

January 2022 Finance Updates & Resolutions



Finance Updates

- DAA Financial Audit:
 - Annual audit cycle from March – April
 - Hybrid in person/remote audit
 - New Director Stephanie Kuka
- ARPA Concessionaire Relief:
 - ARPA Plan and grant has been approved by board
 - FAA approved the plan
 - Awaiting Signature routing on the grant before we can process for reimbursement

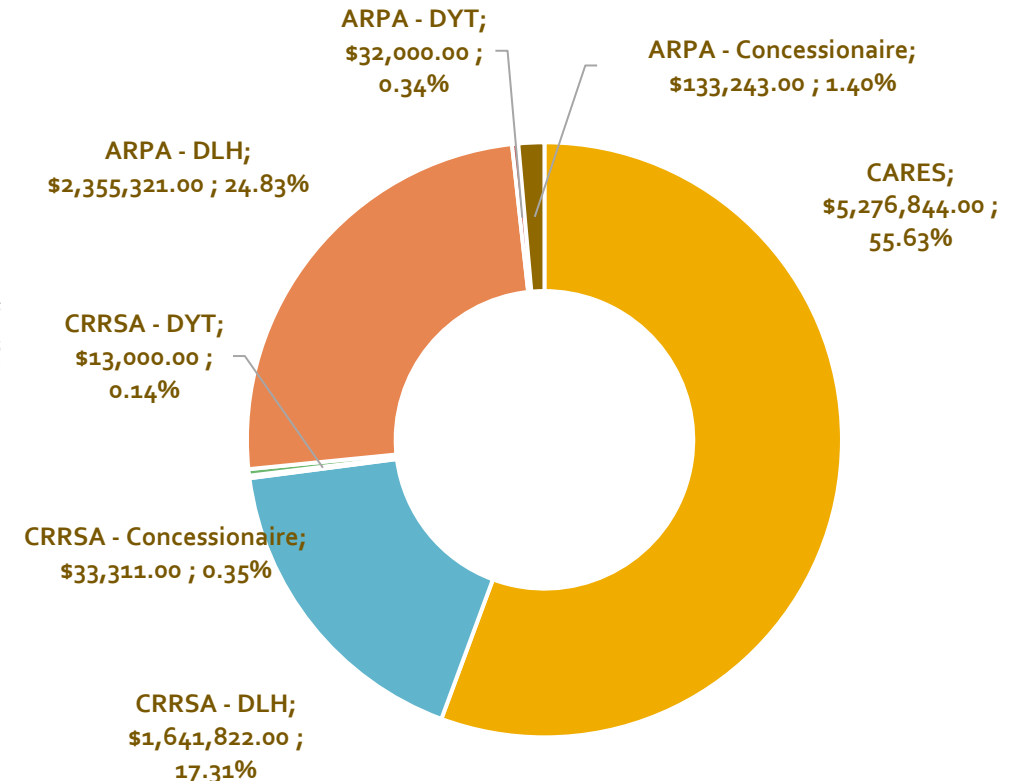
DULUTH
INTERNATIONAL
AIRPORT

COVID Relief Update

- COVID Relief Funds Received:
 - The Duluth Airport Authority received a total of \$9,485,541 in Federal COVID Relief grants
- Eligible uses of funds:
 - Eligible Operating and Maintenance Expenses
 - Debt Service Payments
 - Concessionaire Relief



