflows were accounts created last fiscal year due to the Board adopting GASB 87. Lease receivables and deferred inflows totaled $4,858,017 and $4,681,765, respectively, as of June 30, 2023. See Note 13 for more details.

Accounts Payable and Retainage Payable
Accounts payable and retainage payable at the end of the fiscal year decreased by $20,424,771 mainly due to settlement of construction projects costs that were due at the beginning of this fiscal year.

Operating Revenues
Overall operating revenue increased by $8,273,247 compared to last year. This increase consists of FBO related revenues of $4,160,164, increased commercial airlines landing and rent fees of $1,479,475, fuel farm related fees of $1,445,046, and parking/ground transportation fees of $1,351,690 compared to last year's.

Operating Expenses
Operating expenses increased from $33,280,296 to $40,734,632, an increase of $7,454,336 over the last fiscal year. This is mainly due to the increase of $4,138,790 in personnel related salaries/wages/benefits such as increased insurance benefits, final payroll and settlement of vacation/sick payouts to outgoing screening employees (41), hiring of new hired FBO employees (38) at the same pay period, pay rate adjustments, and payment of service recognition and sign-on bonus programs. The increase in operating expenses also includes the start-up costs of FBO by $990,456, $402,337 of annual repairs and maintenance to the runway/taxiway/apron and property insurance by $277,586 over last year.

Capital Assets
At the end of June 30, 2023, the Airport reported $170,378,106 in net investment in capital assets, an increase of $9,796,546 over the prior fiscal year amount of $160,584,560. This resulted from increased capital assets (due to capital projects) and increased long term liability (due to issuance of new bonds – see next paragraph). See Note 4 for additional information.

Long-Term Debt Activity
The Airport retired a total of $1,835,757 bonds and issued a new revenue bond (2022C) for $33 million, of which we received $5,208,087 cash during the year ended June 30, 2023. Additional bond proceeds from the 2022A revenues bonds were received totaling $8,551,775 in fiscal year 2023. The Airport has four revenue bonds totaling $29,746,298 outstanding as of June 30, 2023. (See Note 5 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

Assets	
Current Assets	
Cash in bank and on hand	$ 11,464,177
Investments	400,000
Accounts receivable	1,602,852
Lease receivable	4,858,017
Receivable from state and federal government	816,368
Prepaid expenses	387,938
Inventory	535,462
Total current assets	20,064,814
Noncurrent Assets	
Restricted cash - passenger facility charges	3,162
Restricted cash - customer facility fees	2,574,643
Restricted cash for loan settlement / sinking fund	2,805,090
Restricted investments - sinking funds	5,880,255
Capital assets not being depreciated	17,085,629
Capital assets being depreciated	259,806,248
Accumulated depreciation	(74,542,630)
Total noncurrent assets	213,612,397
Total assets	233,677,211
Deferred Outflows of Resources-Pension	
Employer contributions subsequent to the measurement date	738,168
Changes in investment earnings	967,522
Changes in proportion	1,259,229
Changes in assumptions	301,647
Changes in experience	56,365
Total deferred outflows of resources-pension	3,322,931
Deferred Outflows of Resources	
Acquisition value of FBO in excess of net position acquired	916,000
Accumulated amortization	(3,817)
Total assets and deferred outflows of resources	$ 237,912,325

Liabilities	
Current Liabilities	
Accounts payable	$ 849,140
Accrued wages payable	571,218
Bonds payable	1,864,452
Compensated absences	241,046
Interest payables	85,629
Refundable deposits	1,718,633
Retainage payable	2,224,843
Total current liabilities	7,554,961
Noncurrent Liabilities	
Compensated absences	291,076
Bonds payable	27,881,846
Net pension liability	11,239,744
Total noncurrent liabilities	39,412,666
Total liabilities	46,967,627
Deferred Inflows of Resources-Pension	
Changes in experience	71,250
Deferred Inflows of Resources	
Lease related	4,681,765
Total deferred inflows of resources	4,753,015
Net Position	
Net investment in capital assets	170,378,106
Restricted for passenger facility charges expenditures	3,162
Restricted for customer facility charges expenditures	2,574,643
Restricted for loan settlement / sinking fund	8,685,345
Unrestricted	4,550,427
Total net position	186,191,683
Total liabilities, deferred inflows of resources and net position	$ 237,912,325

