

Financial Statements
June 30, 2025
Jackson Hole Airport Board

Jackson Hole Airport Board
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June 30, 2025

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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, 2025, 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, 2025, 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.

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 and 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 18, 2025, 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.



Boise, Idaho
December 18, 2025

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, 2025 (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 \$39,529,297 or 19.40% from last fiscal year mainly due to increased net operating revenue.
- The Board’s unrestricted cash and investments balance as of close of the fiscal year was \$19,447,592 (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 operating revenue was \$65,397,985 compared to \$59,542,601, or an increase of 9.83% from last year. The increase is mainly due to the revenues generated by commercial airlines fees, rental car concessionaires and FBO (fixed base operations) operating revenue. More details on page 7 under operating revenues.
- Income from airline fees and rental car fees are up by \$1,282,613 and \$715,055, or 14.72% and 7.75%, respectively, over last year’s results.
- The FBO’s second full year of net income from operations was \$13,930,392. More information is discussed in Note 14 as stand-alone of this financial report.

Overview of the Financial Statements. The management discussion and analysis are intended to serve as an introduction to the Airport Board’s financial statements. The Airport Board’s financial statements are comprised of basic financial statements which include all 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 15-35. 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 10 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:

	2025	2024
Assets		
Current and other assets	\$ 72,399,754	\$ 74,630,922
Capital assets, net	<u>272,663,006</u>	<u>229,555,899</u>
Total assets	<u>345,062,760</u>	<u>304,186,821</u>
Deferred Outflows of Resources	<u>3,235,812</u>	<u>3,028,296</u>
Liabilities		
Current liabilities	16,668,383	14,212,936
Long term liabilities	<u>70,631,470</u>	<u>63,354,931</u>
Total liabilities	<u>87,299,853</u>	<u>77,567,867</u>
Deferred Inflows of Resources	<u>17,737,951</u>	<u>25,915,779</u>
Net position		
Net investment in capital assets	205,669,162	182,700,664
Restricted	29,387,256	11,922,063
Unrestricted	<u>8,204,350</u>	<u>9,108,744</u>
Total net position	<u><u>\$ 243,260,768</u></u>	<u><u>\$ 203,731,471</u></u>

84% or \$205,669,162 of the total net position 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 16% of the Board's net position represents resources that are restricted as well as unrestricted. The restricted resources of \$29,387,256 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 \$8,204,350 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, and capital contributions.

The Airport Board's total operating and non-operating revenues including capital contributions of \$98,704,711 exceeded total operating and non-operating expenses of \$59,175,414, an increase in net position of \$39,529,297. A summary of revenues and expenses is shown below:

	2025	2024
Program revenues	\$ 65,397,985	\$ 59,542,601
Program expenses	<u>55,733,743</u>	<u>49,247,058</u>
Gain (Loss) from operations	<u>9,664,242</u>	<u>10,295,543</u>
Non-operating revenues and expenses		
Interest income	1,790,572	529,769
Interest expense	(3,325,506)	(1,872,259)
Non-capital grants	208,333	-
Passenger facilities fees	2,027,911	1,750,000
Customer facility fees	2,536,515	2,169,519
Contributions revenue - donations	2,500	-
Loss on disposal of capital asset	<u>(116,165)</u>	<u>(5,105,742)</u>
Total non-operating revenues and expenses	<u>3,124,160</u>	<u>(2,528,713)</u>
Net gain before capital contributions	12,788,402	7,766,830
Capital contributions	<u>26,740,895</u>	<u>9,772,958</u>
Change in Net Position	39,529,297	17,539,788
Net Position, Beginning of Year	<u>203,731,471</u>	<u>186,191,683</u>
Net Position, End of Year	<u>\$ 243,260,768</u>	<u>\$ 203,731,471</u>

Analysis of Significant Changes. For the fiscal year ending June 30, 2025, 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 limit the Airport Board's ability to make capital outlays in the future.

The Board exercised its proprietary exclusive right on management takeover of fixed base operation (FBO) when the lease of Jackson Hole Aviation expired April 30, 2023. A report on stand-alone FBO's financial and operations for fiscal year 2025 is presented on pages 31 to 35.

During the fiscal year 2025, FAA awarded the Board grants totaling \$24,126,018 for the taxiway and deice pad containment facility rehabilitation, and to conduct airport related environmental study. The Airport requested \$19,256,799 from these grants, and \$4,471,769 from previous fiscal year's grants on runway reconstruction. Overall, \$23,728,568 was requested to finance the projects and recognized as part of the Airport's capital contributions revenue streams.

Cash Position

Cash and restricted cash increased from \$33,749,237 to \$39,468,821, an increase of \$5,719,584 over the last fiscal year. The increase was mainly due to FBO revenue collections, advanced bank loan receipts for FBO projects, and taxiway and deice pad containment facility projects.

Accounts Receivable

Accounts receivable increased by \$1,262,406, from \$1,989,762 to \$3,252,168 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, 2025, the Airport reported \$1,832,666 as receivables from the federal government that consists of grants related to the deice pad containment facility rehabilitation and Checked Baggage Inspection System (CBIS) enhancement projects.

