

**DES MOINES AIRPORT AUTHORITY BOARD
SUMMARY MINUTES OF ELECTRONIC MEETING
Des Moines International Airport
Board Room
April 14, 2020**

Call to Order and Roll Call: 9:00 a.m.

Chaired by Ms. Levy

Present: Mr. Christensen, Mr. Feldmann, Ms. Lauridsen Sand, Ms. Levy, Ms. Ward

This meeting was held electronically due to the social distancing requirements associated with the COVID-19 pandemic. The public was provided access and was able to join the meeting on-line via Zoom. All Board members participated electronically. The Airport Board Room, 2nd Floor, Airport Terminal, was also open to the public.

A20-041 Consider Minutes for March 10, 2020, Meeting

Mr. Feldmann moved to approve the March 10, 2020, meeting minutes. Ms. Lauridsen Sand seconded. Motion Carried: 5-0-0-0; Yeas: Christensen, Feldmann, Lauridsen Sand, Levy, Ward; Nays: 0; Abstained: 0; Absent: 0.

A20-042 Consider Contract for Coffee Bar Project to Lang Construction Group

The Executive Director stated this project will provide coffee and drinks within the hold room area of gates C5, C6, & C7. A small portion of the wall at gate C5 will be converted from seating to house millwork, coolers, storage, and passenger ordering/pick up points. The goal of Authority staff is to improve passenger amenities. The restaurant concessionaire's estimate for the project was \$50,000.00, below the competitive bid threshold of \$139,000.00. Authority staff requested competitive quotes from two local contractors. The lowest responsible quote received was \$94,290.00 from Lang Construction Group.

The Executive Director recommended the Board approve a contract with Lang Construction Group for the Coffee Bar Project in the amount of \$94,290.00 and authorize the Director of Engineering and Planning to accept and close out this project when completed in accordance with the contract documents.

Ms. Lauridsen Sand asked whether the removal of seating would cause any issues for passengers. The Executive Director stated the reason that particular wall was selected is because there is very little seating on that wall. The Executive Director explained that although we will lose some seating, seats will be added at the bar.

Mr. Christensen moved to approve a contract with Lang Construction Group for the Coffee Bar Project in the amount of \$94,290.00 and authorize the Director of Engineering and Planning to accept and close out this project when completed in accordance with the contract documents. Ms. Lauridsen Sand seconded. Motion Carried: 5-0-0-0; Yeas: Christensen, Feldmann, Lauridsen Sand, Levy, Ward; Nays: 0; Abstained: 0; Absent: 0.

A20-043 Consider Cowles Drive Programming Review

The Director of Engineering stated the Terminal Project construction activities will now enter the East Quadrant of the Airport. This project was first presented at the March 10, 2020, Board Meeting. A further review of the landscaping and façade was completed with Board Members after the March 10, 2020, Board Meeting.

The Director of Engineering introduced Mr. Chuck Stewart with Kimley-Horn to share the project design adjustments with the Board.

Mr. Stewart shared the project design adjustments with the Board and explained this project will reconfigure the current entry & exit of Cowles Drive, then redefine the layout as it approaches the future Terminal and finally loops around the parking structure core. As the overall program of Cowles Drive is laid out, all phases of the appearance of the roadway will be defined.

The Director of Engineering recommended the Board reaffirm approved landscaping and signage definitions to be carried forward on the Terminal Project.

Mr. Feldmann moved to reaffirm approved landscaping and signage definitions to be carried forward on the Terminal Project. Ms. Lauridsen Sand seconded. Motion Carried: 5-0-0-0; Yeas: Christensen, Feldmann, Lauridsen Sand, Levy, Ward; Nays: 0; Abstained: 0; Absent: 0.

A20-044 Consider Transportation Network Company Operating Agreements

The Director of Operations stated the agreements with Transportation Network Companies (TNC) terminate on April 30, 2020. A new form of agreement has been negotiated with the two TNCs operating in Des Moines. A major change in the new agreement allows for charges at both TNC passenger pickup and drop off. To allow for rate adjustment fallibility, the new agreement terminates on December 31, 2021.

The Director of Operations recommended the Board approve new Transportation Network Companies Operating Agreements and authorize the Executive Director to execute the new agreements.

Ms. Levy asked if it was standard to have drop off fees. The Director of Operations said yes, airports are transitioning to this, it is becoming more common, and the rest of the industry will be moving toward that direction entirely at some point.

Ms. Lauridsen Sand moved to approve new Transportation Network Companies Operating Agreements and authorize the Executive Director to execute the new agreements. Mr. Christensen seconded. Motion Carried: 5-0-0-0; Yeas: Christensen, Feldmann, Lauridsen Sand, Levy, Ward; Nays: 0; Abstained: 0; Absent: 0.

Consider 2020 Miscellaneous Pavement Repairs & Beacon Relocation Project

- a. **Public Hearing regarding the plans, specifications, form of contract, and estimated total cost for the 2020 Miscellaneous Pavement Repairs & Beacon Relocation Project**

Ms. Levy opened the Public Hearing.

The Director of Engineering stated the proposed contract is for the replacement of the existing rotating beacon on top of the current terminal. A new beacon will be located on a tower north of building No. 5. Power and controls for the beacon will be routed through the airfield lighting vault. The annual miscellaneous pavement repairs occur throughout the Airport campus, both airside and landside. Areas of detreating pavement are identified throughout the year and then bid as one package to gain economies of scale.

The Engineer's Estimate for this project is \$483,020.00.

Ms. Levy invited public comment. There were no public comments. **Ms. Levy closed the Public Hearing.**

- b. **Consider Resolution adopting plans, specifications, form of contract, and estimated total cost for the 2020 Miscellaneous Pavement Repairs & Beacon Relocation Project**

The Director of Engineering recommended the Board approve the Resolution adopting plans, specifications, form of contract, and estimated total cost for the 2020 Miscellaneous Pavement Repairs & Beacon Project.

Mr. Feldmann moved to approve the Resolution adopting plans, specifications, form of contract, and estimated total cost for the 2020 Miscellaneous Pavement Repairs & Beacon Project. Ms. Lauridsen Sand seconded. Motion Carried: 5-0-0-0; Yeas: Christensen, Feldmann, Lauridsen Sand, Levy, Ward; Nays: 0; Abstained: 0; Absent: 0.

- c. **Consider award of contract for the 2020 Miscellaneous Pavement Repairs & Beacon Relocation Project to Iowa Contracting, Inc. in the amount of \$437,411.00**

The Director of Engineering stated the lowest responsive, responsible bidder was Iowa Contracting, Inc. in the amount of \$437,411.00.

The Director of Engineering recommended the Board approve the contract with Iowa Contracting, Inc. in the amount of \$437,411.00 for the improvement and authorize the Director of Engineering and Planning to accept and close out this project when completed in accordance with the contract documents.