Operating Revenues	
Airline landing fees and rent	$ 9,417,729
Rental car revenues and related fees	6,849,331
Security screening reimbursement (TSA)	7,552,878
LEO service reimbursement contract (TSA)	87,115
Fuel revenue and related fees	6,072,133
Parking and ground transportation income	3,067,005
F&B concession and related fees	820,484
Gas tax refund	297,219
FBO Income	4,160,164
Miscellaneous	98,651
Total operating revenues	38,422,709
Operating Expenses	
Capital maintenance	2,154,923
Amortization	3,817
Depreciation	8,812,489
Dues and subscriptions	48,595
Environmental management	952,485
Fire rescue training and supplies	75,288
Franchise fees	903,983
Fuel	162,333
Fuel farm cost of sales and related expenses	3,029,940
FBO cost of sales and related expenses	415,126
Insurance	1,053,221
Repairs, maintenance and supplies	1,800,645
Miscellaneous	139,126
Office expenses	528,278
Payroll taxes and benefits	7,123,098
Professional fees	663,141
Public and employee relations	462,922
Salaries	10,762,197
Screening	74,187
Security	764,081
Snow removal	75,412
Telephone	58,804
Travel, meeting and training	203,040
Utilities	467,501
Total operating expenses	40,734,632
Loss from Operations	(2,311,923)

Non-Operating Revenues and Expenses	
Interest income-banks	71,162
Interest income-leases (GASB 87)	304,052
Interest expense	(951,400)
Federal assistance - COVID 19	2,696,604
Passenger facilities fees	1,611,952
Customer facility fees	1,600,389
Contributions revenue - donations	98,500
Loss on disposal of capital assets	(2,104,382)
Total non-operating revenues and expenses	3,326,877
Income before Capital Contributions	1,014,954
Capital Contributions	15,535,431
Change in Net Position	16,550,385
Total Net Position, Beginning of Year	169,641,298
Total Net Position, End of Year	$ 186,191,683

Operating Activities	
Cash received from operations	$ 31,299,223
Cash payments to suppliers for services	(13,372,794)
Cash payments to employees for services	(16,926,808)
Net Cash from Operating Activities	999,621
Capital and Related Financing Activities	
Acquisitions and construction of property and equipment	(55,886,437)
Proceeds from the disposal of capital assets	432,381
Passenger facilities reimbursements received	1,611,952
Customer facility charges received	1,600,389
Cash received on lease receivables	5,993,958
Cash received for interest on lease receivables	304,052
Proceeds from issuance of bonds payable	13,759,863
Principal payments on bonds payable	(1,835,758)
Interest payments on bonds payable	(917,893)
Grants received from State and Federal governments	31,380,859
Net Cash used for Capital and Related Financing Activities	(3,556,634)
Investing Activities	
Advances to employees	(750)
Repayments of advances by employees	25,812
Interest on investments	71,162
Investment in sinking fund	(447,677)
Net Cash used for Investing Activities	(351,453)
Non-Capital Financing Activities	
Grants received from State and Federal governments	2,696,604
Net Cash from Non-Capital Financing Activities	2,696,604
Net Decrease in Cash	(211,862)
Cash in Bank and on Hand, Beginning of Year	17,058,934
Cash in Bank and on Hand, End of Year	$ 16,847,072
Statement of Net Position	
Cash in bank and on hand	$ 11,464,177
Restricted cash-passenger facility fees	3,162
Restricted cash-customer facility fees	2,574,643
Restricted for loan settlement / sinking fund	2,805,090
Total Cash in Bank and on Hand and Restricted Cash	$ 16,847,072

Reconciliation of Loss from Operations to Net Cash from Operating Activities		
Loss from operations	$	(2,311,923)
Adjustments to reconcile loss from operations to net cash from operating activities		
Depreciation		8,812,489
Amortization		3,817
Increase (decrease) in cash and cash equivalents resulting from changes in operating assets and liabilities		
Accounts receivable		(1,169,509)
Prepaid expenses		2,265
Inventory		(67,619)
Deferred outflows of resources-pensions		(1,386,281)
Retainage payable		(647,580)
Deferred inflows of resources-pensions		(3,566,622)
Deferred inflows of resources-lease related		(5,953,977)
Refundable deposits		1,373,170
Accrued wages payable		50,834
Compensated absences		80,857
Net pension liability		5,779,699
Net Cash from Operating Activities	$	999,621

Noncash capital and related financing activities: In fiscal year 2023 the Board received a donated painting valued at $98,500. Capital asset additions included in accounts payable total $19,777,191 for fiscal year ending June 30, 2023.

