

LS Memorandum

City of Lee's Summit

To: BOAC

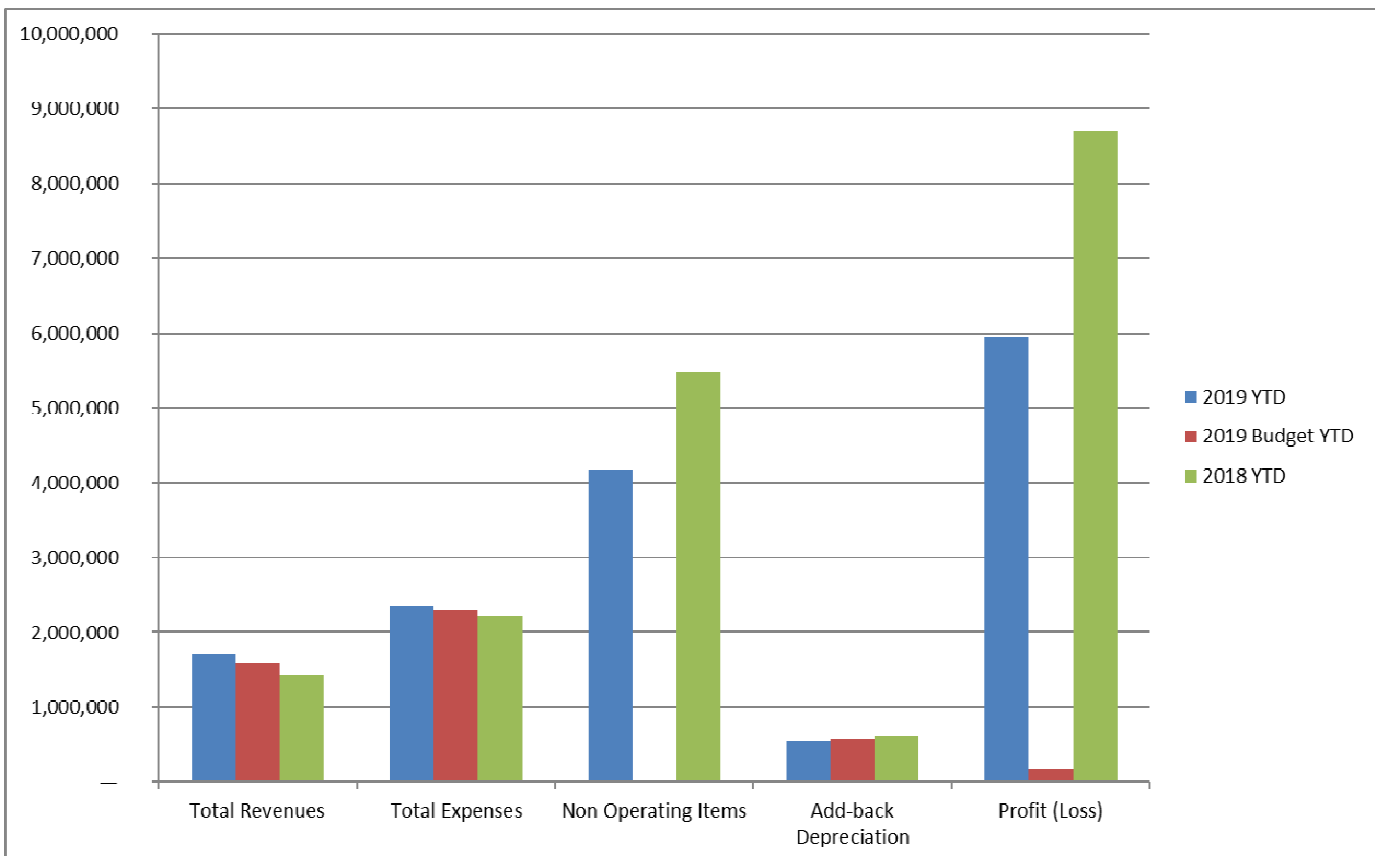
From: Darlene Pickett, Controller

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

Date: December 4, 2019

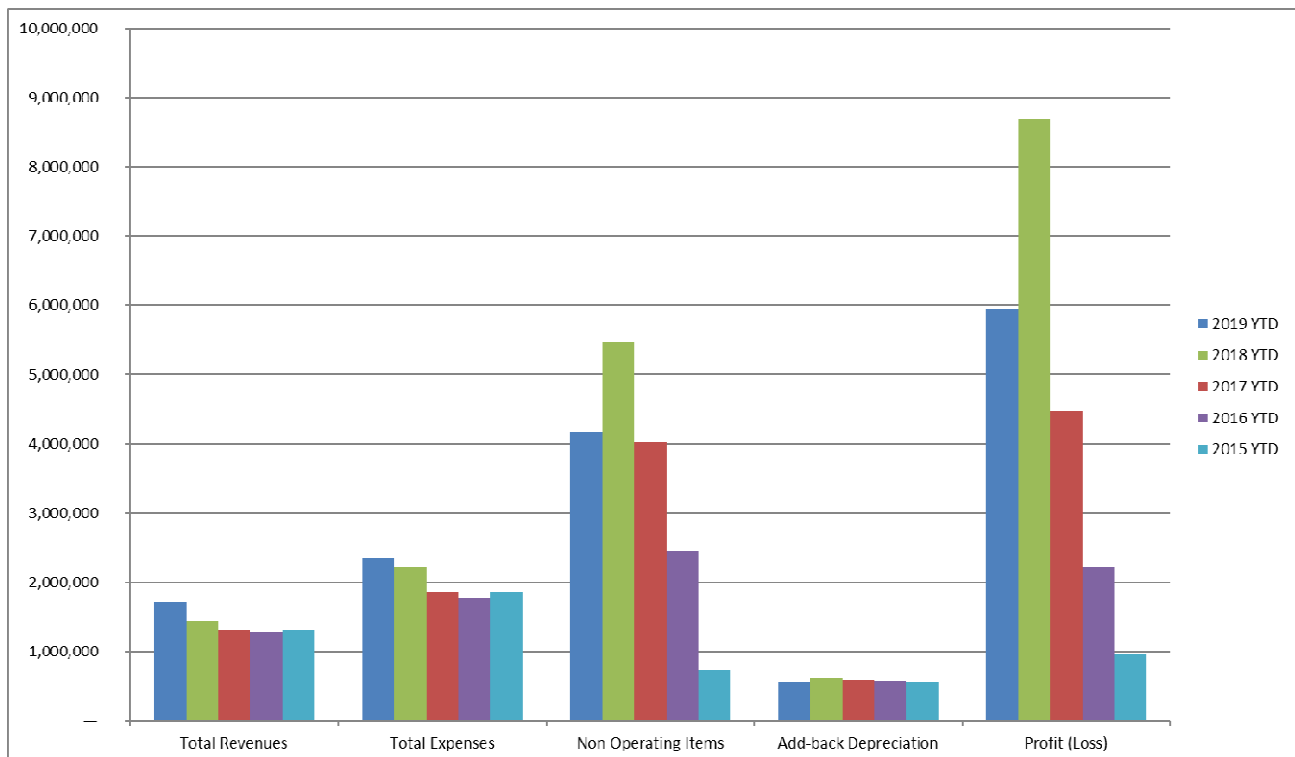
Re: Airport Financial Statements – June 30, 2019 – AUDITED DRAFT

- Audited figures at the end of fiscal year 2019 show the Airport fund with an operating loss of \$633,620. The fund has operating revenues of \$1,713,630 against expenditures of \$2,347,250. Non-operating items and transfers bring the fund to a year-to-date net gain of \$5,394,963. When depreciation expense of \$556,641 is excluded (added back), the net gain adjusted for depreciation is \$5,951,604.



