

LS Memorandum

City of Lee's Summit

To: BOAC

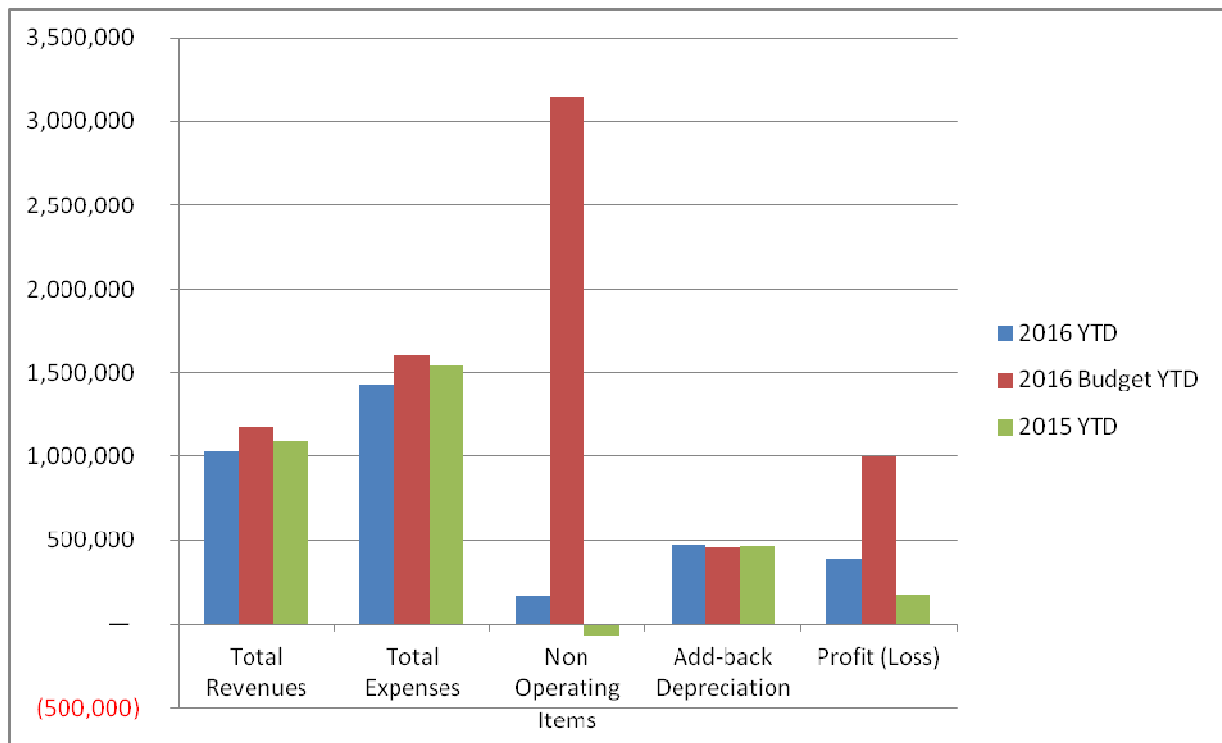
From: Darlene Pickett, Assistant Finance Director

C: Conrad Lamb, Finance Director; Steve Arbo, City Manager
John Ohrazda, Airport Manager; Dena Mezger, Public Works Director