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 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 organization; 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 user 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 consistent with 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 expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Accounts 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 operates under investment guidelines that permit 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, State of Wyoming Local Government Investment Pool and Wyoming Cooperative Liquid Assets Securities System as allowed by Wyoming Statutes. Management reviews statements of investments monthly to identify significant downturns which might affect the fair value measurements of investments.

Lease Receivables

Lease receivables are recorded by the Board as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received is discounted based on the interest rate the Board charges the lessee.

Inventory and Prepaid Items

The inventory consists of avgas weighted average costs (WAC), unleaded gas first-in -first out (FIFO), dyed diesel (FIFO), and glycol (WAC) and is valued at cost using the first in/first out (FIFO) method and weighted average cost (WAC) 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 of more than 2 years. Construction in progress is capitalized as constructed. 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
Equipment	5 to 10
Furniture, fixtures and computer equipment	5 to 10
Landside terminal expansion	15 to 39
Quick turn around facility	15
Runways	10 to 20
Vehicles including fire trucks	5 to 10
Wastewater conveyance system	7
Condo 120-1177 Meadowlark-7	40
FBO Equipment	5
FBO Vehicle	5
FBO Aircraft Line/Maint	5

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 two items that qualifies for reporting in this category. The Board reports deferred outflows of resources for pension plan items and the acquisition value of the FBO in excess of net position acquired.

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 two items that qualifies for reporting in this category. The Board reports deferred inflow of resources for pension plan items. Also, the Board reports deferred inflows related to leases where the Board is the lessor and is reported in the statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) on a straight-line basis over the term of the lease.

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 upon termination (except in special circumstances) 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, or 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 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 a 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 rental 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. Rental car facility charges are recorded as restricted assets. The rental car facility charges collections commenced on August 1, 2010, and will continue until terminated by the Board.

Bond Sinking Funds

Certain cash and investment accounts are restricted through bond agreements in order to comply with mandatory sinking fund redemption requirements.

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 and Concessions

Rental and concession fees are generated from airlines (regulated leases), parking facilities, food and beverage operations, rental car agencies, advertisers, and other commercial tenants. Leases are for terms from one to three 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 Farm Facility

The fuel farm provides unleaded gas, dyed diesel and glycol to the fixed based operator and the airlines at FIFO cost / Weighted Average cost, plus Board approved administration fee / disposal fee.

The fuel farm also provides Jet A and AvGas to the fixed based operator and the Board collects customer and fuel facility fees per gallon delivered.

Fixed Based Operator (FBO)

As of May 1, 2023, the Board took over as the fixed based operator providing aeronautical services such as fueling and aircraft maintenance (commercial airlines and private charter flights), tie-down and parking, aircraft hangaring, handling arrival/departures, and similar services. Revenue is recognized with the service is provided.

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.

Note 2 - Investments

As of June 30, 2023, all the Board's investments consisted of Certificates of Deposit with maturity dates no greater than one year and interest rates ranging from 0.01% to 1.41%.

The Board has $1,075,169 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. The interest earned for the year was $49,806 with a current yield rate of 2.7423%.

In May 2023, the Board opened an account with Wyoming-CLASS (Wyoming Cooperative Liquid Assets Securities System), created in 2020 as a service for Wyoming political subdivisions. The value of the Board's investment in Wyoming-CLASS is equal to the value of its share in Wyoming-CLASS. Amounts held in Wyoming-CLASS are considered cash and cash equivalents. The interest earned for the year was $1,336 with a current yield rate of 5.0623%.

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. The weighted average maturity for the WYO-Star / Wyoming-CLASS investment pool is not calculated.

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, 2023, 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 and Wyoming-CLASS, the Board has invested monies at a fixed contract rate of interest. Neither WYO-STAR nor Wyoming-CLASS pools are 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 exceeding the federal depository insurance amount be collateralized. On June 30, 2023, the Board's deposits excluding WYO-STAR and Wyoming-CLASS 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	$ 2,093,524	$ 265,245	$ 22,669,736	$ 25,028,505
FDIC insurance	(250,000)	(250,000)	(250,000)	(750,000)
Uninsured	1,843,524	15,245	22,419,736	24,278,505
Collateralized with securities held by the pledging financial institution's trust department in the Board's name	(1,843,524)	(15,245)	(21,245,214)	(23,103,983)
Uninsured and uncollateralized	$ -	$ -	$ 1,174,522	$ 1,174,522

Note 3 - FBO Acquisition

The Board took over the management of the FBO when the lease of JH Aviation LLC expired on April 30, 2023. The agreed acquisition price was $2,898,627, including the acquisition value of purchased assets $1,982,627, resulting in acquisition value of FBO in excess of net position acquired of $916,000 which is reflected as a deferred outflow in the statement of net position. The deferred outflow related to acquisition value in excess of net position is being amortized over a 40-year periods and $3,817 was recognized for the fiscal year ended June 30, 2023. Excess purchase price represents the customers information database, SOPs, P&P, etc. that are valuable in managing the operations.

