

LS Memorandum

City of Lee's Summit

To: BOAC

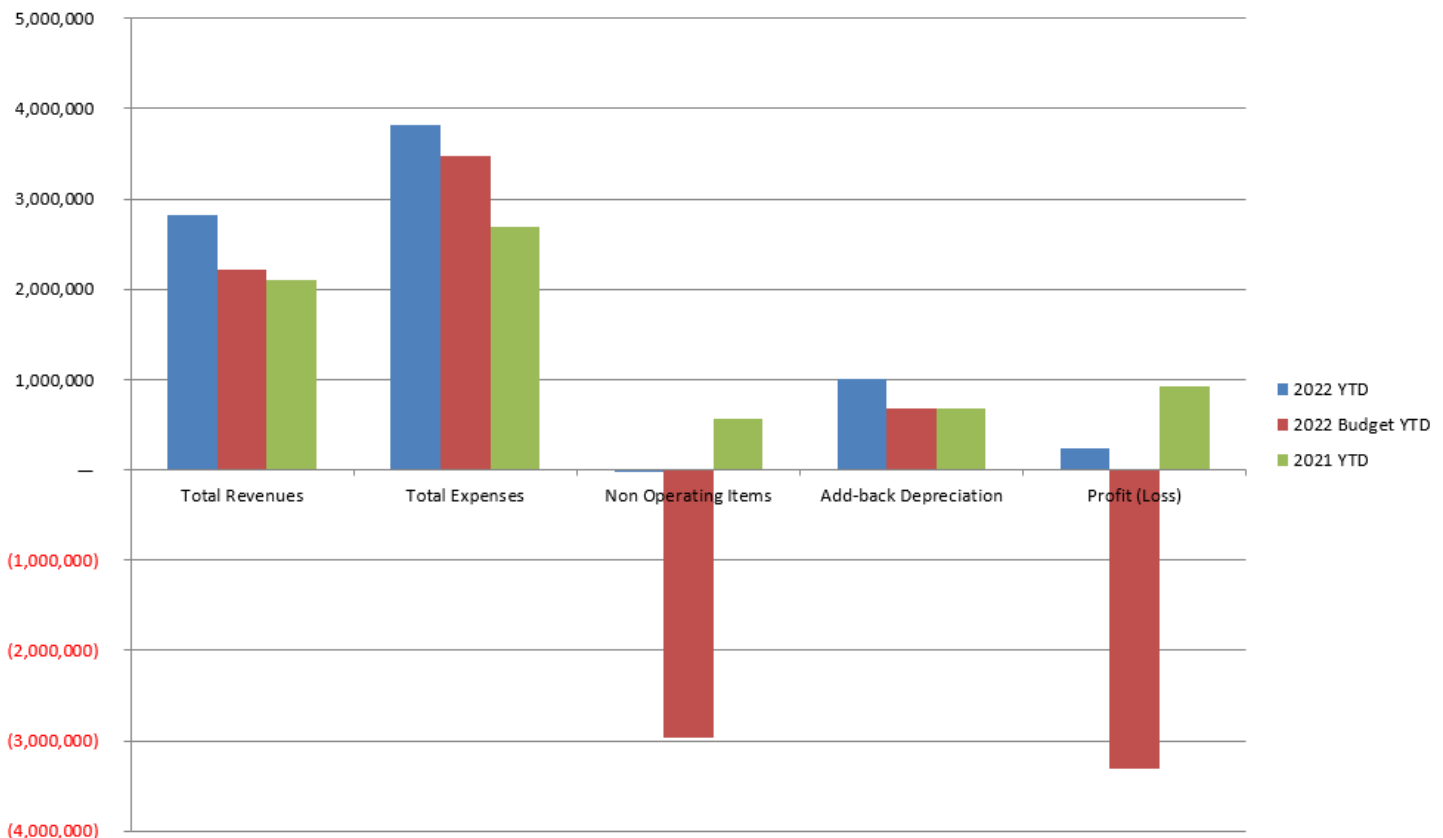
From: Allison Vaughan, Senior Accountant

CC: Bette Wordelman, Finance Director; Mark Dunning, City Manager
Joel Arrington, Airport Manager; Michael Park, Public Works Director