Lease Receivables and Deferred Inflows—Lease Related

Lease receivables and deferred inflows totaled \$16,992,584 and \$16,513,250, respectively, as of June 30, 2025. See Note 12 for more details.

Accounts Payable and Retainage Payable

Accounts payable and retainage payable at the end of the fiscal year increased from \$7,751,361 to \$8,347,158 mainly due to invoices on construction projects received close to year-end.

Operating Revenues

Overall operating revenue increased by \$5,855,384 compared to last year's \$59,542,601. This increase consists mainly of FBO related revenues of \$3,389,570, commercial airlines landing and rent fees of \$1,282,613, rental car fees of \$715,055 and ground transportation fees of \$217,093 compared to previous year.

Operating Expenses

Operating expenses increased by \$6,486,685 over the previous year, from \$49,247,058 to \$55,733,743. The increase was attributed to an increase in depreciation, salaries and related payroll benefits, fuel farm costs and repairs and maintenance.

Capital Assets

At the end of June 30, 2025, the Airport reported \$205,669,162 in net investment in capital assets, an increase of \$22,968,498 over the prior fiscal year amount of \$182,700,664. This resulted from increased capital assets during the year. See Note 3 for additional information.

Long-Term Debt Activity

The Airport retired a total of \$4,796,343 for bonds issued in 2018 and 2022 during the year. Additional cash proceeds of \$13,895,618 were received from 2024A revenues bonds during the year. The Airport has five revenue bonds totaling \$66,880,693 outstanding as of June 30, 2025, of which \$6,150,180 is expected due within the next fiscal year. (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

Jackson Hole Airport Board
Statement of Net Position
June 30, 2025

Assets

Current Assets

Cash in bank and on hand	\$ 19,047,592
Investments	400,000
Accounts receivable	3,252,168
Lease receivable	9,041,067
Receivable from state and federal governments	1,832,666
Prepaid expenses	1,148,157
Inventory	<u>339,331</u>

Total current assets 35,060,981

Noncurrent Assets

Restricted cash - passenger facility charges	6,872
Restricted cash - customer facility fees	4,460,559
Restricted cash for loan settlement / sinking fund	15,953,798
Restricted investments - sinking funds	8,966,027
Lease receivable	7,951,517
Capital assets not being depreciated	105,922,128
Capital assets being depreciated	263,258,669
Accumulated depreciation	<u>(96,517,791)</u>

Total noncurrent assets 310,001,779

Total assets 345,062,760

Deferred Outflows of Resources-Pension

Employer contributions subsequent to the measurement date	971,722
Changes in proportion	776,402
Changes in experience	<u>621,305</u>
Total deferred outflows of resources	<u>2,369,429</u>

Deferred Outflows of Resources-Goodwill

Deferred Outflows-Goodwill, net of amortization	<u>866,383</u>
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Total assets and deferred outflows of resources \$ 348,298,572

Jackson Hole Airport Board
Statement of Net Position
June 30, 2025

Liabilities

Current Liabilities	
Accounts payable	\$ 5,507,809
Accrued wages payable	776,225
Bonds payable	6,150,074
Compensated absences	383,433
Interest payables	262,566
Refundable deposits	748,927
Retainage payable	<u>2,839,349</u>
Total current liabilities	<u>16,668,383</u>
 Noncurrent Liabilities	
Compensated absences	318,906
Bonds payable	60,730,619
Net pension liability	<u>9,581,945</u>
Total noncurrent liabilities	<u>70,631,470</u>
Total liabilities	<u>87,299,853</u>
 Deferred Inflows of Resources-Pension	
Changes in experience	11,536
Changes in investment	<u>1,213,165</u>
Total deferred inflows of resources	<u>17,737,951</u>
 Deferred Inflows of Resources-Leases	
Lease related	<u>16,513,250</u>
Total net position	<u>243,260,768</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 348,298,572</u>

Jackson Hole Airport Board
Statement of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2025

Operating Revenues

Airline landing fees and rent	\$ 9,998,515
Rental car revenues and related fees	9,942,018
Ground transportation and related fees	633,440
Parking income	2,798,404
F&B concession and related fees	905,836
Security and related fees	101,351
Fuel farm revenue and related fees	3,555,022
FBO income	37,024,262
Gas tax refund	292,074
Miscellaneous	<u>147,063</u>

Total operating revenues 65,397,985

Operating Expenses

Capital maintenance	1,260,602
Amortization	22,900
Depreciation	14,923,546
Dues and subscriptions	70,950
Environmental management	1,582,333
Fire rescue training and supplies	77,899
Franchise fees	1,208,178
Fuel farm cost of sales and related expenses	3,217,553
FBO cost of sales and related expenses	2,966,621
Insurance	1,312,665
Repairs, maintenance and supplies	1,587,835
Office expenses	895,462
Payroll taxes and benefits	8,451,070
Professional fees	800,862
Public and employee relations	534,388
Salaries	13,500,583
Security	1,291,152
Snow removal	628,053
Travel, meeting and training	499,796
Utilities	<u>901,295</u>

Total operating expenses 55,733,743

Gain from operations \$ 9,664,242

Jackson Hole Airport Board
Statement of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2025