Note 4 - Property and Equipment

A summary of changes in capital assets follows:

	Beginning Balance June 30, 2022	Additions	Deletions, Transfers and Reclassifications	Ending Balance June 30, 2023
Capital assets, not being depreciated				
Art - terminal building	$ 759,977	$ 98,500	$ -	$ 858,477
Construction in progress	69,739,987	31,293,938	(84,806,773)	16,227,152
	70,499,964	31,392,438	(84,806,773)	17,085,629
Capital assets, being depreciated				
Apron/taxiway/runway	57,162,103	-	33,637,215	90,799,318
Buildings	70,216,389	-	37,879,061	108,095,450
Equipment	6,026,717	416,229	(353,427)	6,089,519
Fuel farm facility	13,340,277	-	-	13,340,277
Furniture, fixtures and computer equipment	1,272,277	82,770	(202,336)	1,152,711
Landside terminal expansion	18,054,645	-	-	18,054,645
RCF-QTA Facility	11,582,967	-	-	11,582,967
Vehicles including fire trucks	4,086,786	-	-	4,086,786
Wastewater conveyance system	3,236,866	-	-	3,236,866
Condo 120-1177 Meadowlark-7	-	800,000	-	800,000
FBO Equipment	-	52,900	(7,500)	45,400
FBO Vehicle	-	1,131,100	(25,100)	1,106,000
FBO Aircraft Line/Maint	-	1,416,309	-	1,416,309
Total capital assets, being depreciated	184,979,027	3,899,308	70,927,913	259,806,248
Less accumulated depreciation	(77,072,238)	(8,812,489)	11,342,097	(74,542,630)
Total capital assets, being depreciated, net	107,906,789	(4,913,181)	82,270,010	185,263,618
Capital assets, net	$ 178,406,753	$ 26,479,257	$ (2,536,763)	$ 202,349,247

Depreciation expense for the year ended June 30, 2023, was $8,812,489.

Note 5 - 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, 2023:

	Balance June 30, 2022	New Debt Incurred	Debt Retired	Balance June 30, 2023	Due Within One Year
FIB S.2018B Revenue Bond	$ 7,490,000	$ -	$ 1,070,000	$ 6,420,000	$ 1,070,000
FIB S.2022A Revenue Bond	5,115,192	8,551,775	-	13,666,967	-
FIB S.2022B Revenue Bond	5,217,001	-	765,757	4,451,244	794,452
FIB S.2022C Revenue Bond	-	5,208,087	-	5,208,087	-
Total long-term debt	17,822,193	13,759,862	1,835,757	29,746,298	1,864,452
Compensated absences	451,265	209,779	128,922	532,122	241,046
	$ 18,273,458	$13,969,641	$ 1,964,679	$ 30,278,420	$ 2,105,498

On February 23, 2023, the Board issued three (3) Series 2022C revenue bonds ("Bond") totaling $33,500,000 to finance the cost incurred in connection with the design, construction, improvement and equipping a new hangar (Hangar Three [3]) and attached ground service equipment building project. Each revenue bond will mature on November 5th of every 5 years commencing 2028, 2033, 2038. The interest rates for these bonds range from 5.60% to 6.57%. Interest payments are due monthly based on the rate for each bond until all the bonds are retired. The principal on each bond is due at maturity. The Board has the option, in whole or in part, on any date, to redeem the principal prior to the respective stated maturity of each series of Series 2022C bonds. Payment of loan and interest will come from Pledged Net Revenue of the FBO Operations. There is no prepayment penalty on the Bond. Advances on the Bond shall take place until all $33,500,000 has been advanced or April 30, 2024, whichever comes first. As of June 30, 2023, the principal of $5,208,087 was advanced. Net revenues totaled $3,745,038 compared to debt service interest of $44,418 for the year ended June 30, 2023. The annual requirements to pay principal and interest on this loan are as follows:

	FIB Series 2022C Revenue Bonds		
Years Ending June 30,	Principal	Interest	Total
2024	$ -	$ 332,960	$ 332,960
2025	-	346,924	346,924
2026	-	346,924	346,924
2027	-	346,924	346,924
2028	-	347,874	347,874
2029 - 2033	-	1,735,569	1,735,569
2034 - 2038	5,208,087	1,592,047	6,800,134
	$ 5,208,087	$ 5,049,222	$10,257,309