Date: June 6, 2016

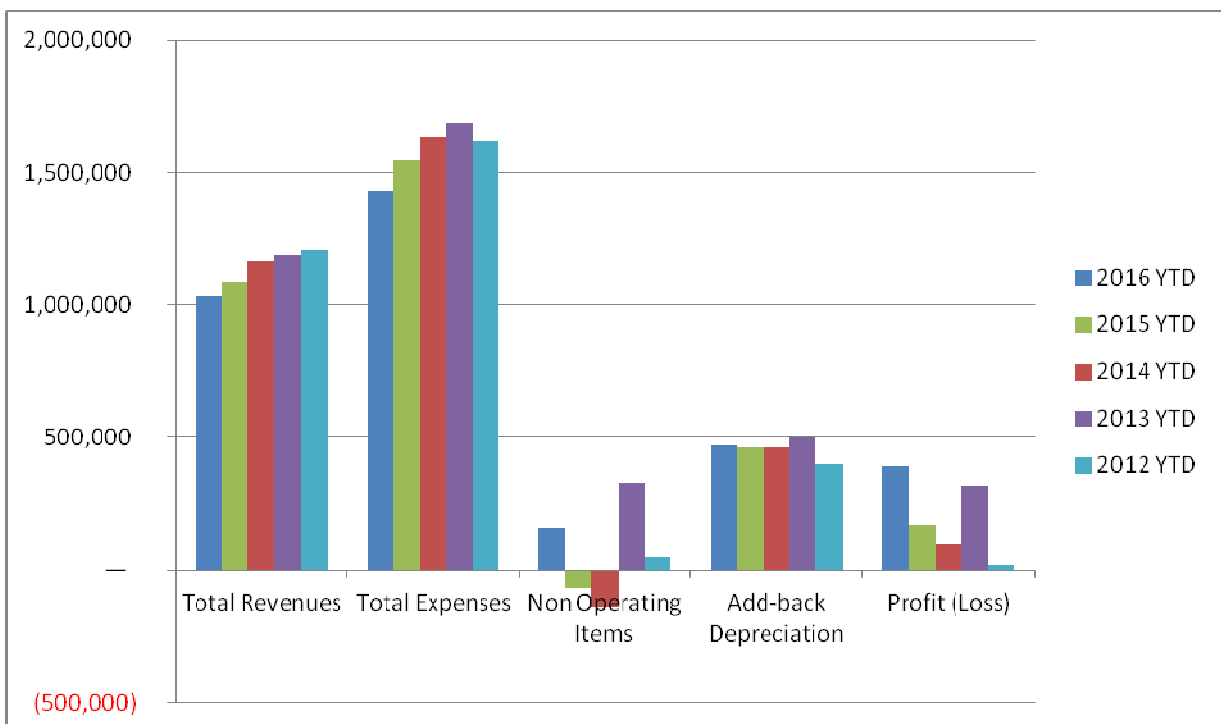
Re: Airport Financial Statements – April 30, 2016 – PRELIMINARY & UNAUDITED

- Reports through April 2016 show the Airport fund with a net operating loss of \$398,874. The fund has operating revenues of \$1,032,703 against expenditures of \$1,431,577. Nonoperating items and transfers bring the fund to a year-to-date net loss of \$81,225. When depreciation expense of \$472,656 is excluded (added back), net income adjusted for depreciation is \$391,431.



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- Operating Revenues** are below budget by \$146,947 or 12%, and below prior year, \$55,884 or 5%. Rental revenues are exceeding budget by 6% for FY2016 and up 1% compared to last year. Fuel revenues are below budget \$160,559 (23%) and down \$68k (11%) compared to last year. Lower fuel prices are the primary driver for lower revenues compared to last year. Overall, sales in gallons are up 9238 gallons or 8% compared to last year. Prices on average are \$1.27/gallon lower than last year. Staff noted no months with 10 or more IFR days.
- Expenditures** are under budget \$173,343 or 11%. Supplies for resale (fuel) are the main driver in the overall decrease coming in at \$151,473 or 30% under budget. OSS&C is under budget \$50k or 26%. Items included in this category include fuel used in airport vehicles/equipment and fuel discounts earned on purchases. Both of these are below budget due to lower costs. Also in the category are supplies such as asphalt, concrete and pavement marking. All other expense categories are performing within 10% or \$10,000 of budget.
- The chart below compares year-to-date amounts for the last 5 years. The large fluctuations in the Non-Operating Items category are due to grant reimbursements (pending and actually received). Grant funds vary based on capital project expenditures.