Mr. Feldmann moved to approve the contract with Iowa Contracting, Inc. in the amount of \$437,411.00 for the improvement and authorize the Director of Engineering and Planning to accept and close out this project when completed in accordance with the contract documents. Mr. Christensen seconded. Motion Carried: 5-0-0-0; Yeas: Christensen, Feldmann, Lauridsen Sand, Levy, Ward; Nays: 0; Abstained: 0; Absent: 0.

A20-046 Consider Parking Garage Maintenance 2020 Project

a. Public Hearing regarding the plans, specifications, form of contract, and estimated total cost for the Parking Garage Maintenance 2020 Project

Ms. Levy opened the Public Hearing.

The Director of Engineering stated this contract is for the installation of floor sealant on floors 2 and 3 along with structural repairs throughout the garage on all floors.

The Engineer's Estimate for this project is \$275,850.00.

Ms. Levy invited public comment. There were no public comments. **Ms. Levy closed the Public Hearing.**

b. Consider Resolution adopting plans, specifications, form of contract, and estimated total cost for the Parking Garage Maintenance 2020 Project

The Director of Engineering recommended the Board approve the Resolution adopting plans, specifications, form of contract, and estimated total cost for the Parking Garage Maintenance 2020 Project.

Mr. Christensen moved to approve the Resolution adopting plans, specifications, form of contract, and estimated total cost for the Parking Garage Maintenance 2020 Project. Ms. Lauridsen Sand seconded. Motion Carried: 5-0-0-0; Yeas: Christensen, Feldmann, Lauridsen Sand, Levy, Ward; Nays: 0; Abstained: 0; Absent: 0.

c. Consider award of contract for the Parking Garage Maintenance 2020 Project to Western Specialty Contractors in the amount of \$193,900.00

The Director of Engineering stated the lowest responsive, responsible bidder was Western Specialty Contractors in the amount of \$193,900.00.

The Director of Engineering recommended the Board approve the contract with Western Specialty Contractors in the amount of \$193,900.00 for the improvement and authorize the Director of Engineering and Planning to accept and close out this project when completed in accordance with the contract documents.

Mr. Christensen moved to approve the contract with Western Specialty Contractors in the amount of \$193,900.00 for the improvement and authorize the Director of Engineering and Planning to accept and close out this project when completed in accordance with the contract documents. Ms. Lauridsen Sand seconded. Motion Carried: 5-0-0-0; Yeas: Christensen, Feldmann, Lauridsen Sand, Levy, Ward; Nays: 0; Abstained: 0; Absent: 0.

A20-047 Consider North Glycol Storage Tank Repairs – Phase I Project

a. Consider review of North Glycol Storage Tank Repairs – Phase I Project bids.

The Director of Engineering stated this contract is for the removal of the dirt and clay cap above the precast north glycol tank roof, making repairs to the topping slab, waterproofing of the topping slab, and replacement of the clay and dirt cap.

The Engineer's Estimate for this project is \$1,300,000.00.

The Director of Engineering recommended the Board reject all bids associated with North Glycol Storage Tank Repairs – Phase I Project due to COVID-19 pandemic impact on projected revenue.

Mr. Feldmann moved to reject all bids associated with North Glycol Storage Tank Repairs. Ms. Lauridsen Sand seconded. Motion Carried: 5-0-0-0; Yeas: Christensen, Feldmann, Lauridsen Sand, Levy, Ward; Nays: 0; Abstained: 0; Absent: 0.

b. Public Hearing regarding the plans, specifications, form of contract, and estimated total cost for the North Glycol Storage Tank Repairs – Phase I Project

The public hearing was cancelled since the bids were rejected.

c. Consider Resolution adopting plans, specifications, form of contract, and estimated total cost for the North Glycol Storage Tank Repairs – Phase I Project

The Resolution adopting plans, specifications, form of contract, and estimated total cost for the North Glycol Storage Tank Repairs – Phase I Project was tabled since the bids were rejected.

A20-048 Consider Rental Car Facility High Speed Door Replacement Project

a. Consider Rental Car Facility High Speed Door Replacement Project bids

The Director of Engineering stated this contract is for the removal and replacement of 10 high speed wind doors on the Rental Car Maintenance facility car wash bays. The contract includes all electrical, materials, structural mounting, and labor to install new doors.

The Engineer's Estimate for this project is \$274,000.00.

The Director of Engineering recommended the Board reject all bids associated with Rental Car Facility High Speed Door Replacement Project due to COVID-19 pandemic impact on projected revenue and only one viable bid was received.

Mr. Feldmann moved to reject all bids associated with Rental Car Facility High Speed Door Replacement Project. Ms. Lauridsen Sand seconded. Motion Carried: 5-0-0-0; Yeas: Christensen, Feldmann, Lauridsen Sand, Levy, Ward; Nays: 0; Abstained: 0; Absent: 0.

b. Public Hearing regarding the plans, specifications, form of contract, and estimated total cost for the Rental Car Facility High Speed Door Replacement Project

The public hearing was cancelled since the bids were rejected.

c. Consider Resolution adopting plans, specifications, form of contract, and estimated total cost for the Rental Car Facility High Speed Door Replacement Project

The Resolution adopting plans, specifications, form of contract, and estimated total cost for the Rental Car Facility High Speed Door Replacement Project was tabled since the bids were rejected.

A20-049 Financial Report

The Finance Director reported:

- A memo (copy attached) that explained the best, most likely, and worse case recoveries from the COVID-19 pandemic and what that means in terms of revenue was emailed to the Board on April 13, 2020.
- Expenses are being closely monitored during the next couple of months.
- More will be learned about the CARES Act in the next few weeks and its impact on the Authority, especially the debt-to-service coverage ratio.
- Liquidity-wise the Authority is in very good shape.
- Audit results from the yearly audit conducted by Plante Moran will be presented to the Board at the May 12, 2020, Board Meeting. Prior to the May 12, 2020, Board Meeting, two Board Members will be needed for the audit committee. Ms. Levy stated Ms. Lauridsen-Sand and Mr. Jake Christensen will serve on that committee.

The Executive Director stated the financials reflect invoiced financials, but the Authority may not receive payment from all companies invoiced due to the COVID-19 pandemic. The Executive Director asked the Finance Director to track accounts receivable.

Ms. Levy stated the Authority Directors were doing a great job keeping on top of every item, including passenger traffic.