On February 28, 2022, the Board issued ten (10) Series 2022A revenue bonds ("Bond") totaling $16,300,000 to finance the cost incurred in connection with the terminal building improvement project. Each revenue bond will mature February 27th of every year commencing 2024. The interest rates for these bonds range from 2.726% to 3.803%. Interest payments are due monthly based on the rate for each bond until all the bonds are retired. The principal on each bond is due at maturity. Payment of loan and interest will come from Pledged Net Revenue of the Airport. There is no prepayment penalty on the Bond. Advances on the Bond shall take place until December 31, 2023, or all $16,300,000 has been advanced, whichever occurs first. As of June 30, 2023, the principal of $13,669,967 was advanced. Net revenues totaled $19,334,064 compared to debt service interest of $385,580 for the year ended June 30, 2023. The annual requirements to pay principal and interest on this loan are as follows:

	FIB Series 2022A Revenue Bonds		
Years Ending June 30,	Principal	Interest	Total
2024	$ -	$ 482,672	$ 482,672
2025	626,967	477,618	1,104,585
2026	1,630,000	449,865	2,079,865
2027	1,630,000	397,461	2,027,461
2028	1,630,000	343,826	1,973,826
2029 - 2033	8,150,000	836,830	8,986,830
	$13,666,967	$ 2,988,272	$16,655,239

On February 28, 2022, the Board issued one Series 2022B refunding revenue bond ("Bond") in the amount of $5,400,000 at an annual fixed rate of 3.75% to re-finance the retired bond (Series 2018A) related to the fuel farm facility. Principal and interest payments are due monthly based on a six-year and 6-month fully amortized note. Fuel facility fees of $0.25 per gallon are pledged towards repayment of the Bond. 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. Pledged revenues were $6,072,132 compared to debt service principal and interest of $950,377 for fiscal year ended June 30, 2023. The annual requirements to pay principal and interest on this loan are as follows:

	FIB Series 2022B Revenue Bonds		
Years Ending June 30,	Principal	Interest	Total
2024	$ 794,452	$ 155,923	$ 950,375
2025	825,604	124,773	950,377
2026	857,547	92,830	950,377
2027	890,726	59,651	950,377
2028	925,137	25,240	950,377
2029	157,779	613	158,392
	$ 4,451,244	$ 459,030	$ 4,910,274

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 the rate of each bond until all the bonds are retired. Principal on each bond is due at maturity. Payment of loan and interest will come from CFCs collected from rental cars. There is no prepayment penalty on the Bond. Pledged revenues totaled $1,600,389 compared to debt service principal and interest of $1,407,768 for the year ended June 30, 2023. 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
2024	$ 1,070,000	$ 286,294	$ 1,356,294
2025	1,070,000	232,741	1,302,741
2026	1,070,000	179,375	1,249,375
2027	1,070,000	125,754	1,195,754
2028	1,070,000	72,166	1,142,166
2029	1,070,000	18,162	1,088,162
	$ 6,420,000	$ 914,492	$ 7,334,492

Note 6 - 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, 2023, the Board contracted with various insurance companies for property insurance (including boiler and machinery), general liability insurance, fuel farm insurance, FBO insurance, professional insurance, and vehicle insurance. The coverage under each type of insurance policy varies in amounts and deductibles. The Board has not had significant settlements exceeding insurance coverage in any of the past three fiscal years. The Board paid approximately $1,053,221 for property and liability insurance in 2023.

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 $406,499 for workers compensation insurance in 2023.

Note 7 - 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 the 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 9.00% of their annual covered salary and the Board is required to contribute 9.12% 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 16.69% 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, 2023, were $1,473,004.

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

On June 30, 2023, the Board reported a total liability of $11,239,744 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, 2022, and rolled forward to the measurement date of December 31, 2022. 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, 2022, the Board's proportion increased to 0.41128830% from 0.35810124% compared to December 31, 2021.

For the year ended June 30, 2023, the Board recognized pension expense of $1,564,964. On June 30, 2023, 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	$ 967,522	$ -
Change in assumptions	301,647	-
Change in experience	56,365	71,250
Change in proportion	1,259,229	-
Subtotal	2,584,763	71,250
Contributions subsequent to the measurement date	738,168	-
Total	$ 3,322,931	$ 71,250

The Board reported $738,168 as deferred outflows of resources related to pensions resulting from Board contributions after the measurement date which will be recognized as reduction of the net pension liability in the year ended June 30, 2024.