Date: January 31, 2023

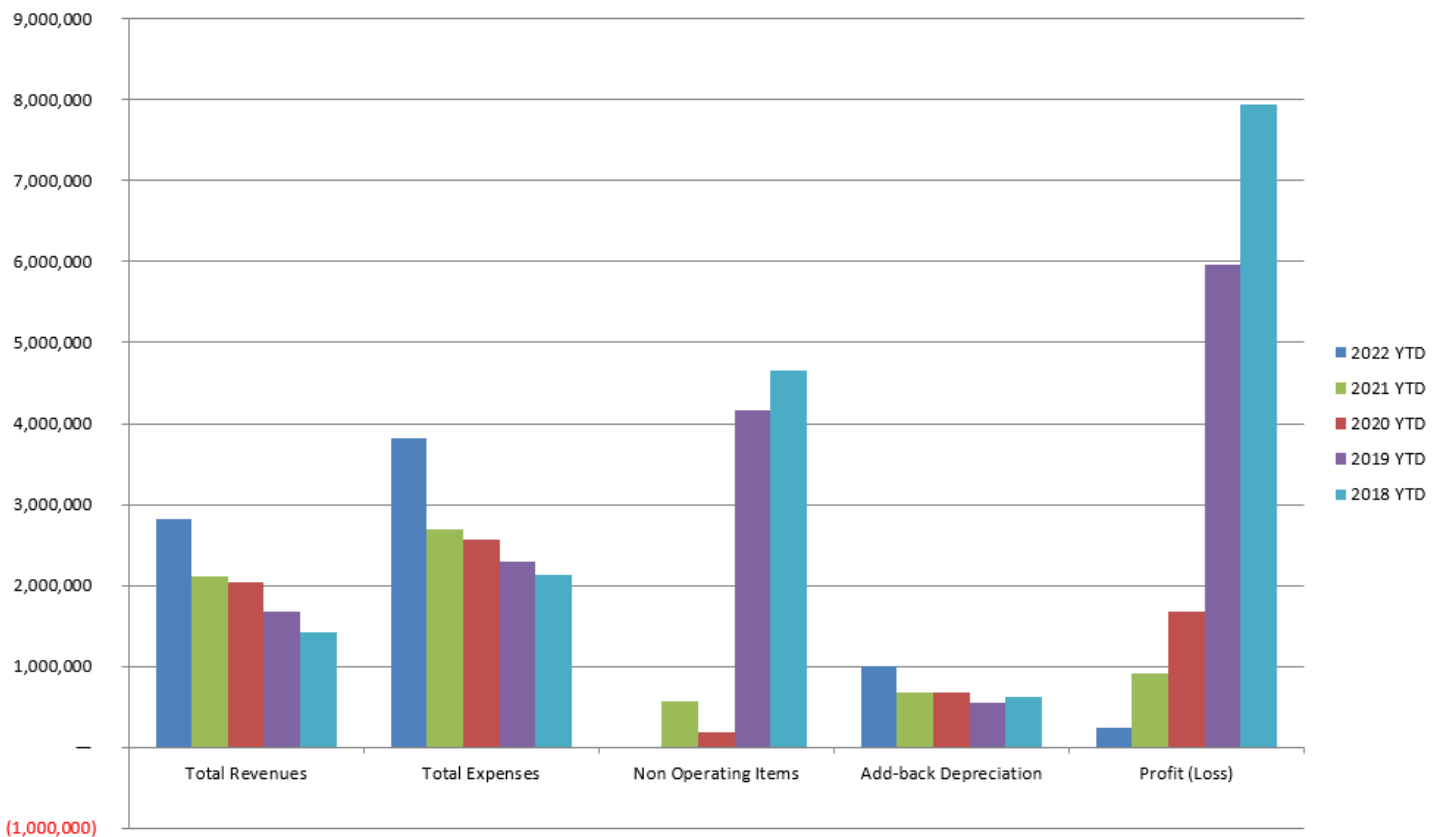
Re: Airport Financial Statements – June 30, 2022 – UNAUDITED DRAFT

- Reports through June 2022 show the Airport fund with an operating loss of \$990,103. The fund has net operating revenues of \$2,822,542 against expenditures of \$3,812,645. Non-operating items and transfers bring the fund to a year-to-date net loss of \$773,872. When depreciation expense of \$1,004,401 is excluded (added back), the net income adjusted for depreciation is \$230,529.



LS Memorandum

- Operating Revenues** overall were above budget (27%) and above prior year \$717,499 or 34%. Rental revenue was 11% below budget for FY22 and 5% (\$43,028) lower than last year. Fuel revenues are above budget \$538,040 (33%) and up \$674,250 (46%) compared to last year. Overall, sales in gallons increased 69,502 gallons or 23% compared to last year. Jet A is up 65,185 gallons for a 31% increase.
- Expenditures** were above budget \$338,070 or 10%. Supplies for Resale (fuel is the primary item in this category) is \$18,235 or 1% over budget and up 78% over last year actual. This is due to increased gallons purchased coupled with slightly higher wholesale costs.
- The chart below compares year-to-date amounts for the last 5 years. Operating revenues and expenditures have remained constant. The spikes in nonoperating items and profit (loss) are both in direct relation to grant revenues.



