

LS Memorandum

City of Lee's Summit

To: BOAC

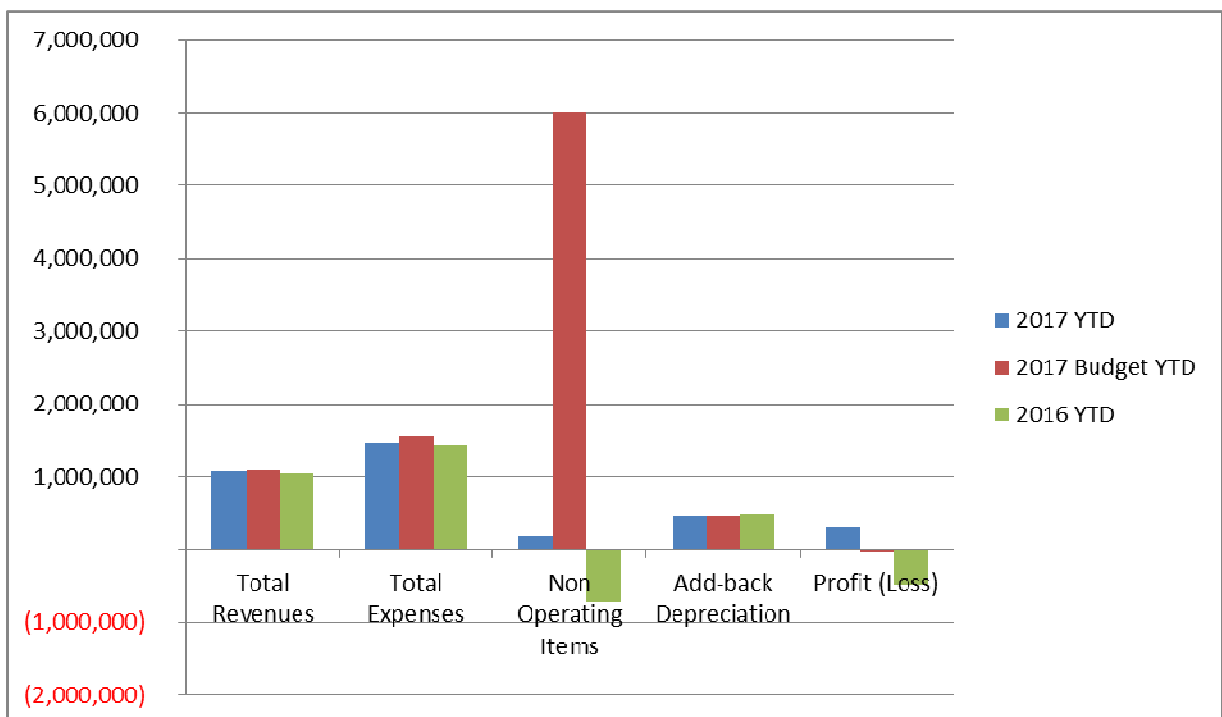
From: Darlene Pickett, Controller

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

Date: June 6, 2017

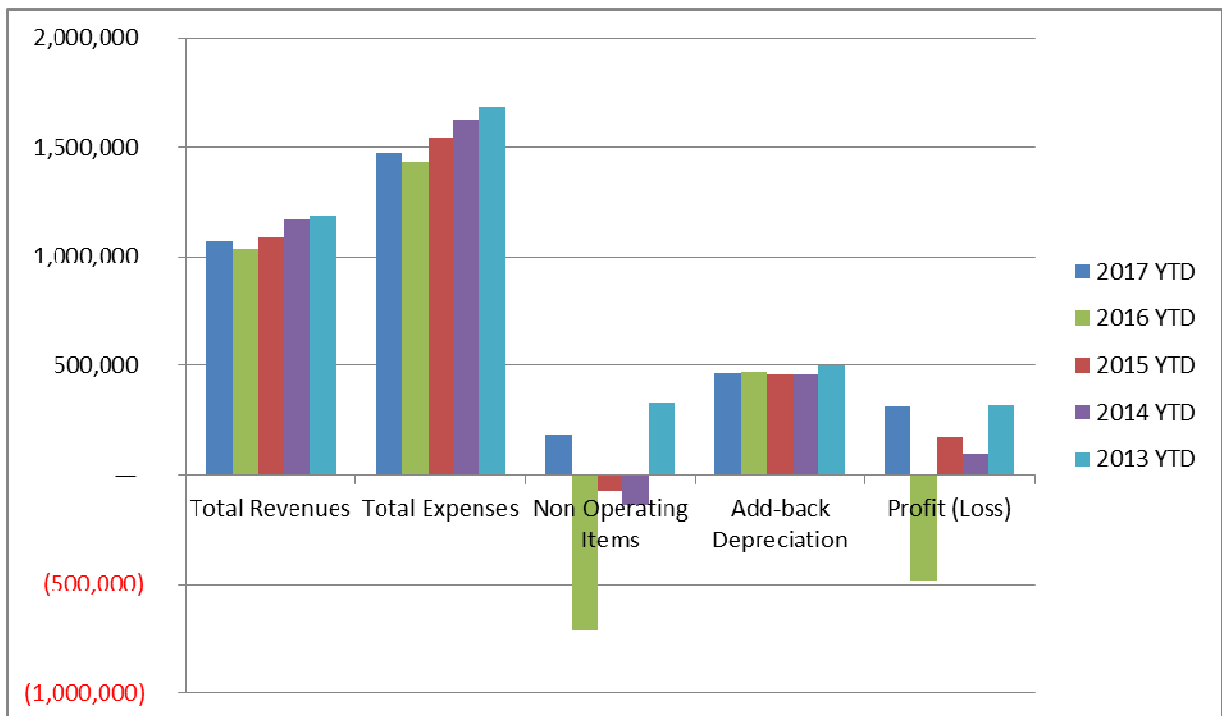
Re: Airport Financial Statements – April 30 2017 – PRELIMINARY & UNAUDITED