A20-050

Briefing

- The Director of Operations reported various statistics relative to the current condition of the airport due to the COVID-19 pandemic.
- The Executive Director reported the following on the COVID-19 pandemic:
 - Current Conditions:
 - There are no known COVID-19 exposures at the airport to-date.
 - Two Authority field maintenance employees were quarantined for approximately two weeks after performing CPR on a passenger. The field employees both tested negative for COVID-19.
 - Some Authority staff can work from home and others rotate weeks, so not all staff are working at the same time.
 - ABM Parking
 - Furloughed cashiers.
 - Stopped accepting cash. Accept debit/credit cards only for payment.
 - Allow parking only in Economy 3 (\$6/day) and the first level of the parking garage (\$15/day).
 - Will run one shuttle in the morning and one shuttle in the afternoon.
 - Aero Service Group (Restaurant Management Company)
 - Furloughed all employees except the managers.
 - Closed all restaurants as of April 13, 2020, except Friedrichs. Beverages and food are served at Friedrichs.
 - ProTec
 - Suspended contract for gate guards at Gate 5. Operations handles those duties now.
 - G2
 - Suspended contract for their help in transferring checked bags when there was an overabundance of bags on one side of the bag screening system.
 - Hudson News/Gifts
 - Furloughed some of their staff and reduced hours for others.
 - Closed landside news/gift shop.

- Airside news/gift shop remains open while flights are operating.
- Concourse A was closed April 13, 2020, since passenger traffic has slowed down.
- Marsden Services
 - Looking at the janitorial agreement to see if janitorial staff can be reduced since Concourse A was shut down.
- Gates A1 and A3 are being switched for Allegiant and Southwest in preparation for Allegiant's crew base (which will be delayed from May 2020 to at least July 2020). Construction began this week.
- The airline updates that the Director of Operations sends to the Board will be done on a weekly basis until recovery from the effects of the COVID-19 pandemic begins.
- Aircraft parking
 - Varies from day to day. Most parked so far was 14. Most of the aircraft belong to Envoy and many of them are going in for maintenance.
- Airlines are applying for exemptions from the CARES Act requirement. Airlines were awarded a total of \$58 billion dollars with half in grants and half in loans. Some of that is still being worked out. Airlines must continue to serve city pairs that they currently had at airports. Des Moines is not on the list for exemptions. None of the airlines have asked for exemptions from Des Moines. Iowa made the list. Frontier asked for an exemption to stop service in Cedar Rapids. Allegiant asked for an exemption to stop service in the Quad-Cities.
- Allegiant's new Midway and Memphis nonstop flights due to begin in May 2020 have been delayed and most likely will not begin until early 2021.
- Airlines are required to keep their employees through September 30, 2020, if they accept the grant dollars from the CARES Act.
- Frontier Airlines implemented a new program that requires passengers to perform a self-health acknowledgement prior to completing check-in via the company's website or mobile app. Passengers are required to certify the following:
 - Neither they nor anyone in their household has exhibited COVID-19 related symptoms in the last 14 days.
 - They will check their temperature before heading to the airport and not travel if they have a fever.
 - They will wash their hands/sanitize before boarding the flight.

from the U.S., UK, Germany, and Australia and most agreed that travel will be reduced by approximately 50%; there will be a world recession; international travel will be the slowest to recover; and a lot of people will travel more by car than air. One half of the people on the call thought recovery would take one to two years with the other half projecting it will take longer than two years. The airlines with the most cash will be in the best shape for recovery. The airlines that will have the easiest time recovering will be the low-cost airlines. Major, network, and regional airlines will have the hardest time recovering. If fuel costs increase, there will be an impact. People will get used to risk over time like they did post-9/11. Videoconferencing may replace telephones for business calls; however, face-to-face meetings will still be desirable. Things change quickly and are very fluid.

- Ms. Levy thanked the Executive Director for his update and asked the Executive Director to share updates with the Board as he receives them.

A20-051 Next Meeting

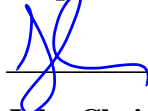
Ms. Levy stated it has not been decided yet if the May 12, 2020, Board Meeting will be held in person or electronically. The public will be informed of the manner in which the meeting will be conducted when the May 12, 2020, Board Meeting Agenda is published.

A20-052 Adjourn

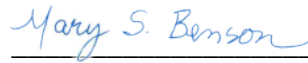
Mr. Feldmann moved to adjourn the meeting. Mr. Christensen seconded. Motion Carried: 5-0-0-0; Yeas: Christensen, Feldmann, Lauridsen Sand, Levy, Ward; Nays: 0; Abstained: 0; Absent: 0.

The meeting adjourned at 9:59 a.m.

Respectfully Submitted:



Jake Christensen
Secretary/Treasurer



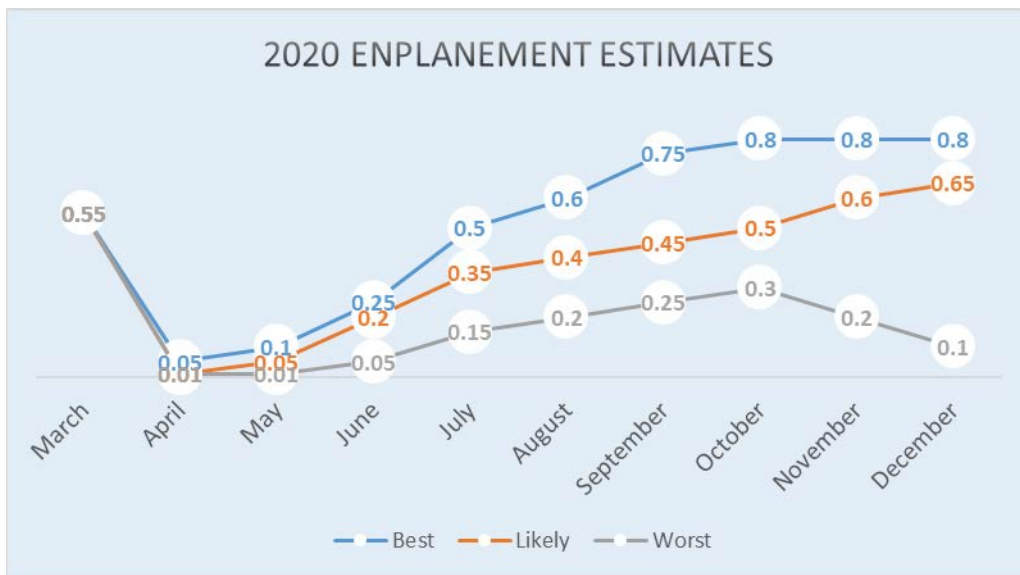
Mary Benson
Board Clerk

DES MOINES AIRPORT AUTHORITY

TO: AUTHORITY BOARD
FROM: BRIAN MULCAHY
SUBJECT: FINANCIAL REPORT AND COVID-19 ANALYSIS
DATE: 4/13/2020

The intent of this report is to provide some analysis of the financial impacts of COVID-19 based on projections for the remainder of 2020. I will cover revenue projections for 2020, changes made to the capital spending plan, changes made to reduce expenses, and impact to debt service coverage ratio.