Non-Operating Revenues and Expenses	
Interest income-banks	\$ 513,138
Interest income-leases	1,277,434
Interest expense	(3,325,506)
Non-capital grants	208,333
Passenger facilities fees	2,027,911
Customer facility fees	2,536,515
Contributions revenue - donations	2,500
Loss on disposal of capital assets	<u>(116,165)</u>
Total non-operating revenues and expenses	<u>3,124,160</u>
Income before Capital Contributions	12,788,402
Capital Contributions	<u>26,740,895</u>
Change in Net Position	39,529,297
Total Net Position, Beginning of Year	<u>203,731,471</u>
Total Net Position, End of Year	<u>\$ 243,260,768</u>

Jackson Hole Airport Board
Statement of Cash Flows
Year Ended June 30, 2025

Operating Activities	
Cash received from operations	\$ 55,175,206
Cash payments to suppliers for services	(18,442,656)
Cash payments to employees for services	<u>(21,271,660)</u>
Net Cash from Operating Activities	<u>15,460,890</u>
Capital and Related Financing Activities	
Acquisitions and construction of capital assets	(59,655,898)
Proceeds from the disposal of capital assets	1,024,067
Passenger facilities reimbursements received	2,027,911
Customer facility charges received	2,536,515
Cash received on lease receivables	8,524,310
Cash received for interest on lease receivables	1,277,434
Proceeds from issuance of bonds payable	13,895,618
Principal payments on bonds payable	(4,796,343)
Interest payments on bonds payable	(3,275,639)
Grants received from State and Federal governments	<u>28,225,376</u>
Net Cash used for Capital and Related Financing Activities	<u>(10,216,649)</u>
Investing Activities	
Advances to employees	(15,000)
Repayments of advances by employees	19,849
Interest on investments	513,138
Investment in sinking fund	<u>(42,644)</u>
Net Cash from Investing Activities	<u>475,343</u>
Net Increase in Cash	5,719,584
Cash in Bank and on Hand, Beginning of Year	<u>33,749,237</u>
Cash in Bank and on Hand, End of Year	<u>\$ 39,468,821</u>
Statement of Net Position	
Cash in bank and on hand	\$ 19,047,592
Restricted cash-passenger facility fees	6,872
Restricted cash-customer facility fees	4,460,559
Restricted for loan settlement / sinking fund	<u>15,953,798</u>
Total Cash in Bank and on Hand	<u>\$ 39,468,821</u>

Jackson Hole Airport Board
Statement of Cash Flows
Year Ended June 30, 2025

Reconciliation of Gain from Operations to Net Cash from Operating Activities	
Gain from operations	\$ 9,664,242
Adjustments to reconcile gain from operations to net cash from operating activities	
Depreciation	14,923,546
Amortization	22,900
Increase (decrease) in cash and cash held resulting from changes in operating assets and liabilities	
Accounts receivable	(1,215,555)
Prepaid expenses	(790,937)
Inventory	194,579
Deferred outflows of resources-Pensions	(230,416)
Accounts payable	826,060
Retainage payable	257,251
Deferred inflows of resources-Pensions	829,396
Deferred inflow of resources-Lease related	(9,007,224)
Refundable deposits	(93,965)
Accrued wages payable	311,272
Compensated absences	116,157
Net pension liability	<u>(346,416)</u>
Net Cash from Operating Activities	<u>\$ 15,460,890</u>

Noncash capital and related financing activities: In fiscal year 2025, capital asset additions included in accounts payable total \$2,716,099; deferred inflow of resources include lease receivables of \$9,041,067.

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 (valued at weighted average costs (WAC)), unleaded gas (valued at first-in-first-out (FIFO)), dyed diesel (valued at FIFO), and glycol (valued at WAC). 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 \$5,000 or more, 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, taxiways, apron	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/maintenance	5
FBO Airplane	7

Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets 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 qualify for reporting in this category. The Board reports deferred outflows of resources for pension plan items and goodwill for 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 assets 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 qualify 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 on vacation hours 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. As of fiscal year 2025, the Board adopted GASB Statement No. 101, *Compensated Absences*. The provisions of this standard modernize the types of leave that are considered a compensated absence and provide guidance for a consistent recognition and measurement of the compensated absence liability. In previous years, sick leave hours were not accrued as a liability in the financial statements. Employees receive 240 sick hours during the year regardless of years of employment. Unused sick leave hours, however, are not paid upon termination (except in special circumstances). For fiscal year 2025, the Board accrued sick leave hours for next year based on historical patterns. There was not a significant effect on the Board's financial statements as a result of the implementation of this standard.

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 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 positions are 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 have been a number of amendments to the Records of Decision since 1994. These amendments have increased the authorized collections and projects 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. PFCs 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 charges of \$2 per customer per transaction day 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 fee collections commenced on August 1, 2010, and will continue until terminated by the Board. CFC collected are reported as restricted assets.

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 by airlines (regulated leases), parking facilities, food and beverage operations, car rental agencies, advertisers, and other commercial tenants. Leases are from one to three years term and generally require rentals based on the volume of business; specific guaranteed 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 base operator and the airlines at FIFO cost / Weighted Average cost, plus Board approved administration fee / disposal fee / fuel facility fee.

