

Legislation Text

File #: 2018-2101, **Version:** 1

Airport Financial Report Year to Date April 30, 2018

Issue/Request:

Review of Airport Financial Operations

Key Issues:

[Enter text here]

Proposed City Council Motion:

Informational only

Background:

[Enter text here]

Impact/Analysis:

Reports through April 2018 show the Airport fund with a net operating loss of \$581,818. The fund has operating revenues of \$1,199,979 against expenditures of \$1,781,798. Nonoperating items and transfers bring the fund to a year-to-date net loss of \$3,611,645. When depreciation expense of \$528,658 is excluded (added back), net losses adjusted for depreciation are \$3,082,987. Pending grant reimbursements make up \$6,737,306 of this loss amount.

Operating Revenues are below budget (10%) and above prior year \$126,974 or 12%. Rental revenues are below budget by 16% for FY18 and down less than 1% (\$862) compared to last year. This drop below budget and last year is due to the tenants leaving the open T-hangars and the S&L hangars prior to their demolition in March. When the budget was prepared last year, it was anticipated that the units were not going to be removed until later in the year. Fuel revenues are below budget \$11,260 (2%) and up \$125,674 (26%) compared to last year. Overall, sales in gallons increased 15,587 gallons or 12.5% compared to last year. In gallons sold, MOGas is up 2,891 gallons or 68% and JetA is up 10,116 gallons for a 20% increase. Note, the airport was closed last year to take offs and landings from 4/17/17-5/9/17 and Runway 18/36 was closed until the end of September 2017.

Expenditures are over budget \$90,022 or 5%. Maintenance & Repairs is \$53,488 or 111% over budget. Large expenditures in this category include roof repairs, carpet, and painting for Hangar 1 totaling \$22,000. Boiler and siding repairs totaled \$25,000. Supplies for Resale (fuel is the primary item in this category) is \$41,561 or 12% over budget and up 22% over last year. This is due to increased gallons purchased (see revenues above) along with rising costs.

Presenter: Darlene Pickett