

# MEMO:

To: Board of Directors and Staff  
From: Jane Dykstra  
Subject: Financial Report  
Date: May 20, 2014

Airside Revenues from the period from October 1, 2013 through April 30, 2014 are \$240,750 ahead of budget – with net Airside Revenues \$92,529 ahead of budget. Fiscal year-to-date fuel sales through May 20, 2014 versus the prior year are as follows:

	Gallons Sold		Increase (Decrease)
	10/1/12 - 5/20/13	10/1/13 - 5/20/14	
100LL	37,289	41,495	4,206
JetA	86,508	133,014	46,506

Through the end of April 2014, total revenues are \$258,943 (14%) ahead of the year-to-date budget. Operating, General and Administrative Expenses are 11% below budget, and Repair and Maintenance Expenses are 34% below budget on a year-to-date basis.

Through April 30, 2013, personnel costs are 7% under budget on a year-to-date basis. There is currently one position open – although the full-time employee count is 19, as we are in the transition period for the Director of Finance and Administration position. The budget anticipated this overlap phase for training, and it will not be an unanticipated burden to personnel costs. Denae Granger applied for, and was hired into, the District Clerk position vacated by Maria Martinez. The Administrative Clerk position was advertised publically from May 2 – May 23, 2014. Twenty-three applications were received and the packets are being screened to select candidates for interviews. Hopefully, the position will be filled by early June.

Earlier this year the individuals on the hangar waitlist and tenants on the transfer list were informed of the annual \$10 maintenance fee being due if they wished to remain on their respective lists. Efforts were made by Staff to contact all parties to ensure the list remains accurate. As a result of the outreach, six names are being dropped and the deposits on hand are being refunded. The list stands as follows, as of May 20, 2014:

- 14 individuals on the Executive Hangar Waitlist,
- 9 current tenants on the Transfer List – primarily looking for executive-sized hangars, and
- 3 individuals looking for vehicular storage or endpockets.

The District was informed by Anthem, as anticipated, that the current employee medical plan will not be renewed, as it is not Affordable Care Act (ACA) compliant. The plan will be replaced by another offering at the renewal date of August 1, 2014. Although the renewal

packet from Anthem has not yet been received, they did provide the name of the plan they consider most similar to the current offering. I was able to work with Anthem and find the rates for that plan on the internet. Based on a review of the rates, the District's costs do not appear to be headed for a large increase; however, the ability to contract for a higher deductible plan and self-insure for a portion of the out-of-pocket cost to the employees is not certain. The first response from Anthem was that the only way to do that would be to establish Health Reimbursement Arrangement or Health Savings Accounts. When we set up the current arrangement to self-insure through EBA&M in 2012, we were informed that only a few plans afforded that option. In the event that the current arrangement is no longer workable, the District will have plenty of options available. Special District Risk Management Authority (SDRMA), the District's workers' comp carrier, offers options for employee health, and Staff is currently evaluating their rate structure. It has been recommended that an ad hoc subcommittee be established to deal with the employee benefit area over the next couple months. There is a great deal of information that will have to be evaluated and relatively quick turn-around times. Having an ad hoc subcommittee that can delve into the issue and make a recommendation to the Board will be crucial.

Property tax revenues were received from Nevada and Placer Counties in the month of May. The table below summarizes the current status of the July 1, 2013 – June 30, 2014 tax year.

	Estimated Allocation	Amount Received to Date	Percentage Received by May payment Current Year	Percentage Received by May payment Prior Year
Nevada County	\$1,494,345	\$1,426,646	95.5%	97.0%
Placer County	\$2,978,876	\$2,853,203	95.8%	94.8%
Total	\$4,473,221	\$4,279,849	95.7%	95.6%

The District will receive one more payment, sometime after the first of July, from each county to settle the tax year. Note that the estimated allocation of \$4,473,221 exceeds the amount budgeted (\$4,360,000) as the estimated allocation was not received until after the budget was approved. The revenues have been recognized throughout the fiscal year based on the estimated allocation, less a reserve of 2%, any variance in the final amount received to the amount accrued will be recognized once the final payments are received.

The District had one \$250,000 certificate of deposit mature on May 23, 2014. The amount was reinvested in a three-year CD with Goldman Sachs with a coupon rate of 1.10%. Note that the current rate earned on LAIF funds is 0.233%

The transition of the new Director of Finance, Sally Lyon, has gone very smoothly. I believe she is a wonderful addition to the team, and will more than capably fill the position. I have appreciated the opportunity to work with the various Board and Staff members over the years, and I wish you all the best in the future.

If you have any questions, please contact me (or Sally) at 587-7692.