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

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, 2025, 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 1.9%.

The Board has \$3,338,679 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 held. The interest earned for the year was \$137,733 with a current yield rate of 4.0653%.

The Board has \$5,246,309 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 held. The interest earned for the year was \$167,496 with a current yield rate of 4.2537%.

Interest Rate Risk

The interest rate risk is the risk associated with a decline in investment value due to fluctuations in prevailing interest rates. The Board's investments 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 maturity with its expected cash flow needs. With this investment focus, investment and cash and cash held 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 the 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, 2025, 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 money 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, 2025, 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 Montreal	First Interstate Bank	Total
Bank balances	\$ 557,959	\$ 275,730	\$ 43,731,990	\$ 44,565,679
FDIC insurance	(250,000)	(250,000)	(250,000)	(750,000)
Uninsured	307,959	25,730	43,481,990	\$ 43,815,679
Collateralized with securities held by the pledging financial institution's trust department in the Board's name	(810,287)	(292,943)	(48,799,295)	(49,902,525)
Uninsured and uncollateralized	\$ -	\$ -	\$ -	\$ -

Note 3 - Capital Assets

A summary of changes in capital assets follows:

	Beginning Balance June 30, 2024	Increases	Decreases	Ending Balance June 30, 2025
Capital assets, not being depreciated				
Art - terminal building Construction in progress	\$ 858,477 54,084,936	\$ 2,500 52,000,281	\$ - (1,024,066)	\$ 860,977 105,061,151
	<u>54,943,413</u>	<u>52,002,781</u>	<u>(1,024,066)</u>	<u>105,922,128</u>
Capital assets, being depreciated				
Apron/taxiway/runway	91,688,286	345,872	-	92,034,158
Buildings	99,696,387	2,742,036	(174,492)	102,263,931
Equipment	8,383,075	934,888	-	9,317,963
Fuel farm facility	16,131,832	-	-	16,131,832
Furniture, fixtures and computer equipment	1,377,440	371,593	(297,514)	1,451,519
Landside terminal expansion	18,054,645	-	(102,370)	17,952,275
RCF-QTA Facility	11,582,967	-	-	11,582,967
Vehicles including fire trucks	4,225,246	2,350,546	(1,344,137)	5,231,655
Wastewater conveyance system	3,236,866	32,591	-	3,269,457
Condo 120-1177 Meadowlark-7	800,000	45,100	-	845,100
FBO Equipment	45,400	-	(4,400)	41,000
FBO Vehicle	1,136,207	55,883	(9,000)	1,183,090
FBO Aircraft Line/Maint	1,664,128	158,385	-	1,822,513
FBO Airplane	-	131,209	-	131,209
	<u>258,022,479</u>	<u>7,168,103</u>	<u>(1,931,913)</u>	<u>263,258,669</u>
Less accumulated depreciation	<u>(83,409,992)</u>	<u>(14,923,546)</u>	<u>1,815,747</u>	<u>(96,517,791)</u>
Total capital assets, being depreciated, net	<u>174,612,487</u>	<u>(7,755,443)</u>	<u>(116,166)</u>	<u>166,740,878</u>
Capital assets, net	<u>\$ 229,555,900</u>	<u>\$ 44,247,338</u>	<u>\$ (1,140,232)</u>	<u>\$ 272,663,006</u>

Depreciation expense for the year ended June 30, 2025, was \$14,923,546.

Note 4 - 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 period and \$22,900 was recognized for the fiscal year ended June 30, 2025. Excess purchase price represents the customers information database, SOPs, P&P, etc. that are valuable in managing the operations.

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, 2025:

	Balance June 30, 2024	New Debt Incurred	Debt Retired	Balance June 30, 2025	Due Within One Year
FIB S.2018B Revenue Bond	\$ 5,350,000	\$ -	\$ 1,070,000	\$ 4,280,000	\$ 1,070,000
FIB S.2022A Revenue Bond	13,666,967	-	626,967	13,040,000	1,630,000
FIB S.2022B Revenue Bond	3,657,213	-	825,939	2,831,274	857,543
FIB S.2022C Revenue Bond	33,089,200	-	2,273,437	30,815,763	2,406,126
FIB S.2024A Revenue Bond	2,018,038	13,895,618	-	15,913,656	186,510
Total long-term debt	57,781,418	13,895,618	4,796,343	66,880,693	6,150,180
Compensated absences	586,182	702,339	586,182	702,339	383,433
	\$ 58,367,600	\$14,597,957	\$ 5,382,525	\$ 67,583,032	\$ 6,533,613