The chart below summarizes an estimated best case, most likely case, and worst case recovery scenario. From these scenarios, I will provide some sensitivity analysis for revenue. The numbers in the chart are the percentage of enplanements versus the estimates used to develop the budget.



The blue represents an estimated best case scenario, with enplanements returning to the 50% mark by July and leveling out around 80% for the last quarter. Even with a strong recovery, it is unlikely that enplanements will return to previous levels this year. Several airlines have already indicated there will be reduced capacity moving forward, and it is likely much of the business travel will be slow to return due to employer aversion to putting their employees on the road.

The orange line represents a most likely scenario. Based on changes seen in the first week of April and uncertainty of ongoing sheltering orders across the country, enplanements are likely to be in the 1-2% range for most of April and May. Various models show the peak of cases in Iowa to be still 2-3 weeks away, meaning that we may still have people recovering or quarantining when we get into May. As the peak of cases passes and we get to summer, leisure travel may start to happen, slowly climbing back into the fall from there.

The gray line represents a worst case scenario. If the virus holds on longer than expected, and no therapeutics are identified, there is some chance of another downturn and social distancing episode in the winter.

Operating Revenue Impact

By using these three scenarios as a guideline for enplanements, a sensitivity analysis was completed for budgeted revenue. A significant portion of the Authority revenue is variable, tied very closely to enplanement levels. Parking, rental cars, and terminal concessions account for approximately half of operating revenue and will be the seriously impacted by the lack of passenger traffic. Although Minimum Annual Guarantees (MAG) exist on some concessions, several agreements include clauses to reduce MAG likely to be triggered based on the reduced enplanements. Another variable component of revenue is that classified as Landing Area on the financial statements. This category is impacted to a lesser degree because landing fees are charged regardless of the number of passengers on the planes, but the drastic reduction of flights scheduled still results in a material reduction. Exclusive rents charged to the airlines and other general aviation tenants of the airport are not variable.

The three scenarios resulted in the following operating revenue estimates for 2020 versus the original budget of \$41.7 million:

Best case - \$26.2 million

Likely case – \$21.6 million

Worst case - \$15.3 million

Capital Improvement Plan Impact

Changes to the capital improvement plan considered a number of factors, including: many projects are already bid and some have actually started; given the limited activity we will have over at least the next couple of months, it is a great time complete the work; some projects are critical path items that would ultimately delay the terminal project if postponed. A review of the capital plan was completed to consider each project, and that is summarized in the financial report. Due to lead times for design and materials, the boarding bridges and Cowles Drive

projects were likely to spend less than half of the \$10.5 million budgeted for 2020. This, plus additional changes to the capital improvement plan resulted in approximately \$14 million of budgeted spending that will be delayed.

We will hopefully have some clarity on the path of recovery when 2021 planning begins in the fall. By continuing with certain projects in 2020 we are preserving the option of staying on the existing timeline for the terminal project. If the recovery is weak through 2020 and liquidity into future years remains a top priority, that could adversely impact project timelines into the future.

Expense Reductions

A significant portion of the Authority's expenses are essentially fixed and will not be reduced due to the drop in passenger activity. Following is a high level overview by expense category:

Wages, Salaries and Benefits – little change in expense expected. We do not plan to furlough or lay off staff at this time, and in fact, need to maintain at least 90% of employees to comply with expected federal assistance through the CARES Act.

Utilities – some reduction of utilities may result from decreased usage in the terminal, and the temporary closure of Concourse A, but this reduction is not expected to be material.

Contracted Services – where possible, contracted services are being reduced or eliminated. A baggage handling contract with G2 has been suspended, as has a vehicle gate inspection contract with ProTec. We have taken steps to reduce the costs of parking operations by moving to credit card only at all parking lot exits, and closing all economy lots other than #3 to reduce shuttle operations costs. Critical contracts such as Police and ARFF are planned to continue as budgeted.

Supplies and Equipment – some savings may occur in this area, but for the most part the number of flights and passengers is not going to materially change the expense to maintain all of the facilities on the airport.

Other Gov't Services – this is primarily the PILOT fees to the City of Des Moines and will likely continue unchanged.

Repairs and Maintenance – similar to Supplies and Equipment, many of these expenses will continue regardless of passenger activity.

Travel / Training – all travel by Authority employees has been suspended.

Impact to Debt Service Coverage Ratio

While we are very fortunate at this time to have a relatively low debt level compared to other airports, the debt service coverage ratio is still a significant concern. The calculation to determine this ratio involves dividing net revenues by the annual debt service. Without net revenues, we will obviously not make the coverage. Even though our cash position means there is no near-term risk to making debt service payments, meeting the debt service coverage ratio each fiscal year is a requirement to avoid default provisions of the master bond resolution.

Based on a recovery along the most likely case scenario described above, the net revenue calculation would look like the following in order to meet the coverage ratio:

Operating Income	\$	21,500,000
PFC & CFC Income		2,088,000
Transferred Amount		905,985
		<u>24,493,985</u>
Operating Expense		(19,964,062)
Net Revenues	\$	<u>4,529,923</u>
2020 Debt Service		3,623,938
Coverage Ratio		1.25

The Operating Expenses of \$19.9 million represents a reduction of 19.75% from budget, so it will be a challenge to meet the coverage unless enplanement and revenue performance is better than the most likely scenario. Should the Authority not meet the coverage ratio for 2020, the master resolution requires certain steps to be taken. An actual default would not occur until coverage was missed for a second year in a row.

Although I am not yet certain how it will impact the coverage ratio calculation, the CARES Act is expected to offset some of the lost revenue for the Authority. At this point we do not have a determination from the FAA on the amount of assistance this legislation will provide for DSM, but we understand that it can be used for debt service payments or operating expenses. This assistance, in combination with the Authority's strong cash position, puts the Authority in a good position to handle the current situation.

If you have any questions or would like additional detail, please let me know.

Des Moines Airport Authority
Summary of Income and Expenditures
Cash Basis

	March 2019	March 2020	Year To Date 2019	Year To Date 2020	Fiscal YTD Budget
<u>Income</u>					
Landing Area	\$ 721,556	\$ 757,600	\$ 2,300,890	\$ 2,395,671	\$ 2,505,000
General Aviation	379,874	389,332	1,054,417	1,159,895	1,079,305
Terminal Building Area	2,413,830	1,784,420	6,622,038	6,542,863	6,652,289
Other Income	128,676	142,556	274,054	262,905	168,625
Investment Income	164,918	65,071	159,115	162,560	150,000
Total Income	\$ 3,808,853	\$ 3,138,978	\$ 10,410,514	\$ 10,523,894	\$ 10,555,219
<u>Expenditures</u>					
Administration	\$ 409,541	\$ 358,761	\$ 1,191,632	\$ 1,189,988	\$ 1,358,495
Operations	200,886	139,708	441,886	515,183	518,809
Building Maintenance	354,221	261,251	997,745	909,753	1,093,165
Field Maintenance	555,194	314,672	1,694,393	1,507,338	1,330,709
Parking	186,638	39,778	561,404	418,093	674,923
ARFF	99,486	93,277	302,055	291,010	320,410
Police	270,537	183,683	632,792	643,104	611,375
RAC	111,435	56,373	286,159	265,346	340,350
Debt Service on Rev Bonds	295,385	302,487	456,924	433,485	433,485
Total Expenditures	\$ 2,483,322	\$ 1,749,990	\$ 6,564,989	\$ 6,173,300	\$ 6,681,720
<u>Net Income - Cash Basis</u>	<u>\$ 1,325,531</u>	<u>\$ 1,388,988</u>	<u>\$ 3,845,525</u>	<u>\$ 4,350,593</u>	<u>\$ 3,873,499</u>

