

ATTACHMENT #7

EXPLANATION OF FUND BALANCE CALCULATIONS

How is fund balance calculated?

Fund Balance = Assets – Liabilities

But for Enterprise funds (in Government) it is the lower of:

- Cash
- Working Capital [Current Assets (w/o Inventory) - Current Liabilities]
- Retained Earning [Unrestricted Net Position]

We consider Airport's available fund balance at the end of FY2023 to be **\$3,785,000**.

Broken down like this:

\$4,703,658 of AR associated with the drawdown of CARES/CRRSA funds to cover operating deficits for FY2023.
+ 705,204 of other current operating AR
- 1,623,881 of current liabilities (including \$986,460 interfund payable, or operating cash deficit at the end of FY2023)

Cash in the debt reserve at the end of FY2023 was **\$6,942,600**.