Jackson Hole Airport Board
 Notes to Financial Statements
 June 30, 2025

On April 17, 2024, the Board issued Series 2024A revenue bond (“Bond”) in the amount of \$41,300,000 to finance the design, construction, improvement and equipping of a new Airport Administration and FBO terminal building project. The stated maturity date is April 5, 2044, and the interest rate floor is 4% plus variable rate based on the published Federal Home Loan Bank of Des Moines 5-Year Term 20-Year Amortizing Regular Advance Rate. An interest rate change will occur every five (5) years during the term of the bond. The interest rate applicable from April 17, 2024 to April 17, 2029 is 5.90% (4.00% + 1.90%). Interest payment on advances commenced May 5, 2024 and every 5th day each month until all advances are made in full on March 31, 2026. Thereafter, principal and interest payments will commence on May 5, 2026, and every 5th day each month. Payment of loan and interest will come from pledged net revenue of the FBO operations. The Board has the option, in whole or in part, on any date, to redeem the principal and accrued interest. As of June 30, 2025, the principal of \$13,895,618 was advanced. Net revenues totaled \$13,930,392 compared to debt service interest of \$517,076 for the year ended June 30, 2025. The annual requirements to pay principal and interest in this loan are as follows:

Years ending June 30,	FIB Series 2024A Revenue Bonds		
	Principal	Interest	Total
2026	\$ 186,510	\$ 113,350	\$ 299,860
2027	1,332,881	898,180	2,231,061
2028	1,308,371	823,636	2,132,007
2029	1,501,432	735,026	2,236,458
2030 - 2044	11,584,462	2,263,994	13,848,456
	<u>\$15,913,656</u>	<u>\$ 4,834,186</u>	<u>\$20,747,842</u>

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. As of June 30, 2025, all the principals were advanced. Net revenues totaled \$13,930,392 compared to debt service principal of \$2,273,437 and interest of \$1,976,350 for the year ended June 30, 2025. The annual requirements to pay principal and interest in this loan are as follows:

Years ending June 30,	FIB Series 2022C Revenue Bonds		
	Principal	Interest	Total
2026	\$ 2,406,126	\$ 1,852,855	\$ 4,258,981
2027	2,546,353	1,712,629	4,258,982
2028	2,694,422	1,568,434	4,262,856
2029	2,265,328	1,416,802	3,682,130
2030	2,403,815	1,411,575	3,815,390
2031 - 2038	18,499,719	4,620,642	23,120,361
	<u>\$30,815,763</u>	<u>\$ 12,582,937</u>	<u>\$43,398,700</u>

Jackson Hole Airport Board
 Notes to Financial Statements
 June 30, 2025

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 \$2,555,296 compared to debt service principal of \$825,939 and interest of \$122,582 for fiscal year ended June 30, 2025. The annual requirements to pay principal and interest in this loan are as follows:

Years ending June 30,	FIB Series 2022B Revenue Bonds		
	Principal	Interest	Total
2026	\$ 857,543	\$ 92,833	\$ 950,376
2027	890,722	59,655	950,377
2028	925,135	25,242	950,377
2029	157,874	565	158,439
	<hr/>	<hr/>	<hr/>
	\$ 2,831,274	\$ 178,295	\$ 3,009,569

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 2025. 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. As of June 30, 2025, the principal of \$13,040,000 was advanced. Net revenues totaled \$23,043,611 compared to debt service interest of \$476,322 for the year ended June 30, 2025. The annual requirements to pay principal and interest in this loan are as follows:

Years ending June 30,	FIB Series 2022A Revenue Bonds		
	Principal	Interest	Total
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	1,630,000	286,552	1,916,552
2030	1,630,000	228,019	1,858,019
2031 - 2033	4,890,000	322,258	5,212,258
	<hr/>	<hr/>	<hr/>
	\$13,040,000	\$ 2,027,981	\$15,067,981

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. The 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 \$2,536,515 compared to debt service principal of \$1,070,000 and interest of \$233,176 for the year ended June 30, 2025. The annual requirements to pay principal and interest on this loan are as follows:

Years ending June 30,	FIB Series 2018B Revenue Bonds		
	Principal	Interest	Total
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
	\$ 4,280,000	\$ 395,457	\$ 4,675,457

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, 2025, 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 \$1,303,799 for property and liability insurance in 2025.

The Board pays 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 \$272,179 for workers compensation insurance in 2025.

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 they are 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 9.25% of their annual covered salary and the Board is required to contribute 9.37% 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 17.19% of their annual covered salary and the employees are required to pay 1.43% of their annual salary. Contribution rates are established by Title 9, Chapter 3 of the Wyoming Statutes. The Board's contributions to the PEPP for the year ending June 30, 2025, were \$1,867,003.

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

On June 30, 2025, the Board reported a total liability of \$9,581,945 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, 2024, and rolled forward to the measurement date of December 31, 2024. 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, 2024, the Board's proportion increased from 0.437337900% to 0.459439400% compared to December 31, 2023.

Jackson Hole Airport Board

Notes to Financial Statements

June 30, 2025

For the year ended June 30, 2025, the Board recognized pension expense of \$1,224,286. On June 30, 2025, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments		\$ 1,213,165
Differences between actual and expected experience		
Change in experience	621,305	11,536
Change in proportion	776,402	
Subtotal	<hr/> 1,397,707	<hr/> 1,224,701
Contributions subsequent to the measurement date	971,722	
Total	\$ 2,369,429	\$ 1,224,701

The Board reported \$971,722 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, 2026.