Des Moines Airport Authority
Summary of Income and Expenditures
Cash Basis

	<u>March 2019</u>	<u>March 2020</u>	<u>Year to Date 2019</u>	<u>Year To Date 2020</u>	<u>Fiscal YTD Budget</u>
Operating Income					
Landing Area					
Landing Fees	\$ 437,485	\$ 461,472	\$ 1,394,004	\$ 1,456,921	\$ 1,520,750
Security Fees	\$ 143,269	\$ 143,900	\$ 434,185	\$ 447,643	\$ 475,250
Apron Fees	\$ 140,802	\$ 152,227	\$ 472,702	\$ 491,108	\$ 509,000
<i>Total Landing Area</i>	<u>\$ 721,556</u>	<u>\$ 757,600</u>	<u>\$ 2,300,890</u>	<u>\$ 2,395,671</u>	<u>\$ 2,505,000</u>
General Aviation					
Cargo Rent	\$ 123,043	\$ 131,876	\$ 337,092	\$ 395,177	\$ 386,755
GA Rent (FBO, Corporate)	\$ 119,995	\$ 122,496	\$ 359,952	\$ 367,061	\$ 352,050
Fuel & Ground Handling	\$ 136,836	\$ 134,960	\$ 357,373	\$ 397,656	\$ 340,500
<i>Total General Aviation</i>	<u>\$ 379,874</u>	<u>\$ 389,332</u>	<u>\$ 1,054,417</u>	<u>\$ 1,159,895</u>	<u>\$ 1,079,305</u>
Terminal Building Area					
Building Rent					
Airlines	\$ 354,795	\$ 354,629	\$ 1,047,808	\$ 1,063,280	\$ 1,097,500
Vendors	\$ 22,743	\$ 23,582	\$ 68,449	\$ 76,702	\$ 63,991
Concessions					
Parking	\$ 1,457,653	\$ 940,900	\$ 3,938,434	\$ 3,699,937	\$ 3,733,300
Car Rental	\$ 236,617	\$ 306,854	\$ 614,583	\$ 909,981	\$ 848,250
Gift Shop	\$ 62,627	\$ -	\$ 182,739	\$ 145,269	\$ 195,000
Restaurant	\$ 201,156	\$ 64,576	\$ 545,492	\$ 381,141	\$ 499,998
Commercial Vehicles	\$ 51,083	\$ 51,154	\$ 134,340	\$ 141,625	\$ 127,000
Other Concession Revenue	\$ 27,156	\$ 42,725	\$ 90,192	\$ 124,928	\$ 87,250
<i>Total Terminal Bldg Area</i>	<u>\$ 2,413,830</u>	<u>\$ 1,784,420</u>	<u>\$ 6,622,038</u>	<u>\$ 6,542,863</u>	<u>\$ 6,652,289</u>
Other Income					
Tenant Services / Fees	\$ 86,493	\$ 100,203	\$ 142,572	\$ 143,859	\$ 71,125
Phone / Data Services	\$ 30,982	\$ 30,753	\$ 95,482	\$ 95,086	\$ 82,500
TSA LEO Reimbursement	\$ 11,200	\$ 11,600	\$ 36,000	\$ 23,960	\$ 15,000
<i>Total Other Income</i>	<u>\$ 128,676</u>	<u>\$ 142,556</u>	<u>\$ 274,054</u>	<u>\$ 262,905</u>	<u>\$ 168,625</u>
Total Operating Income	<u>\$ 3,643,936</u>	<u>\$ 3,073,907</u>	<u>\$ 10,251,399</u>	<u>\$ 10,361,334</u>	<u>\$ 10,405,219</u>
Non-Operating Income					
Interest Income	\$ 164,918	\$ 65,071	\$ 159,115	\$ 162,560	\$ 150,000
Gain / Loss on Disposal	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Operating Income	<u>\$ 164,918</u>	<u>\$ 65,071</u>	<u>\$ 159,115</u>	<u>\$ 162,560</u>	<u>\$ 150,000</u>