CITY OF LEE'S SUMMIT, MISSOURI
Combining Statement of Revenues, Expenses, and
Changes in Retained Earnings – Airport Funds
Year to Date thru June 30, 2022 (UNAUDITED)

	Fiscal Year 2022 (YTD)			Budget 2022 (YTD)			Last Fiscal Year-2021 (YTD)		
	510 Airport Operating	321 Construction Fund	Consolidated 2022	Budget 2022	Budget Remaining	% Used	PY Actual 2021	\$ Change	% Change
1 Operating revenues:									
2 Charges for services	\$ 887,361	\$ -	\$ 887,361	\$ 1,002,523	\$ 115,162	89%	\$ 930,389	\$ (43,028)	-5%
3 Fuel sales	2,153,390	-	2,153,390	1,615,350	(538,040)	133%	1,479,140	674,250	46%
Fuel discounts	(377,897)	-	(377,897)	(438,000)	60,079	86%	(337,803)	(40,094)	12%
4 Other	159,688	-	159,688	42,939	(116,749)	372%	33,317	126,371	379%
5 Total net operating revenues	2,822,542	-	2,822,542	2,222,812	(599,730)	127%	2,105,043	717,499	34%
6 Operating expenses:									
7 Salaries, wages, and employee									
8 benefits	743,389	-	743,389	769,532	26,143	97%	689,924	53,465	8%
9 Supplies for resale	1,338,440	-	1,338,440	1,320,205	(18,235)	101%	753,158	585,282	78%
10 Maintenance and repairs	79,788	-	79,788	80,950	1,162	99%	90,264	(10,476)	-12%
11 Utilities	74,790	-	74,790	67,530	(7,260)	111%	72,049	2,741	4%
12 Depreciation	1,004,401	-	1,004,401	673,346	(331,055)	149%	673,346	331,055	49%
13 Interdepartment charges	153,365	-	153,365	163,746	10,381	94%	106,247	47,118	44%
14 Other supplies, services, & charges	418,472	-	418,472	399,266	(19,206)	105%	306,551	111,921	37%
15 Total operating expenses	3,812,645	-	3,812,645	3,474,575	(338,070)	110%	2,691,539	1,121,106	42%
16 Operating income (loss)	(990,103)	-	(990,103)	(1,251,763)			(586,496)	(403,607)	69%
17 Nonoperating revenues (expenses):									
18 Interest income	(91,507)	-	(91,507)	39,000	130,507	-235%	8,210	(99,717)	-1215%
19 Interest expense	-	(12,805)	(12,805)	-	12,805	#DIV/0!	(52,593)	39,788	-76%
20 Gain (loss) on disposal of fixed assets	-	-	-	1,000	1,000	0%	-	-	#DIV/0!
21 Capital outlay/construction	-	-	-	(5,547,068)	(5,547,068)	0%	(13,513)	13,513	-100%
22 Grant reimbursements	(105,368)	189,077	83,709	2,543,000	2,459,291	3%	615,422	(531,713)	-86%
23 Total nonoperating revenues (expenses)	(196,875)	176,272	(20,603)	(2,964,068)	(2,943,465)	1%	557,526	(578,129)	-104%
24 Net income (loss) before operating transfers	(1,186,978)	176,272	(1,010,706)	(4,215,831)	(3,205,125)	24%	(28,970)	(981,736)	3389%
25 Operating transfers in	377,312	-	377,312	377,312	-	100%	385,776	(8,464)	-2%
26 Operating transfers out (includes G&A)	(140,478)	-	(140,478)	(140,478)	-	100%	(111,742)	(28,736)	26%
27 Net income (loss)	(950,144)	176,272	(773,872)	(3,978,997)	(3,205,125)	19%	245,064	(1,018,936)	-416%
28 Add back depreciation expense	1,004,401		1,004,401	673,346	(331,055)	149%	673,346	331,055	49%
29 Net income (loss) adjusted for depreciation expense	54,257	176,272	230,529	(3,305,651)	(3,536,180)	-7%	918,410	(687,881)	-75%
30 Net position beginning of year	64,417,567	-	64,417,567	64,417,567			64,172,214		
31 Net position end of year	64,471,824	176,272	64,648,096	61,111,916			65,090,624		