CITY OF LEE'S SUMMIT, MISSOURI

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings – Airport Funds

Year to Date thru April 30, 2016 (UNAUDITED)

	Fiscal Year 2016 (YTD)			Budget 2016 (YTD)			Last Fiscal Year-2015 (YTD)		
	510 Airport Operating	321 Construction Fund	Consolidated 2015	Budget 2016	Budget Remaining	% Used	PY Actual 2015	\$ Change	% Change
1 Operating revenues:									
2 Charges for services	\$ 476,676	\$ -	\$ 476,676	\$ 450,847	\$ (25,829)	106%	\$ 472,311	\$ 4,365	1%
3 Fuel sales	529,584	0	529,584	690,142	160,559	77%	598,022	(68,438)	-11%
4 Other	26,444	0	26,444	38,662	12,217	68%	18,255	8,190	45%
5 Total operating revenues	1,032,703	0	1,032,703	1,179,651	146,947	88%	1,088,587	(55,884)	-5%
6 Operating expenses:									
7 Salaries, wages, and employee									
8 benefits	299,080	0	299,080	296,770	(2,310)	101%	286,195	12,885	5%
9 Supplies for resale	359,370	0	359,370	510,843	151,473	70%	441,565	(82,195)	-19%
Maintenance and repairs	56,321	0	56,321	52,114	(4,206)	108%	60,600	(4,280)	-7%
Utilities	38,404	0	38,404	34,205	(4,199)	112%	46,546	(8,142)	-17%
12 Depreciation and amortization	472,656	0	472,656	455,141	(17,515)	104%	461,326	11,330	2%
13 Interdepartment charges	60,707	0	60,707	60,707	0	100%	73,906	(13,198)	-18%
14 Other supplies, services, & charges	145,039	0	145,039	195,140	50,101	74%	172,486	(27,447)	-16%
15 Total operating expenses	1,431,577	0	1,431,577	1,604,920	173,343	89%	1,542,624	(111,047)	-7%
16 Operating income (loss)	(398,874)	0	(398,874)	(425,270)			(454,036)		
17 Nonoperating revenues (expenses):									
18 Interest income	25,889	0	25,889	0	(25,889)	#DIV/0!	15,252	10,637	70%
19 Interest expense	(215)	(42,281)	(42,496)	(100,627)	(58,131)	42%	(4,264)	(38,232)	897%
20 Gain (loss) on disposal of fixed assets	0	0	0	0	0	#DIV/0!	0	0	#DIV/0!
21 Grant reimbursements	(739,106)	918,995	179,889	3,254,483	3,074,594	6%	(80,705)	260,594	-323%
22 Total nonoperating revenues (expenses)	(713,432)	876,714	163,282	3,153,856	2,990,574	5%	(69,717)	232,999	-334%
23 Net income (loss) before operating transfers	(1,112,306)	876,714	(235,592)	2,728,586	2,964,178	-9%	(523,753)	288,161	-55%
24 Operating transfers in	218,280	0	218,280	220,753	2,473	99%	297,449	(79,169)	-27%
25 Operating transfers out (includes G&A)	(63,913)	0	(63,913)	(2,406,413)	(2,342,500)	3%	(63,913)	0	0%
26 Net income (loss)	(957,939)	876,714	(81,225)	542,926	624,151	-15%	(290,218)	208,992	-72%
27 Add back depreciation expense	472,656		472,656	455,141	(17,515)	104%	461,326	11,330	2%
28 Net income (loss) adjusted for depreciation expense	(485,283)	876,714	391,431	998,067	606,636	39%	171,108	220,323	129%
29 Net position beginning of year	35,752,092	0	35,752,092	35,752,092			31,684,185		
30 Net position end of year	\$ 35,266,809	\$ 876,714	\$ 36,143,523	\$ 36,750,159			\$ 31,855,293		