

ATURIDAT PUETTON BATKON AIREN
GUAHAN ENTENASIONAT

A. B. Won Pat International Airport Authority, Guam Citizen-Centric Report

Fiscal Year 2021

Oct. 1, 2020 - Sep. 30, 2021

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BOARD OF DIRECTORS

Brian J. Bamba
Chairman

Gurvinder Sobti
Vice-Chairman

Donald J. Weakley
Secretary

Lucy M. Alcorn
Director

Jesse J. Garcia
Director

Doyon Ahn Morato
Director

Rosie M. Tainantongo
Director

EXECUTIVE MANAGEMENT

John M. Quinata
Executive Manager

Artemio "Ricky" Hernandez, Ph.D., IAP
Deputy Executive Manager



About Us

The A.B. Won Pat International Airport Authority, Guam (GIAA) was created by P.L. 13-57, as an autonomous agency of the Government of Guam to own, maintain, operate and develop airport facilities and properties. GIAA took over operations from the Department of Commerce in January of 1976. The Guam International Airport is the island's only commercial airport supporting domestic and international air services for passengers and cargo on the island of Guam.

Our Vision

To advance Guam further as a first- class premier transportation hub of the region.

Our Mission

The GIAA strives to ensure the safety and security of the traveling public, is dedicated to maintaining a superior and reliable level of airport services for our island residents and tourists, and is committed to supporting the development of air linkages and facilities which are integral parts of the island's current and future economic growth.



The Airport Workforce


199 GIAA Employees


986 Airline Personnel


408 Regulatory Officials


2,025 Service Providers


10 Signatory Passenger Airlines


3 Air Cargo Providers

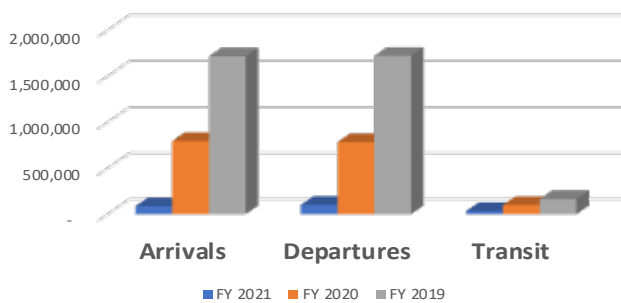
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OUR FY 2021 OPERATIONAL PERFORMANCE

As the facility provider and management arm of Guam's only commercial airport, GIAA's performance is measured by a variety of numbers - passengers processing through our facilities, mail and cargo received and distributed, gross take-off weight on our runways, and number of aircraft movements or flights. Other performance measures is our efficiency of service, tied to how timely flights depart and how secure and safe our facilities and operations are, based on our compliance to Federal Air Regulations (FAR) Part 139, required by the FAA.