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

Years Ended June 30,	
2024	$ 351,596
2025	789,055
2026	326,915
2027	1,045,947
	$ 2,513,513

Actuarial Assumptions

The total pension liability in the January 1, 2022, 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, 2022
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	25 years
Asset valuation method	5-year Smoothed Market
Actuarial assumptions:	
Salary increases	2.50% to 6.50%, including inflation
Payroll growth rate	2.50%
Cost of living increases	0.00%
Investment rate of return	6.80%
Mortality	Pub-2010 General Healthy Annuitant Mortality Table, amount weight

An experience study was performed in 2021 for the period January 1, 2016 through December 31, 2020, 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 weighing 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, 2022, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return	Long-Term Expected Arithmetic Real Rate of Return
Cash	0.50%	0.30%	0.32%
Gold	1.50%	2.34%	0.72%
Fixed income	20.00%	3.59%	4.05%
Equity	51.50%	7.09%	9.00%
Marketable alternatives	16.00%	5.14%	6.02%
Private markets	10.50%	6.05%	7.67%
Total	100.00%		

Discount Rate

The discount rate used to measure the total pension liability was 6.8 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 6.80 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 (5.80 percent) or 1-percentage-point higher (7.80 percent) than the current rate.

Pension Plan	1% Decrease 5.80%	Current Discount Rate 6.80%	1% Increase 7.80%
Net pension liability	$ 16,597,069	$ 11,239,744	$ 6,799,978

Note 8 - 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, 2023, the Board received $15,535,431 in support from federal, state, and local governments to fund its capital projects and airport related studies, and $2,696,604 from ARP Act to reduce the financial impacts of COVID-19.

Note 9 - Major Customers

During 2023, the Board had one major customer (any customer who provided 10% or more of total revenues). The Board received $7,552,878 in revenues from the Transportation Security Administration under a contract to provide screening services. The contract ended April 30, 2023.

Note 10 - Contractual Commitments

As of the fiscal year ended June 30, 2023, the Board had outstanding engineering and construction contracts in the amounts of $46,042,544 for various renovation projects in and around the terminal buildings and FBO. The major funding sources for these projects are the Airport Improvement Program grants, proceeds from issuance of bonds, and operating revenue.

Note 11 - Contractual Obligations

Terminal space is rented to airlines (renewed every July 1st) and to car rental companies for a 3-year period by bidding process.

Note 12 - Commitments and Transactions with Town of Jackson

The Board has an agreement with the Town of Jackson with respect to the provision of law enforcement services. The contract was renewed effective July 1, 2023, for five years wherein Contract Year 1 will be an annual amount of $763,781 payable monthly at $63,648. Not less than ninety (90) days prior to the end of Contract Year 1, the Town of Jackson shall provide the Board with an updated estimate of direct, indirect and equipment costs to support for the next contract year. This agreement may be terminated by either of the parties without cause.

Note 13 - Lessor Activities

The Board has accrued three leases for a portion of its facilities to car rental companies and accrued two leases related to its airport hangars. The remaining receivable for these leases was $4,858,017 for the year ended June 30, 2023. Deferred inflows related to these leases were $4,681,765 as of June 30, 2023. Interest revenue recognized on these leases was $304,052 for the year ended June 30, 2023. Principal receipts of $5,993,958 were received during the fiscal year. The interest rate on the leases was 3.75%. Final receipt is expected through fiscal year 2024.

Variable Payments – The Board has entered into multiple lease agreements that call for payments that are variable and therefore were not included in lease receivable or deferred inflow of resources for leases. These variable payments are based on a percentage of gross revenues earned by the lessee. A total of $1,231,229 and $820,484 was recognized as revenue from these variable payments for the year ended June 30, 2023, for car rental fees and concessions, respectively.

Regulated Leases – For certain lease agreements with commercial airline companies, specific terms are regulated by the Federal Aviation Administration (FAA). The Board entered into various lease agreements for the right to lease airport infrastructure to commercial airline companies in accordance with these provisions set by the FAA. Specified regulated terms include limits on lease rates, consistency of lease rates for all lessees, and leasing opportunities made available to any potential lessees if the facilities are vacant. No preferential or exclusive use of the airport infrastructure for use by the parties in the agreements exist. The lease revenue related to these regulated agreements amounted to $4,521,744 for the year ended June 30, 2023. The contract term for regulated leases is a for a single year. Expected future payments under the regulated leases are subjected to payment terms defined by the lease agreement if renewed and cannot be estimated.