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

Year ended June 30,		
2026	\$	263,726
2027		840,392
2028		(624,526)
2029		<u>(306,586)</u>
	\$	173,006

Actuarial Assumptions

The total pension liability in January 1, 2024, 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, 2024
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Payroll, Closed
Remaining amortization period	23 years
Asset valuation method	5-year Smoothed Market
Inflation	2.25%
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%
Post Retirement Mortality	Pub-2010 General Healthy Annuitant Mortality Table, amount weighted, fully generational, projected with the MP-2020 Ultimate Scale

A five-year experience study was completed as of December 31, 2020, and this study provides a detailed analysis regarding recommendations on the long-term rates for inflation and the real rate of return.

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 for the fiscal year 2024. These best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term	Long-Term
		Expected Geometric	Expected Arithmetic
Cash	0.50%	0.41%	0.40%
Gold	1.50%	2.33%	0.90%
Fixed income	20.00%	3.79%	4.22%
Equity	51.50%	6.51%	8.19%
Marketable alternatives	16.00%	4.54%	5.38%
Private real assets	10.50%	6.23%	7.74%
Total	100.00%		

Discount Rate

The discount rate used to measure the total pension liability was 6.80 percent. The projection of cash flows used to determine the discount rate assumes 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%	Discount Rate 6.80%	1% Increase 7.80%
Net Pension Liability	\$ 15,961,499	\$ 9,581,945	\$ 4,298,877

Note 8 - Support from Government Units

The Board receives a substantial amount of 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, 2025, the Board received \$23,860,804 in support from federal, state, and local governments to fund its capital projects and airport related studies.

Note 9 - Contractual Commitments

As of the fiscal year ended June 30, 2025, the Board had outstanding engineering and construction contracts in the amounts of \$32,911,928 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 10 - 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 11 - 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 for five (5) years effective July 1, 2023, with the stipulation that no less than ninety (90) days prior to the end of each Contract Year, the Town of Jackson may request a change in the flat fee and shall provide the Board with an updated estimate of direct, indirect and equipment costs to support the change for the next contract year. Flat fees for Contract Year 1 (FY 2024) and Contract Year 2 (FY 2025) remained at \$763,781. Flat fee for Contract Year 3 was renegotiated to become \$887,423 at \$73,952 per month effective August 1, 2025. This agreement may be terminated by either of the parties without cause.

Note 12 - Lessor Activities

The Board has accrued four leases for a portion of its facilities to car rental companies. The remaining receivable for these leases were \$16,992,584 as of the year ended June 30, 2025. Deferred inflows related to these leases were \$16,513,250 as of June 30, 2025. Interest revenue recognized on these leases was \$1,277,434 for the year ended June 30, 2025. Principal receipts of \$8,524,310 were received during the fiscal year. The interest rate on the leases was 5.90%. Final receipt is expected through fiscal year 2026.

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 \$426,877 and \$880,186 was recognized as revenue from these variable payments for the year ended June 30, 2025, 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 exists. The lease revenue related to these regulated agreements amounted to \$4,740,530 for the year ended June 30, 2025. The contract term for regulated leases is 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 13 - Subsequent Events

Subsequent to the balance sheet date, the Jackson Hole Airport Board entered into a contract to purchase a real estate property adjacent to the airport, located at 8225 N Spring Gulch Rd, Jackson, WY 83001, for a consideration of \$3 million. The acquisition is expected to be funded by existing cash, and the property will be held as an investment property. This event does not require adjustment to the financial statements, as it is considered a non-recognized subsequent event that reflects a condition that did not exist at the balance sheet date.

Note 14 - Fixed Base Operator (FBO)

The following details the statement of net position for the FBO as of June 30, 2025:

Assets

Current Assets

Cash in bank and on hand	\$ 7,662,440
Accounts receivable	889,138
Prepaid expense	<u>250,096</u>
	<u>8,801,674</u>

Total current assets

Noncurrent Assets

Restricted cash for loan settlement / sinking fund	10,308,815
Restricted investments - sinking funds	4,506,381
Capital assets not being depreciated-construction in progress	70,717,622
Capital assets being depreciated	4,022,912
Accumulated depreciation	<u>(1,128,058)</u>
	<u>88,427,672</u>
Total noncurrent assets	<u>88,427,672</u>
Total assets	<u>\$ 97,229,346</u>

Jackson Hole Airport Board
 Notes to Financial Statements
 June 30, 2025

Liabilities

Current Liabilities

Accounts payable	\$ 406,743
Accrued wages payable	204,298
Bonds payable	2,592,636
Compensated absences	129,398
Interest payables	204,200
Retainage fee	1,404,576
Interco.Account-JHAB	<u>12,546,646</u>

Total current liabilities 17,488,497

Noncurrent Liabilities

Compensated absences	114,614
Bonds payable	<u>44,136,783</u>
	<u>44,251,397</u>
Total current liabilities	<u>44,251,397</u>

Total liabilities 61,739,894

Net Position

Net investment in capital assets	24,018,992
Unrestricted	<u>11,470,460</u>
	<u>35,489,452</u>
Total net position	<u>35,489,452</u>