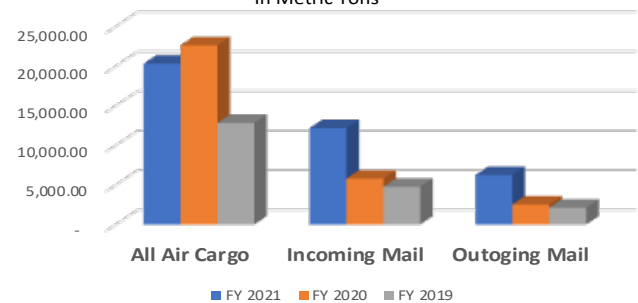


PASSENGER NUMBERS

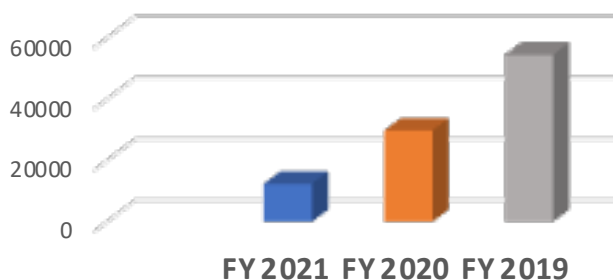


CARGO AND MAIL

In Metric Tons

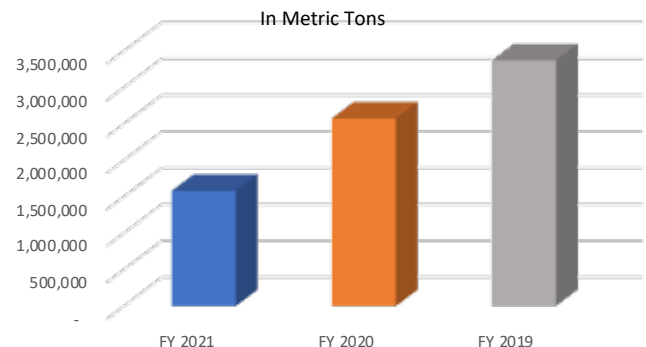


OF FLIGHTS



GROSS TAKE-OFF WEIGHT

In Metric Tons



GUAM RANKED MOST EFFICIENT Asia Pacific Region- Under 10 Million Category

Despite the pandemic and its impact worldwide, the Authority's reputation in the region for operational excellence was recognized on a global scale for the fourth consecutive year by the Air Transport Research Society (ATRS). As a result of its 2021 Global Airport Performance Benchmarking Report, Guam's airport was selected as achieving the "2021 Top Asia Airport Efficiency Excellence", in the under 10 million passengers per year category. The ATRS is hosted at the College of Business at Embry-Riddle Aeronautical University in Daytona, Florida University.

TESTING OUR SAFETY: FAR PART 139 Triennial Exercise

In November 2020, the Authority successfully concluded its Full-Scale Exercise testing its response to an on-airport emergency. This triennial exercise is mandatory as part of the Airport Operator's certification under FAR Part 139 and evaluated by the FAA's Airport District Office out of Honolulu, Hawaii. Due to the real-world impact of the COVID-19 pandemic, this exercise had to be modified using one hundred (100) dummy dolls instead of live volunteers, to meet the required number of victims for our specific airport index as ranked by the FAA.

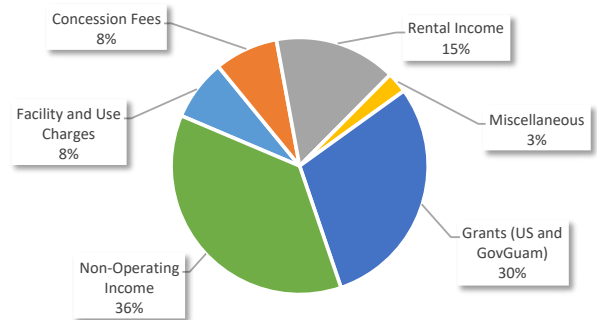
OUR FY 2021 FINANCIAL PERFORMANCE

AIRPORT REVENUE

The Authority received over \$68.8 million in total revenues for FY 2021, a 9.2% decrease year-over-year from the \$75.7 million in FY 2020. Total operating revenues in FY 2021 equaled to \$43.6 million, reflecting a 25.1% decrease from the \$58.3 million generated in FY 2020. Facilities and use charges amounted to \$5.3 million, 69.8% less than the \$17.5 million for the same period. Concession revenue decreased 59.1%, equaling \$5.5 million versus the \$13.5 million the prior year. General Merchandise amounted to \$4.4 million reflecting a 50.8% decline from the almost \$9 million generated in FY 2020. Ground transportation and car rental revenues saw a huge decline of \$2.3 million, representing an 86.9% decline collectively from \$2.7 million in FY 2020 to a modest \$354 thousand in FY 2021. Income from operating grants increased 38.3% year-over-year from \$16.1 million in FY 2020 to \$22.2 million in FY 2021. Total non-operating revenues amounted to \$25.2 million in FY 2021 versus the \$17.5 million recorded the prior year. Non-operating revenues realized a 44.1% increase due in large part to the \$22.3 million provided by the federal government, most notably, the FAA.

CATEGORIES	FY2021	FY 2020	FY 2019
Facility and Use Charges	\$ 5,300,019	\$ 17,530,973	\$ 31,342,258
Concession Fees	\$ 5,509,942	\$ 13,477,701	\$ 22,222,181
Rental Income	\$ 10,554,727	\$ 11,170,013	\$ 12,821,451
Grants (US, GovGuam, Misc)	\$ 22,251,175	\$ 16,084,256	\$ 2,982,034
Total Operating Revenues	\$ 43,615,863	\$ 58,262,943	\$ 69,367,924
Non-Operating Income	\$ 25,191,278	\$ 17,477,689	\$ 18,229,167
TOTAL REVENUES	\$ 68,807,141	\$ 75,740,632	\$ 87,597,091