Note 14 - Subsequent Events

The following three (3) grants were received after the close of the fiscal year for projects that were started during the fiscal year:

Federal Grant Title	Federal Grant Number	Grant Award Amount
Rehabilitate Taxiway A and Construct Deicing Pad	AIP 3-56-0014-074-23	$3,367,250
Rehabilitate and Improve Contract Tower	AIP 3-56-0014-077-23	$995,000
Access Taxiway (Design) Expand Terminal Building (SSCP)	AIP 3-56-0014-078-23	$2,652,740

Note 15 - Fixed Based Operator (FBO)

The following details the statement of net position for the FBO as of June 30, 2023:

Assets	
Current Assets	
Cash in bank and on hand	$ 3,457,052
Accounts receivable	449,824
Total current assets	3,906,876
Noncurrent Assets	
Capital assets not being depreciated-construction in progress	8,506,021
Capital assets being depreciated	3,367,709
Accumulated depreciation	(30,150)
Total noncurrent assets	11,843,580
Total assets	15,750,456
Total assets and deferred outflows of resources	$ 15,750,456

Liabilities	
Current Liabilities	
Accounts payable	$ 755,242
Accrued wages payable	227,855
Compensated absences	92,237
Intercompany payable-JHAB	1,106,480
Total current liabilities	2,181,814
Noncurrent Liabilities	
Bonds payable	5,208,087
Total liabilities	7,389,901
Net Position	
Net investment in capital assets	6,635,493
Unrestricted	1,725,062
Total net position	8,360,555
Total liabilities and net position	$ 15,750,456

The following details the results of operations of the FBO from May 1, 2023 to June 30, 2023:

Operating Revenues	
Aircraft maintenance	$ 73,208
Aircraft services	359,045
Customer facility fee	60,306
Flowage fee	39,542
Fuel facilty fee	158,163
Fuel sales - ITP	2,035,130
Fuel sales - Retail	903,494
Hangar rent	81,500
Landing fee	195,141
Office rentals	5,372
Parking (Airside)	229,593
Parking (Landside)	8,100
Products	11,570
Total operating revenues	4,160,164
Operating Expenses	
FBO cost of sales and related expenses	956,753
Capital maintenance	10,445
Depreciation	30,863
Environmental management	5,694
Fuel	4,855
Insurance	66,236
Repairs, maintenance and supplies - aircraft services	62,696
Repairs, maintenance and supplies - aircraft maintenance	18,569
Repairs, maintenance and supplies - others	4,122
Miscellaneous (merchant/service charge)	41,766
Office expenses	39,633
Payroll taxes and benefits	390,965
Professional fees	50
Public and employee relations	8,797
Salaries	820,862
Telephone	375
Travel, meeting and training	391
Utilities	3,394
Total operating expenses	2,466,466
Income from Operations	1,693,698

Non-Operating Revenues and (Expenses)	
Start-up costs	(990,456)
Interest expense	(45,392)
Gain on disposal of capital assets	4,542
Total non-operating expenses	(1,031,306)
Transfers from Jackson Hole Airport Board	7,698,163
Total Change in Net Position	662,392
Total Net Position, May 1, 2023	-
Total Net Position, June 30, 2023	$ 8,360,555

The following details the results of cash flows activity for the FBO from May 1, 2023 to June 30, 2023:

Operating Activities	
Cash received from operations	$ 3,710,339
Cash payments to suppliers for services	(468,533)
Cash payments to employees for services	(891,735)
Net Cash from Operating Activities	2,350,071
Non-Capital Financing Activities	
Cash advances to FBO	1,106,981
Net Cash from Non-Capital Financing Activities	1,106,981
Net Increase in Cash	3,457,052
Cash in Bank and on Hand, May 1, 2023	-
Cash in Bank and on Hand, June 30, 2023	$ 3,457,052
Reconciliation of Income from Operations to Net Cash from Operating Activities	
Income from operations	$ 1,693,698
Adjustments to reconcile income from operations to cash in bank from operating activities	
Depreciation	30,863
Increase (decrease) in cash and cash in bank resulting from changes in operating assets and liabilities	
Accounts receivable	(449,824)
Accounts payable	755,242
Accrued wages payable	227,855
Compensated absences	92,237
Net Cash from Operating Activities	$ 2,350,071