- Reports through April 2017 show the Airport fund with a net operating loss of \$402,946. The fund has operating revenues of \$1,073,005 against expenditures of \$1,475,951. Nonoperating items and transfers bring the fund to a year-to-date net loss of \$154,752. When depreciation expense of \$463,512 is excluded (added back), net income adjusted for depreciation is \$308,760. Grant reimbursements make up \$263,198 of this income amount.



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- Operating Revenues** are below budget (98%) and above prior year \$34,420 or 3%. Rental revenues are exceeding budget by 9% for FY17 and up 18% compared to last year. Fuel revenues are below budget \$62,650 (11%) and down \$46k (9%) compared to last year. Overall, sales in gallons are down 5,316 gallons or 4% compared to last year. The airport was closed to take offs and landings from April 17th to May 9th and Runway 18/36 will remain closed for the next 4 to 5 months. These closures are the primary reason for lower fuel sales in gallons and dollars. In addition, prices on average are \$.61/gallon lower than last year.
- Expenditures** are under budget \$80,975 or 5%. Both salaries and supplies for resale (fuel) are coming in 11% respectively (\$82, 000) below budget. OSS&C is under budget \$50k or 23%. Items included in this category include fuel used in airport vehicles/equipment and fuel discounts earned on purchases. Maintenance and repairs are \$36k (80%) over budget due to repairs on Hangar One and utilities (electric) is over \$15k, again primarily due to Hangar One. 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 dip in FY16 is due to pending grant reimbursements. The change in FY13 expenses is due to depreciation expenses and the change in Non-operating items and resulting P&L in 2013 is also due to pending grant reimbursements.



CITY OF LEE'S SUMMIT, MISSOURI

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

Year to Date thru April 30, 2017 (UNAUDITED)

	Fiscal Year 2017 (YTD)			Budget 2017 (YTD)			Last Fiscal Year-2016 (YTD)		
	510 Airport Operating	321 Construction Fund	Consolidated	Budget 2017	Budget Remaining	% Used	PY Actual 2016	\$ Change	% Change
1	Operating revenues:								
2	Charges for services	\$	563,194	\$	517,598	109%	\$	86,519	18%
3	Fuel sales		489,825		552,474	89%		(45,641)	-9%
4	Other		19,986		20,871	96%		(6,458)	-24%
5	Total operating revenues		1,073,005		1,090,944	98%		34,420	3%
6	Operating expenses:								
7	Salaries, wages, and employee benefits		322,696		363,807	89%		23,616	8%
8	Supplies for resale		326,368		367,039	89%		(33,002)	-9%
9	Maintenance and repairs		81,100		45,041	180%		24,779	44%
11	Utilities		45,946		31,121	148%		7,541	20%
12	Depreciation and amortization		463,512		463,429	100%		(9,144)	-2%
13	Interdepartment charges		65,405		65,200	100%		4,698	8%
14	Other supplies, services, & charges		170,924		221,289	77%		20,004	13%
15	Total operating expenses		1,475,951		1,556,926	95%		38,492	3%
16	Operating income (loss)		(402,946)		(465,983)			(398,874)	
17	Nonoperating revenues (expenses):								
18	Interest income		4,884		18,856	26%		(21,005)	-81%
19	Interest expense		(2,279)		(100,627)	80%		(80,315)	37354%
20	Gain (loss) on disposal of fixed assets		0		0	#DIV/0!		0	
21	Grant reimbursements		0		6,095,833	4%		(739,106)	-136%
22	Total nonoperating revenues (expenses)		2,606		6,014,062	3%		900,985	-126%
23	Net income (loss) before operating transfers		(400,340)		5,548,079	-4%		896,913	-81%
24	Operating transfers in		124,554		436,446	29%		(93,726)	-43%
25	Operating transfers out (includes G&A)		(63,913)		(6,480,580)	1%		0	0%
26	Net income (loss)		(339,699)		(496,055)	31%		803,187	-84%
27	Add back depreciation expense		463,512		463,429	100%		(9,144)	-2%
28	Net income (loss) adjusted for depreciation expense		123,813		(32,626)	-946%		794,043	-164%
29	Net position beginning of year		35,752,092		35,752,092			31,684,185	
30	Net position end of year		\$ 35,875,905		\$ 35,719,466			\$ 31,198,902	