AIRPORT REVENUES FY 2021

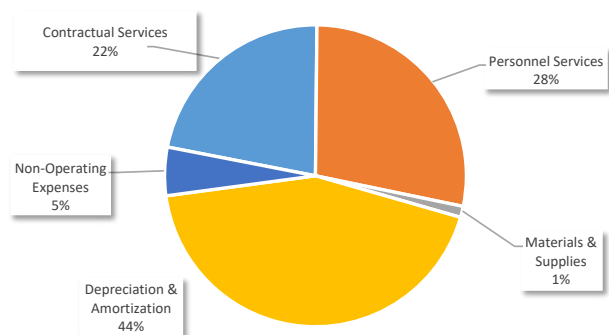


AIRPORT EXPENSES

Total operating expenses in FY 2021 amounted to \$34.5 million, a difference of 16.7% or approximately \$6.9 million less than the \$41.4 million spent in FY 2020. Contractual services accounted for \$14.9 million and 22.1% of operating expenses for the current fiscal year. The 28% decrease from the \$20.6 million spent in FY 2020 may be credited to the reduced level of services required by the Authority due to the reduction in airport activity. Personnel services saw a 2.0 drop from \$19.3 million the prior year to \$18.9 million in FY 2021. Expenditures for Materials and Supplies amounted to almost \$800 thousand in FY 2021, which was 47.5% less than the \$1.5 million spent in FY 2020. Non-operating expenses for FY 2021 amounted to \$3.5 million reflecting a decrease of 69.7% from the \$11.5 million accrued in FY 2020. This \$8.0 million in savings for FY 2021 was attributable to the successful sale of the 2021 Bonds that provided Net Present Value cost savings of \$3 million and reduction of debt service payments from \$13.7 million annually to \$8.1 million beginning in FY 2022.

CATEGORIES	FY2021	FY 2020	FY 2019
Contractual Services	\$ 14,857,167	\$ 20,647,465	\$ 25,529,980
Personnel Services	\$ 18,886,492	\$ 19,272,276	\$ 18,131,872
Materials & Supplies	\$ 799,951	\$ 1,524,757	\$ 1,236,583
Total Operating Expenses	\$ 34,543,610	\$ 41,444,498	\$ 44,898,435
Depreciation & Amortization	\$ 29,198,113	\$ 27,236,732	\$ 28,071,895
Non-Operating Expenses	\$ 3,481,431	\$ 11,507,804	\$ 11,354,536
TOTAL EXPENSES	\$ 67,223,154	\$ 80,189,034	\$ 84,324,866

AIRPORT EXPENSES FY2021



Achieving "low-risk: auditee status for the first time since FY 2018, the Board of Directors accepted the unmodified, clean opinion presented by independent auditors, Ernst & Young at its March 16, 2022 board meeting. GIAA management noted that despite the reduction of over 66% of operating revenues in FY2021 as compared to pre-pandemic FY2019, operating and maintenance expenses were reduced to the lowest levels in over a decade. The GIAA was able to address previously outstanding management letter comments as well as achieve a Debt Service Coverage ratio of 1.51x, well above the required 1.25x required by bond covenants due in part to successful bond restructuring and refinancing in FY 2021. Additionally GIAA is noted as having provided relief programs to its airport and airline stakeholders, despite the impacts of the COVID-19 pandemic on its own finances.

Our Outlook

Continue pandemic operational modifications and adopt more permanent processes and protocols of “new normal” travel.

Enhance safety and security skill and obtain certification of programs involved with securing property and saving lives at Airport facilities.

Continue safety culture amongst all entities for operations on runways, taxiways, and aprons areas.



INFRASTRUCTURE



Continue the following Capital Improvement Projects: New ARFF Building, Rehabilitation of 6L/24R Phase 2, Master Plan Update.

Procurement Proceedings: Apron Terminal Rehabilitation, Noise Mitigation Program, Terminal Roof Replacement, Fire Alarm Suppression IT and FMS Systems Integration, Cargo Apron & Fuel System Extension Design.

Our Challenges

Shift to recovery from the COVID-19 pandemic.

Move towards use of updated technology such as biometrics, facial recognition, voice activated, touchless and smartphone applications to facilitate passenger processing.

Continue to work with industry partners to retain and create opportunities for increased air services.

Reduce carbon footprint, preserve resources and achieve long-term sustainability.



RECOVERY



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