

Legislation Text

File #: 2018-2355, **Version:** 1

Airport Financial Report Year to Date June 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 June 2018 show the Airport fund with a net operating loss of \$708,882. The fund has operating revenues of \$1,466,315 against expenditures of \$2,175,197. Nonoperating items and transfers bring the fund to a year-to-date net income of \$7,311,912. When depreciation expense of \$628,316 is excluded (added back), net income adjusted for depreciation is \$7,940,228. Grant reimbursements make up \$5,627,702 of this income amount.

Operating Revenues are below budget (8%) and above prior year \$172,830 or 13%. Rental revenues are below budget by 15% for FY18 and flat (\$2,745) compared to last year. This drop below budget is due to 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 above budget \$12,857 (2%) and up \$179,843 (31%) compared to last year. Overall, sales in gallons increased 27,437 gallons or 18% compared to last year. In gallons sold, MOGas is up 3,667 gallons or 68% and JetA is up 21,038 gallons for a 36% 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 \$116,629 or 6%. Maintenance & Repairs is \$58,847 or 102% over budget. Large expenditures in this category include roof repairs, carpet, and painting for Hangar 1 totaling \$22,000 along with boiler and siding repairs totaling \$25,000. Supplies for Resale (fuel is the primary item in this category) is \$64,951 or 14% over budget and up 30% over last year. This is due to increased gallons purchased (see revenues above) along with rising costs.

Darlene Pickett, Controller