Total liabilities and net position \$ 97,229,346

Jackson Hole Airport Board
 Notes to Financial Statements
 June 30, 2025

The following details the results of operations of the FBO from July 1, 2024 to June 30, 2025:

Operating Revenues

Fuel Sales - ITP	\$ 16,952,737
Fuel Sales - Retail	5,390,026
Customer Facility Fee	470,329
Fuel Facility Fee	1,233,768
Flowage Fee	925,326
Landing Fee	2,663,937
Hangar Rent	1,009,658
Parking (Airsides)	1,540,355
Parking (Landsides)	124,697
Products	2,548,766
Office/Space Rentals	152,841
Aircraft Services	2,728,074
Aircraft Maintenance	851,290
Vendor Commissions	65,792
Rental Car Concessions	<u>366,666</u>
 Total operating revenues	 <u>37,024,262</u>

Operating Expenses

FBO cost of sales and related expenses	8,820,530
Capital maintenance	85,511
Depreciation	583,592
Dues and subscriptions	16,660
Environmental management	1,064,239
Fire rescue training and supplies	24,339
Insurance	585,031
Repairs, maintenance and supplies - aircraft services	469,206
Repairs, maintenance and supplies - aircraft maintenance	146,240
Repairs, maintenance and supplies - others	71,613
Office expenses	562,418
Payroll taxes and benefits	3,214,292
Professional fees	8,053
Public and employee relations	93,159
Salaries	4,409,714
Security	101,179
Snow removal	388,015
Travel, meeting and training	59,150
Utilities	<u>175,147</u>
 Total operating expenses	 <u>20,878,088</u>
 Gain from operations	 <u>\$ 16,146,174</u>

Non-Operating Revenues and Expenses	
Interest income-banks	\$ 94,120
Interest expense	(2,493,426)
Non-capital grants	185,000
Gain (Loss) on disposal of capital assets	<u>(1,476)</u>
	<u>(2,215,782)</u>
Change in Net Position	13,930,392
Total Net Position, Beginning of Year	<u>21,559,060</u>
Total Net Position, End of Year	<u>\$ 35,489,452</u>

The following details the results of cash flows activity for the FBO from July 1, 2024 to June 30, 2025:

Operating Activities	
Cash received from operations	\$ 36,780,940
Cash payments to suppliers for services	(6,601,035)
Cash payments to employees for services	<u>(7,373,777)</u>
Net Cash from Operating Activities	<u>22,806,128</u>
Capital and Related Financing Activities	
Acquisitions and construction of capital assets	(33,263,508)
Proceeds from the disposal of capital assets	6,350
Proceeds from issuance of bonds payable	13,895,618
Principal payments on bonds payable	(2,273,437)
Interest payments on bonds payable	(2,435,999)
Grants received from Non-Governmental	<u>185,000</u>
Net Cash used for Capital and Related Financing Activities	<u>(23,885,976)</u>
Investing Activities	
Interest on investments	94,120
Investment in sinking fund	<u>(4,504)</u>
Net Cash from Investing Activities	<u>89,616</u>
Net Decrease in Cash	(990,232)
Cash in Bank and on Hand, Beginning of Year	<u>18,961,487</u>
Cash in Bank and on Hand, End of Year	<u>\$ 17,971,255</u>

Jackson Hole Airport Board
 Notes to Financial Statements
 June 30, 2025

Statement of Net Position

Cash in bank and on hand	\$ 7,662,440
Restricted for loan settlement / sinking fund	<u>10,308,815</u>
 Total Cash in Bank and on Hand	 <u>\$ 17,971,255</u>
 Reconciliation of Gain from Operations to Net Cash from Operating Activities	
Income from operations	\$ 16,146,174
Adjustments to reconcile gain from operations to net cash from operating activities	
Depreciation	583,592
Increase (decrease) in cash and cash held resulting from changes in operating assets and liabilities	
Accounts receivable	(243,322)
Prepaid expenses	(250,096)
Accounts payable	6,639,892
Retainage payable	(320,341)
Accrued wages payable	63,136
Compensated absences	<u>187,093</u>
 Net Cash from Operating Activities	 <u>\$ 22,806,128</u>

Required Supplementary Information
June 30, 2025
Jackson Hole Airport Board

Jackson Hole Airport Board
Schedule of Employer's Share of Net Pension Liability
June 30, 2025

JACKSON HOLE AIRPORT BOARD
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 10 fiscal years
(Unaudited)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Public Employees Pension Plan										
Board's proportion of the net pension liability	0.459439400%	0.437337900%	0.411288300%	0.358101241%	0.330020300%	0.320417322%	0.296768821%	0.266028289%	0.247429800%	0.227495553%
Board's proportionate share of the net pension liability	\$ 9,581,945	\$ 9,928,363	\$ 11,239,745	\$ 5,460,047	\$ 7,172,528	\$ 7,529,573	\$ 9,037,473	\$ 6,063,690	\$ 5,981,615	\$ 5,299,162
Board's covered payroll	9,744,482	8,796,327	7,725,637	6,524,613	6,012,907	5,698,913	5,165,063	4,682,409	4,557,759	3,967,627
Board's proportionate share of the net pension liability as a percentage of its covered payroll	98.33%	112.87%	145.49%	83.68%	119.29%	132.12%	174.97%	129.50%	131.24%	133.56%
Plan fiduciary net position as a percentage of the total pension liability	82.46%	80.19%	75.47%	86.03%	79.24%	76.83%	69.17%	76.35%	73.42%	73.40%

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. The assumption decreased the total pension liability by \$346,418.