COVID RELIEF RECEIVED



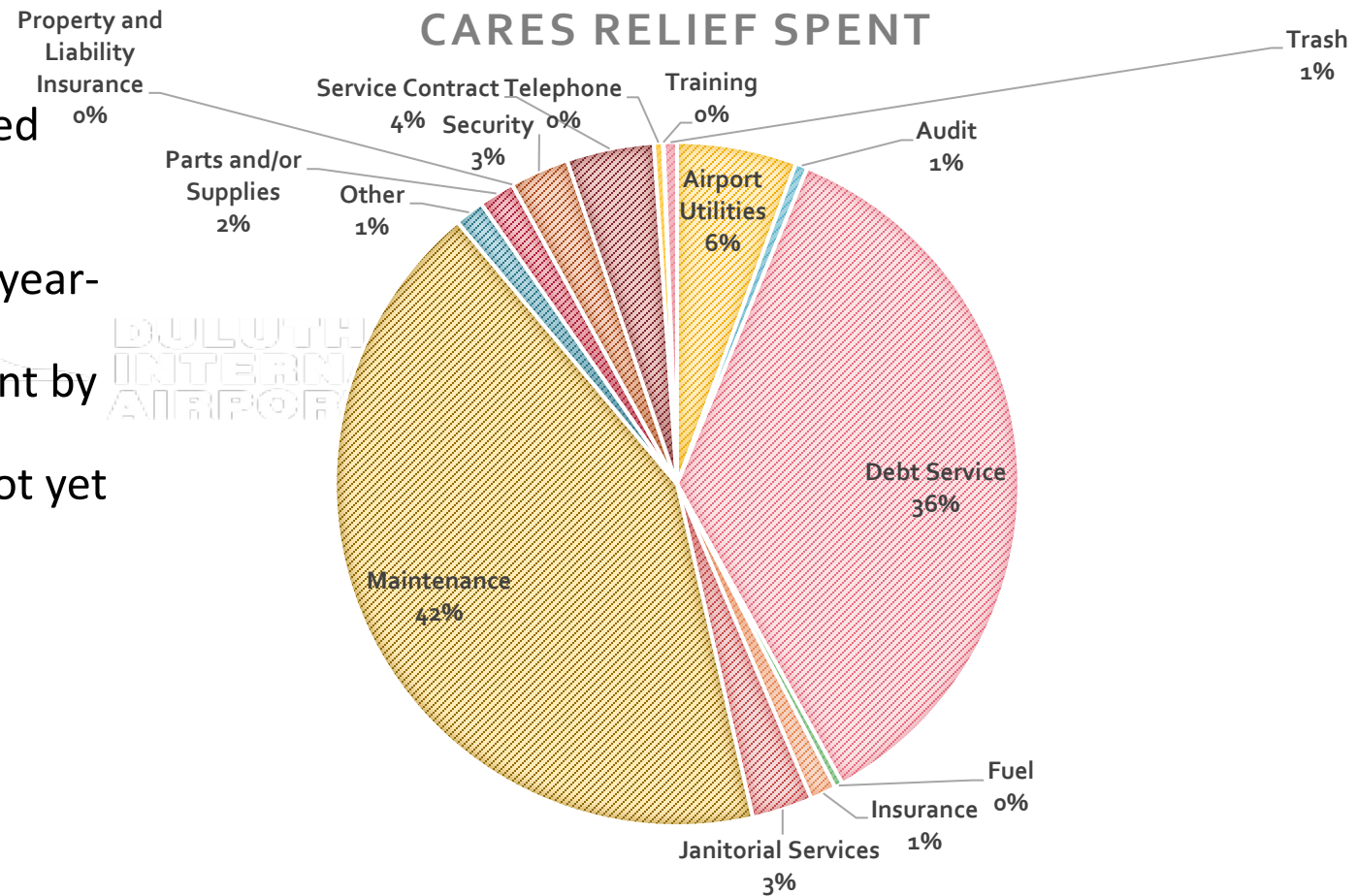
COVID Relief Update Continued

■ COVID Relief Expended:

- The Duluth Airport Authority has requested reimbursement of \$5,310,155 leaving \$4,535,386 remaining.
- 100% of CARES Funds were requested by year-end 2021
- CRRSA Concessionaire Relief was also spent by year-end 2021.
- ARPA relief has been approved, but has not yet been recorded due to the delay in grant agreement signature.

● CARES Reimbursements Requests:

- 64% operating & maintenance expenses,
- 36% debt service payments



Resolution A: Operating Policy #28

Minimum Cash Balance Policy

- **Background:** The Duluth Airport Authority has not had a formal policy on the management of cash balances. A recommendation was made following presentation of the master plan to have a “minimum cash balance” policy to set a benchmark goal. This is to ensure the DAA maintains a responsible cash position as well as to protect the DAA’s position on the current cash balance held. DAA board members expressed interest in a policy coming for approval. This is the product of those discussions and recommendations.
- **Purpose:** To ensure that Duluth Airport Authority staff maintains a sufficient level of liquid funds to satisfy all obligations, maintain annual required debt service, avoid operating cash shortfalls, and meet maintenance and planning objectives.
- **Summary:** DAA finance staff will track DAA cash balance to ensure the minimum cash balance as determined in the operating policy is maintained. This policy provides information on the expectations of calculating the minimum cash balance expectation as well as other reporting information to be provided on a monthly and quarterly basis.