Required Supplementary Information
June 30, 2023

Jackson Hole Airport Board

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public Employees Pension Plan									
Board's proportion of the net pension liability	0.411288300%	0.358101241%	0.330020300%	0.320417322%	0.296768821%	0.266028289%	0.247429800%	0.227495553%	0.229180744%
Board's proportionate share of the net pension liability	$ 11,239,744	$ 5,460,047	$ 7,172,528	$ 7,529,573	$ 9,037,473	$ 6,063,690	$ 5,981,615	$ 5,299,162	$ 4,044,335
Board's covered payroll	$ 7,725,637	$ 6,524,613	$ 6,012,907	$ 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	145.49%	83.68%	119.29%	132.12%	174.97%	129.50%	131.24%	133.56%	103.23%
Plan fiduciary net position as a percentage of the total pension liability	75.47%	86.03%	79.24%	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 2021 to reflect changes in the discount rate, inflation, and life expectancy. There is no increase nor decrease in the assumption to affect the total pension liability for 2023.

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public Employees Pension Plan									
Contractually required contribution	$ 1,473,004	$ 1,165,659	$ 1,033,065	$ 960,040	$ 854,522	$ 739,186	$ 689,656	$ 676,000	$ 650,000
Contributions in relations to the contractually required contributions	(1,473,004)	(1,165,659)	(1,033,065)	(960,040)	(854,522)	(739,186)	(676,000)	(650,000)	(650,000)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board's covered-payroll	$ 8,568,961	$ 6,781,030	$ 6,189,722	$ 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	17.19%	17.19%	16.69%	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, 2023

Jackson Hole Airport Board

PFC Projects	Balance Unliquidated PFC June 30, 2022	PFC Collections	Interest Earned	PFC Expenditures	Balance Unliquidated PFC June 30, 2023
APP 12 and 13 Terminal, Master Plan, Operations, and Administration	$ (10,736,098)	$ 1,612,846	$ 541	$ -	$ (9,122,711)

Federal Awards Reports in Accordance
With the Uniform Guidance
June 30, 2023

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, 2023, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements, and have issued our report thereon dated December 8, 2023.

Report on 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 that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on 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
December 8, 2023

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 for the Passenger Facility Charge Program

Opinion on the Passenger Facility Charge Program

We have audited Jackson Hole Airport Board's (the Board) compliance with the types of compliance requirements identified as subject to audit in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (the Guide) that could have a direct and material effect on its passenger facility charge program for the year ended June 30, 2023.

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

Basis for Opinion on the Passenger Facility Charge Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the passenger facility charge program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Eide Bailly LLP

Boise, Idaho
December 8, 2023

CPAs & BUSINESS ADVISORS

Independent Auditor's Report on Compliance for the Major Federal Program: Report on Internal Control Over Compliance Required by the Uniform Guidance

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

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Jackson Hole Airport Board's (the Board) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the Board's major federal program for the year ended June 30, 2023. The Board's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

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Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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

Eide Bailly LLP

Boise, Idaho
December 8, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Financial Assistance Listing	Identifying Award Number	Expenditures
U.S. Department of Transportation			
Airport Improvement Program #64	20.106	3-56-0014-64 - 2020	$ 1,093,172
Airport Improvement Program #67	20.106	3-56-0014-67 - 2021	20,554
COVID-19 Airport Improvement Program #68*	20.106	3-56-0014-68 - 2021	2,696,604
Airport Improvement Program #70	20.106	3-56-0014-70 - 2022	1,257,225
Airport Improvement Program #71	20.106	3-56-0014-71 - 2022	780,496
Airport Improvement Program #72	20.106	3-56-0014-72 - 2022	6,796,192
Airport Improvement Program #73	20.106	3-56-0014-73 - 2023	3,960,652
Jackson Hole MOA	20.106	697DCK-21-T-00012	14,128
			$ 16,619,024

* ARP Act

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Jackson Hole Airport Board under programs of the federal government for the year ended June 30, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administration Requirements, Cost Principals and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Jackson Hole Airport Board, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Jackson Hole Airport Board.

Note 2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in Office of Management and Budget Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in (Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administration Requirements, Cost Principals and Audit Requirements for Federal Awards) (Uniform Guidance)*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3 - Indirect Cost Rate

Jackson Hole Airport Board has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Section I - Summary of Auditor's Results

Financial Statements	
Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	No
Significant deficiencies	None Reported
Noncompliance material to financial statements noted?	No
Federal Awards	
Internal control over major programs:	
Material weakness identified	No
Significant deficiencies	None Reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516	No
Identification of major programs:	
Assistance listing number	Name of Federal Program
20.106	Airport Improvement Program
Dollar threshold used to distinguish between Type A and Type B programs	$750,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None