Des Moines Airport Authority
Summary of Income and Expenditures
Cash Basis

	March 2019	March 2020	Year to Date 2019	Year To Date 2020	Fiscal YTD Budget
Operating Expense					
<u>Administration</u>					
Wages, Salaries, & Benefits	\$ 201,789	\$ 144,402	\$ 513,162	\$ 516,083	\$ 550,795
Utilities	5,514	3,991	14,257	14,464	\$ 19,050
Contracted Services	84,857	95,334	200,000	240,408	\$ 339,575
Supplies	8,089	14,932	12,130	40,971	\$ 23,250
Other Gov't Services	62,006	62,006	186,017	186,017	\$ 212,500
Repairs & Maintenance	43,865	37,732	260,798	174,445	\$ 202,475
Travel / Training	3,419	364	5,268	17,599	\$ 10,850
Total	<u>\$ 409,541</u>	<u>\$ 358,761</u>	<u>\$ 1,191,632</u>	<u>\$ 1,189,988</u>	<u>\$ 1,358,495</u>
<u>Operations</u>					
Wages, Salaries, & Benefits	\$ 158,881	\$ 112,117	\$ 377,408	\$ 423,718	\$ 405,796
Contracted Services	5,186	12,462	9,179	14,730	\$ 18,762
Supplies	14,107	1,107	16,405	22,157	\$ 20,425
Repairs & Maintenance	22,541	11,398	38,573	51,161	\$ 67,925
Travel / Training	171	2,624	321	3,417	\$ 5,900
Total	<u>\$ 200,886</u>	<u>\$ 139,708</u>	<u>\$ 441,886</u>	<u>\$ 515,183</u>	<u>\$ 518,809</u>
<u>Building Maintenance</u>					
Wages, Salaries, & Benefits	\$ 121,498	\$ 70,821	\$ 287,968	\$ 254,341	\$ 263,464
Utilities	\$ 74,452	\$ 72,352	\$ 230,182	\$ 193,058	\$ 205,069
Contracted Services	\$ 119,820	\$ 99,865	\$ 308,557	\$ 285,810	\$ 313,835
Supplies	\$ 9,749	\$ 11,691	\$ 51,299	\$ 55,123	\$ 60,898
Repairs & Maintenance	\$ 28,702	\$ 6,523	\$ 119,427	\$ 121,103	\$ 248,525
Travel / Training	\$ -	\$ -	\$ 311	\$ 318	\$ 1,375
Total	<u>\$ 354,221</u>	<u>\$ 261,251</u>	<u>\$ 997,745</u>	<u>\$ 909,753</u>	<u>\$ 1,093,165</u>
<u>Airfield Maintenance</u>					
Wages, Salaries, & Benefits	\$ 283,751	\$ 148,754	\$ 691,343	\$ 683,316	\$ 578,509
Utilities	\$ 78,072	\$ 71,082	\$ 238,253	\$ 242,520	\$ 221,375
Contracted Services	\$ 10,068	\$ 1,776	\$ 59,890	\$ 13,330	\$ 102,800
Supplies	\$ 110,178	\$ 58,256	\$ 556,248	\$ 443,320	\$ 204,000
Other Gov't Services	\$ -	\$ -	\$ 14,424	\$ 17,796	\$ 15,500
Repairs & Maintenance	\$ 73,124	\$ 34,655	\$ 134,100	\$ 106,766	\$ 206,250
Travel / Training	\$ -	\$ 150	\$ 135	\$ 290	\$ 2,275
Total	<u>\$ 555,194</u>	<u>\$ 314,672</u>	<u>\$ 1,694,393</u>	<u>\$ 1,507,338</u>	<u>\$ 1,330,709</u>
<u>Parking</u>					
Utilities	\$ 920	\$ 2,115	\$ 2,637	\$ 5,130	\$ 2,173
Contracted Services	160,646	28,592	495,745	382,662	550,000
Supplies	4,288	4,878	8,201	9,684	16,000
Repairs & Maintenance	20,784	4,192	54,820	20,617	106,750
Total	<u>\$ 186,638</u>	<u>\$ 39,778</u>	<u>\$ 561,404</u>	<u>\$ 418,093</u>	<u>\$ 674,923</u>

Des Moines Airport Authority
Summary of Income and Expenditures
Cash Basis

	March 2019	March 2020	Year to Date 2019	Year To Date 2020	Fiscal YTD Budget
<u>ARFF</u>					
Wages, Salaries, & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	\$ 2,762	\$ 1,500	\$ 5,946	\$ 4,889	\$ 5,660
Contracted Services	\$ 95,296	\$ 91,125	\$ 285,888	\$ 273,375	\$ 293,250
Supplies	\$ 1,029	\$ 469	\$ 7,228	\$ 8,838	\$ 6,000
Repairs & Maintenance	\$ 399	\$ 183	\$ 2,993	\$ 3,908	\$ 15,500
Training	\$ -	\$ -	\$ -	\$ -	\$ -
Total	<u>\$ 99,486</u>	<u>\$ 93,277</u>	<u>\$ 302,055</u>	<u>\$ 291,010</u>	<u>\$ 320,410</u>
<u>Police</u>					
Wages, Salaries, & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -
Contracted Services	\$ 270,285	\$ 183,529	\$ 631,115	\$ 642,802	\$ 609,000
Supplies	\$ 252	\$ 154	\$ 527	\$ 302	\$ 1,250
Repairs & Maintenance	\$ -	\$ -	\$ 443	\$ -	\$ 750
Training	\$ -	\$ -	\$ 708	\$ -	\$ 375
Total	<u>\$ 270,537</u>	<u>\$ 183,683</u>	<u>\$ 632,792</u>	<u>\$ 643,104</u>	<u>\$ 611,375</u>
<u>RAC Facility</u>					
Utilities	\$ 8,960	\$ 5,067	\$ 26,164	\$ 22,087	\$ 27,156
Contracted Services	\$ 440	\$ -	\$ 560	\$ 359	\$ 563
Supplies and Fuel	\$ 97,744	\$ 40,022	\$ 225,501	\$ 215,152	\$ 287,882
Repairs & Maintenance	\$ 4,292	\$ 11,284	\$ 33,935	\$ 27,748	\$ 24,750
Total	<u>\$ 111,435</u>	<u>\$ 56,373</u>	<u>\$ 286,159</u>	<u>\$ 265,346</u>	<u>\$ 340,350</u>
Total Operating Expense					
Wages, Salaries, & Benefits	\$ 765,920	\$ 476,093	\$ 1,869,882	\$ 1,877,459	\$ 1,798,564
Utilities	170,681	156,107	517,439	482,149	480,481
Contracted Services	746,598	512,684	1,990,933	1,853,476	2,227,785
Supplies	245,435	131,509	877,540	795,547	619,705
Other Gov't Services	62,006	62,006	200,440	203,813	228,000
Repairs & Maintenance	193,708	105,967	645,088	505,748	872,925
Travel / Training	3,590	3,138	6,742	21,624	20,775
Total	<u>\$ 2,187,937</u>	<u>\$ 1,447,503</u>	<u>\$ 6,108,065</u>	<u>\$ 5,739,815</u>	<u>\$ 6,248,235</u>
Depreciation	\$ 1,203,949	\$ 1,089,418	\$ 3,611,847	\$ 3,268,254	\$ 3,268,254
Interest	\$ 152,308	\$ 144,495	\$ 456,924	\$ 433,485	\$ 433,485
Total Expense	<u>\$ 3,544,194</u>	<u>\$ 2,681,416</u>	<u>\$ 10,176,836</u>	<u>\$ 9,441,554</u>	<u>\$ 9,949,974</u>

**DES MOINES AIRPORT AUTHORITY
CASH AND INVESTMENT SUMMARY
3/31/20**

Summary

<i>Unrestricted</i>	<u>12/31/2019</u>	<u>3/31/2020</u>
Operating Fund	\$ 30,400,788	\$ 18,310,393
Customer Facility Charges (CFC)	12,654,531	13,256,545
Terminal Development Fund	18,602,262	18,602,262
Capital Improvement Fund	1,635,222	15,793,299
Total Unrestricted	<u>\$ 63,292,803</u>	<u>\$ 65,962,499</u>
<i>Restricted</i>		
Passenger Facility Charges (PFC)	\$ 11,961,654	\$ 13,937,183
Debt Service Fund	1,280,508	1,588,317
Debt Service Reserve Fund	3,863,533	3,449,167
Ops & Maintenance Reserve	3,256,701	3,256,701
Total Restricted	<u>\$ 20,362,396</u>	<u>\$ 22,231,368</u>
<i>Total Cash</i>	<u><u>\$ 83,655,199</u></u>	<u><u>\$ 88,193,867</u></u>