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- **Operating Revenues** overall were above budget (8%) and above prior year \$276,958 or 19%. Rental revenue was 4% below budget for FY19 and 13% (\$89,808) higher than to last year. The sharp increase over last year is due to hangar construction last year. Fuel revenues are above budget \$171,261 (23%) and up \$164,591 (22%) compared to last year. Overall, sales in gallons increased 26,992 gallons or 15% compared to last year. Jet A is up 22,306 gallons for a 28% increase.
- **Expenditures** were slightly above budget (2%). Supplies for Resale (fuel is the primary item in this category) is \$158,668 or 32% over budget and up 24% over last year actual. This is due to increased gallons purchased (see revenues above) 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, 2019 (Draft AUDITED)

	Fiscal Year 2019 (YTD)			Budget 2019 (YTD)			Last Fiscal Year-2018 (YTD)		
	510 Airport Operating	321 Construction Fund	Consolidated 2019	Budget 2019	Budget Remaining	% Used	PY Actual 2018	\$ Change	% Change
1 Operating revenues:									
2 Charges for services	\$ 762,561	\$ -	\$ 762,561	\$ 795,759	\$ 33,198	96%	\$ 672,753	\$ 89,808	13%
3 Fuel sales	928,510	0	928,510	757,249	(171,261)	123%	763,919	164,591	22%
4 Other	22,559	0	22,559	29,893	7,334	75%	0	22,559	#DIV/0!
5 Total operating revenues	1,713,630	0	1,713,630	1,582,901	(130,729)	108%	1,436,672	276,958	19%
6 Operating expenses:									
7 Salaries, wages, and employee 8 benefits	557,770	0	557,770	675,375	117,606	83%	486,931	70,839	15%
9 Supplies for resale	656,752	0	656,752	498,084	(158,668)	132%	530,706	126,046	24%
Maintenance and repairs	77,966	0	77,966	77,458	(508)	101%	112,400	(34,434)	-31%
11 Utilities	69,362	0	69,362	55,850	(13,512)	124%	71,438	(2,076)	-3%
12 Depreciation and amortization	556,641	0	556,641	578,829	22,188	96%	628,316	(71,674)	-11%
13 Interdepartment charges	109,174	0	109,174	114,786	5,612	95%	67,762	41,412	61%
14 Other supplies, services, & charges	319,584	0	319,584	302,125	(17,459)	106%	317,044	2,540	1%
15 Total operating expenses	2,347,250	0	2,347,250	2,302,507	(44,742)	102%	2,214,597	132,653	6%
16 Operating income (loss)	(633,620)	0	(633,620)	(719,606)			(777,925)		
17 Nonoperating revenues (expenses):									
18 Interest income	79,279	0	79,279	9,000	(70,279)	881%	15,861	63,418	400%
19 Interest expense	(301)	(137,792)	(138,093)	(1,700)	136,393	8123%	(167,120)	29,027	-17%
20 Gain (loss) on disposal of fixed assets	0	0	0	0	0	#DIV/0!	0	0	#DIV/0!
21 Capital outlay/Construction	0	0	0	0	0	#DIV/0!	0		
22 Grant reimbursements	(1,405,490)	5,633,270	4,227,780	0	(4,227,780)	#DIV/0!	5,627,702	(1,399,922)	-25%
23 Total nonoperating revenues (expenses)	(1,326,512)	5,495,478	4,168,966	7,300	(4,161,666)	57109%	5,476,443	(1,307,476)	-24%
24 Net income (loss) before operating transfers	(1,960,131)	5,495,478	3,535,347	(712,306)	(4,247,653)	-496%	4,698,518	(1,163,171)	-25%
25 Operating transfers in	377,312	1,559,000	1,936,312	377,312	(1,559,000)	513%	3,443,696	(1,507,384)	-44%
26 Operating transfers out(includes G&A)	(76,696)	0	(76,696)	(76,696)	(0)	100%	(76,696)	0	0%
27 Net income (loss)	(1,659,515)	7,054,478	5,394,963	(411,690)	(5,806,653)	-1310%	8,065,518	(2,670,555)	-33%
28 Add back depreciation expense	556,641		556,641	578,829	22,188	96%	628,316	(71,674)	-11%
29 Net income (loss) adjusted for depreciation expense	(1,102,874)	7,054,478	5,951,604	167,139	(5,784,465)	3561%	8,693,834	(2,742,230)	-32%
30 Net position beginning of year	35,752,092	0	35,752,092	35,752,092			31,684,185		
31 Net position end of year	\$ 34,649,218	\$ 7,054,478	\$ 41,703,696	\$ 35,919,231			\$ 40,378,019		