Jackson Hole Airport Board
 Schedule of Employer's Contributions
 June 30, 2025

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Public Employees Pension Plan										
Contractually required contribution	\$ 1,867,003	\$ 1,553,717	\$ 1,473,004	\$ 1,165,659	\$ 1,033,065	\$ 960,040	\$ 854,522	\$ 739,186	\$ 689,656	\$ 676,000
Contributions in relations to the contractually required contributions	(1,867,003)	(1,553,717)	(1,473,004)	(1,165,659)	(1,033,065)	(960,040)	(854,522)	(739,186)	(676,000)	(650,000)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board's covered-payroll	\$ 10,860,983	\$ 9,038,489	\$ 8,568,961	\$ 6,781,030	\$ 6,189,722	\$ 5,929,835	\$ 5,477,037	\$ 4,866,270	\$ 4,540,199	\$ 4,067,389
Contributions as a percentage of covered payroll	17.19%	17.19%	17.19%	17.19%	16.69%	16.19%	15.60%	15.19%	15.19%	16.62%

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

Supplementary Information
June 30, 2025
Jackson Hole Airport Board

Jackson Hole Airport Board
Schedule of Passenger Facility Charges Collected and Expended – Cash Basis
June 30, 2025

PFC Projects	Balance Unliquidated PFC June 30, 2024	PFC Collections	Interest Earned	PFC Expenditures	Balance Unliquidated PFC June 30, 2025
APP 12 and 13 Terminal, Master Plan, Operations, and Administration	<u>\$ (7,205,394)</u>	<u>\$ 2,028,700</u>	<u>\$ 890</u>	<u>\$ -</u>	<u>\$ (5,175,804)</u>

Federal Awards Reports in Accordance
With the Uniform Guidance
June 30, 2025
Jackson Hole Airport



**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 (*Government Auditing Standards*), the financial statements of the business-type activities, of Jackson Hole Airport Board (the Board) as of and for the year ended June 30, 2025, 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 18, 2025.

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 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 or significant. However, material weaknesses 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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is fluid and cursive, with "Eide" and "Baily" connected by a single stroke, and "LLP" in a smaller, separate section.

Boise, Idaho
December 18, 2025



Independent Auditor's Report on Compliance for the Passenger Facility Charge Program; Report on Internal Control Over Compliance Required by the Facility Charge Audit Guide for Public Agencies

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, 2025.

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, 2025.

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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is fluid and cursive, with "Eide" and "Baily" connected by a single stroke, and "LLP" in a smaller, separate flourish.

Boise, Idaho
December 18, 2025



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, 2025. 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 program for the year ended June 30, 2025.

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.

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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is fluid and cursive, with "Eide" and "Baily" connected by a single stroke, and "LLP" in a smaller, separate block.

Boise, Idaho
December 18, 2025

Jackson Hole Airport Board
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

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 #67	20.106	3-56-0014-67 - 2021	\$ 211,773
Airport Improvement Program #70	20.106	3-56-0014-70 - 2022	159,388
Airport Improvement Program #71	20.106	3-56-0014-71 - 2022	797
Airport Improvement Program #72	20.106	3-56-0014-72 - 2022	297,930
Airport Improvement Program #73	20.106	3-56-0014-73 - 2023	215,965
Airport Improvement Program #74	20.106	3-56-0014-74 - 2023	200,155
Airport Improvement Program #77	20.106	3-56-0014-77 - 2023	513,121
Airport Improvement Program #78	20.106	3-56-0014-78 - 2023	512,666
Airport Improvement Program #79	20.106	3-56-0014-79 - 2024	2,359,975
Airport Improvement Program #80	20.106	3-56-0014-80 - 2024	3,082,856
Airport Improvement Program #81	20.106	3-56-0014-81 - 2024	70,682
Airport Improvement Program #82	20.106	3-56-0014-82 - 2024	13,464,880
Airport Improvement Program #83	20.106	3-56-0014-83 - 2024	1,218,475
Airport Improvement Program #84	20.106	3-56-0014-84 - 2025	1,419,907
			<u>23,728,570</u>
U.S. Department of Homeland Security			
Electronic Baggage Screening Program	OTA-70T04024T7672N001	PR247672A003	<u>132,234</u>
Total Expenditures of Federal Awards			<u>\$ 23,860,804</u>

Jackson Hole Airport Board
Notes to Schedule of Expenditures of Federal Awards
June 30, 2025

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, 2025. 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 Principles 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 Principles 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
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Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance 2 CFR 200.516	No
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Identification of major programs:

<u>Assistance listing number</u>	<u>Name of Federal Program</u>
20.106	Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
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Auditee qualified as low-risk auditee?	Yes
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Jackson Hole Airport Board
Schedule of Findings and Questioned Costs
June 30, 2025

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None