**DES MOINES AIRPORT AUTHORITY
CASH AND INVESTMENT SUMMARY
3/31/20**

UNRESTRICTED

Operating Fund

Beginning Balance		\$ 17,169,823
Net Deposits	\$ 1,140,570	
From: Debt Service Reserve Fund	\$ -	
To: Capital Improvement Fund	\$ -	
Total		<u>\$ 1,140,570</u>
Ending Balance		<u><u>\$ 18,310,393</u></u>

Unrestricted Facility Charges

Beginning Balance		\$ 13,040,117
Deposits	\$ 216,428	
To: Operating Fund		
Total		<u>\$ 216,428</u>
Ending Balance		<u><u>\$ 13,256,545</u></u>

Terminal Development Fund

Beginning Balance		\$ 18,602,262
To: Capital Improvement Fund	\$ -	
Total		<u>\$ -</u>
Ending Balance		<u><u>\$ 18,602,262</u></u>

Capital Improvements Fund

Beginning Balance		\$ 16,444,836
From: Operating Fund	\$ -	
Receipts: Grants	\$ -	
Expenditures: Capital Projects	\$ (651,537)	
Total		<u>\$ (651,537)</u>
Ending Balance		<u><u>\$ 15,793,299</u></u>

**DES MOINES AIRPORT AUTHORITY
CASH AND INVESTMENT SUMMARY
3/31/20**

RESTRICTED

Restricted Facility Charges

Beginning Balance		\$ 12,882,553
Interest Income	\$ 9,461	
Deposits	\$ 1,045,169	
Transfer To: Capital Improvement Fund	\$ -	
Total		<u>\$ 1,054,630</u>
Ending Balance		<u><u>\$ 13,937,183</u></u>

Debt Service Fund

Beginning Balance		\$ 1,587,186
Interest Income	\$ 1,131	
Deposits From: Gen Operating	\$ -	
Transfer To: Gen Operating	\$ -	
Total		<u>\$ 1,131</u>
Ending Balance		<u><u>\$ 1,588,317</u></u>

Debt Service Reserve Fund

Beginning Balance		\$ 3,446,712
Interest Income	\$ 2,455	
Transfer To: Gen Operating	\$ -	
Total		<u>\$ 2,455</u>
Ending Balance		<u><u>\$ 3,449,167</u></u>

Operation & Maintenance Reserve Fund

Beginning Balance		\$ 3,256,701
Ending Balance		<u><u>\$ 3,256,701</u></u>

DMAA Operating Revenue and Expense

Year to Date

3/31/20

REVENUE	2020				2019	
	ACTUAL	BUDGET	VARIANCE	%	ACTUAL	VARIANCE
PARKING	\$ 3,699,937	\$ 3,733,300	\$ (33,363)	-0.9%	\$ 3,938,434	\$ (238,497)
AIRLINE FEES	2,395,671	2,505,000	(109,329)	-4.4%	2,300,890	94,781
CARGO & GA	762,239	738,805	23,434	3.2%	697,044	65,194
AIRLINE RENT	1,063,280	1,097,500	(34,220)	-3.1%	1,047,808	15,472
RENTAL CARS	909,981	848,250	61,731	7.3%	614,583	295,398
RESTAURANT	381,141	333,332	47,809	14.3%	321,689	59,452
FUEL	397,656	340,500	57,156	16.8%	357,373	40,283
GIFT SHOP	145,269	195,000	(49,731)	-25.5%	182,739	(37,470)
COMMERCIAL VEH	141,625	127,000	14,625	11.5%	134,340	7,285
OTHER CONCESSIONS	124,928	87,250	37,678	43.2%	90,192	34,736
TENANT SERVICES	143,859	71,125	72,734	102.3%	142,572	1,287
PHONE / DATA SVCS	95,086	82,500	12,586	15.3%	95,482	(396)
OTHER BUILDING RENT	76,702	63,991	12,711	19.9%	68,449	8,253
TSA LEO REIMB	23,960	15,000	8,960	59.7%	36,000	(12,040)
INTEREST INCOME	162,560	150,000	12,560	8.4%	159,115	3,444
	\$ 10,523,894	\$ 10,388,553	\$ 135,340	1.3%	\$ 10,186,711	\$ 337,182
EXPENSES						
SALARIES & BENEFITS	\$ 1,877,459	\$ 1,798,564	\$ 78,894	4.4%	\$ 1,869,882	\$ 7,577
UTILITIES	482,149	480,481	1,667	0.3%	517,439	(35,290)
CONTRACTED SVCS	1,853,476	2,227,785	(374,309)	-16.8%	1,990,933	(137,457)
SUPPLIES	795,547	619,705	175,843	28.4%	877,540	(81,993)
OTHER GOV'T SVCS	203,813	228,000	(24,187)	-10.6%	200,440	3,373
REPAIRS & MAINT	505,748	872,925	(367,177)	-42.1%	645,088	(139,340)
TRAVEL / TRAINING	21,624	20,775	849	4.1%	6,742	14,882
	\$ 5,739,815	\$ 6,248,235	\$ (508,420)	-8.1%	\$ 6,108,065	\$ (368,250)
OPERATING INCOME BEFORE INTEREST AND DEPRECIATION						
	\$ 4,784,078	\$ 4,140,318	\$ 643,760	15.5%		
INTEREST EXPENSE	\$ 433,485	\$ 433,485	\$ -	-	\$ 456,924	\$ (23,439)
DEPRECIATION	3,268,254	3,268,254	-	-	13,243,439	(9,975,185)

