

Legislation Text

File #: 2019-2691, **Version:** 1

Airport Financial Report Year to Date January 31, 2019

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 March 2019 show the Airport fund with a net operating loss of \$387,262. The fund has operating revenues of \$967,690 against expenditures of \$1,354,952. Nonoperating items and transfers bring the fund to a year-to-date net loss of \$3,938,297. When depreciation expense of \$326,207 is eliminated, the net loss without depreciation is \$3,612,090. Pending grant reimbursements make up \$1,579,106 of this loss.

Operating Revenues overall are above budget (5%) and above prior year \$117,659 or 15%. Rental revenue is below budget by 7% for FY19 and down 7% (\$27,671) compared to last year. This drop is due hangar demolition and construction of replacement hangars further from the runway. Fuel revenues are above budget \$94,613 (19%) and up \$91,060 (21%) compared to last year. Overall, sales in gallons increased 15,934 gallons or 16% compared to last year. Jet A is up 14,575 gallons for a 38% increase. Note, Runway 18/36 was closed until the end of September 2017 (1st quarter of FY18) when comparing current year to prior year.

Expenditures are 4% over budget (\$46,765). Supplies for Resale (fuel is the primary item in this category) is \$88,043 or 30% over budget and up 35% over last year actual. This is due to increased gallons purchased (see revenues above) along with rising costs. In addition, there are some unposted adjustments that will make fuel costs decrease. Other supplies, services, and charges is \$24,999 or 14% over budget. This is due to a timing difference in insurance expenses due to a full payment made in the beginning of the fiscal year as compared to the budget was allocated evenly. This gap will narrow monthly as we progress through the fiscal year.

Darlene Pickett, Controller