MANAGEMENT COMMENTS

CURRENT YEAR BUDGET VARIANCE

REVENUE

EXPENSES

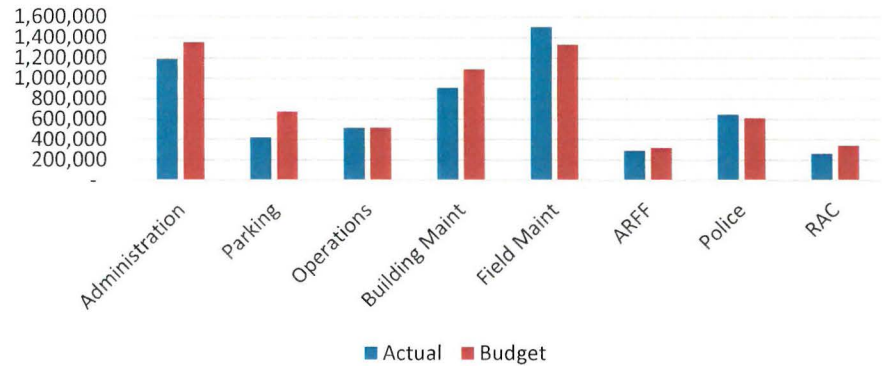
CASH POSITION

DMAA Operating Revenue and Expense

Year to Date

3/31/20

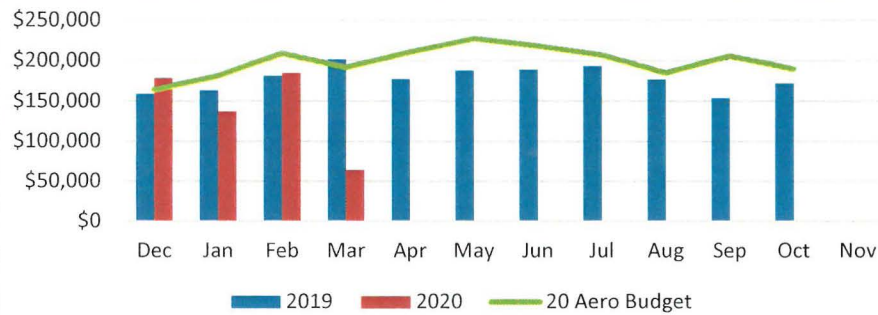
Expense by Cost Center



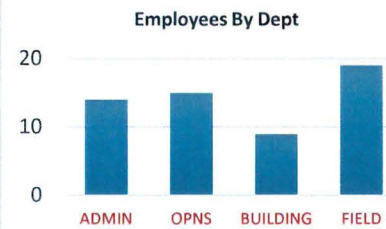
CASH BALANCES

Fund Type	Amount	% of Total
Unrestricted Funds		
Operating Fund	\$ 18,310,393	21%
Customer Facility Charges	13,256,545	15%
Terminal Development Fund	18,602,262	21%
Capital Improvement Fund	15,793,299	18%
Total Unrestricted	65,962,499	75%
Restricted Funds		
Passenger Facility Charges	13,937,183	16%
Debt Service Fund	1,588,317	2%
Debt Service Reserve	3,449,167	4%
Ops & Maintenance Reserve	3,256,701	4%
Total Restricted	22,231,368	25%
Total Cash	\$ 88,193,867	

FOOD & BEV - Authority Income



EMPLOYEE STATS



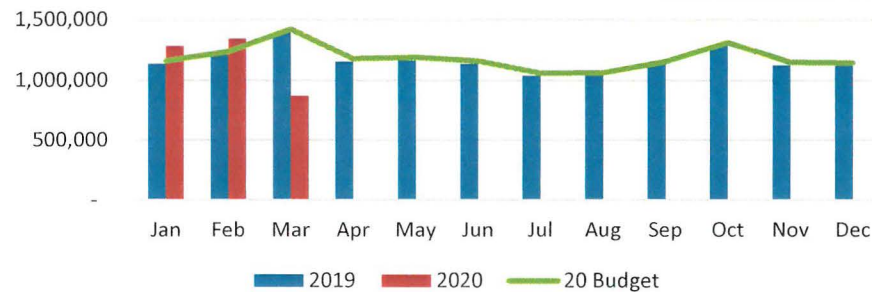
Employee Staffing: 56 of 57

Open Positions:

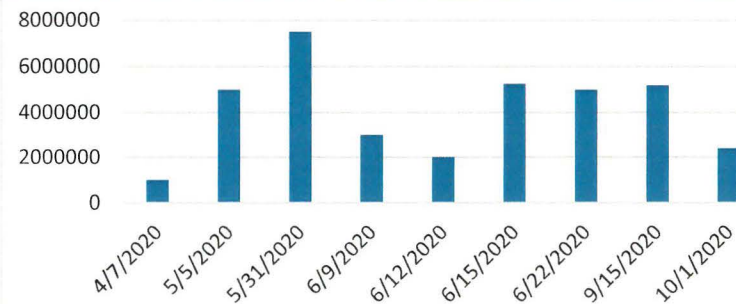
Operations Center Attendant

2020 Employee Turnover: 10.5%

PUBLIC PARKING REVENUE



INVESTMENT MATURITIES (excluding CD)



2020 Capital Improvement Program					
Year to Date					
3/31/20					
Project	Original Budget		Revised Budget	Original vs. Revised	Change orders
	FAA AIP	Authority Funds			
AIP Projects					
Runway 5/23 Phase II Construction	\$ 12,160,656	\$ 1,647,084	\$ 1,368,701	(278,383)	\$ -
<i>Bid Accepted and Grant Issued</i>					
Runway 5/23 Phase IV Design	818,190	90,910	90,910	0	-
<i>Bid Accepted and Grant Issued</i>					
South Quad Aprons	5,397,191	661,118	564,004	(97,114)	
<i>Bid Accepted and Grant Issued</i>					
Authority Capital Projects					
Misc Pavement Repairs		600,000	888,000	288,000	-
North Glycol Storage Tank Repair		2,000,000	-	(2,000,000)	-
<i>Bids Rec'd</i>					
Front Curb Repairs		94,550	94,550	0	-
Concourse Operations Space		320,580	134,000	(186,580)	
<i>Est completion date 4/16/20</i>					
Terminal Elevator Repairs		359,394	359,394	0	-
<i>Under contract and pre-payment on parts made</i>					
Garage Maintenance - Floor Sealant		569,193	569,193	0	
<i>Bids Rec'd</i>					
EJ Ward System Console Replacement		176,770	-	(176,770)	-
<i>Quotes received</i>					
Terminal Masonary Repairs		118,800	118,800	0	
<i>Developing quote package</i>					
ARFF Masonry Repairs		97,700	97,700	0	
<i>Developing quote package</i>					
Delta Taxiway In-Pavement Light Repairs		80,900	80,900	0	
RAC High Speed Overhead Doors		290,000	-	(290,000)	-
<i>Bids Rec'd</i>					

2020 Capital Improvement Program

Year to Date

3/31/20

Project	Original Budget		Revised Budget	Original vs. Revised	Change orders \$
	FAA AIP	Authority Funds			
Authority Capital Projects					
Solar Canopy - Garage Roof		100,000	41,000	(59,000)	
		<i>Under contract</i>			
RAC Fuel Line Repairs		135,000	135,000	0	
Terminal Enabling Projects					
SW 28th Street Extension / Utilities / Streetlights		1,952,719	1,952,719	0	
		<i>Under contract - construction started</i>			
De-Ice Building Relocation		1,099,355	1,099,355	0	-
		<i>Under contract - construction started</i>			
Rotating Beacon		188,160	188,160	0	-
		<i>Bids Rec'd</i>			
Passenger Boarding Bridges		5,694,300	1,232,500	(4,461,800)	-
		<i>Design in progress, to be bid this summer</i>			
Building 7 Relocation Site Prep		2,253,719	-	(2,253,719)	-
		<i>Evaluation phase</i>			
Cowles Drive - Fluer Connection		4,802,000	1,500,000	(3,302,000)	
		<i>Design in progress, to be bid this summer</i>			
DMFS Hangar		10,466,372	10,466,372	0	