



**TRUCKEE TAHOE AIRPORT DISTRICT
BOARD OF DIRECTOR STAFF REPORT**

AGENDA TITLE: Three Month Budget Extension for Fifteen Month Year Ending December 31, 2017

MEETING DATE: September 27, 2017

PREPARED BY: Sally Lyon, Director of Finance and Administration

RECOMMENDED ACTION: Approve the budget extension for the fifteen months ending December 31, 2017 by consent.

DISCUSSION: This is the third review of the Budget Extension. Highlighted in blue in the attached Budget Extension Document are proposed changes from the presentation in July. The only change from the August presentation is the addition of a lease of a multi-use snow removal tractor for \$30,000 to evaluate the effectiveness of the equipment. 85% of the lease can be applied to the purchase.

Earlier in the year, Truckee Tahoe Airport District chose to change the fiscal year end from September 30 to December 31, 2017. This action has resulted in a one-time fifteen-month budget year starting October 31, 2016 and ending December 31, 2017. The original budget we approved in September 2016 was a twelve-month budget. Attached is a three-month extension to this original budget.

Most items are routine extensions from the original twelve month calculations. The items detailed below are in addition to routine expenses and were reviewed in July and August.

- ACAT: No additional funding added. Total budget for the 15 months is \$84,000.
- Fly Quiet Program: No additional funding added. Original budget included an additional Fly Quiet Incentive that was not implemented. Total budget for the 15 months is \$162,000.
- Airshow: The board approved an additional \$66,000 to fund volunteer support organizations. Total budget for the 15 months is \$226,000.

- Communications: No additional funding added. Total budget for the 15 months is \$60,000.
- Conventions, Conferences: Increased to reflect higher than originally anticipated travel and training expense by Board and Staff. Total budget for the 15 months is \$55,900.
- County Support: Increased \$8,000 to correspond to increased property tax revenue. Total budget for the 15 months is \$118,000.
- Employee relations: Increased by \$8,700 to cover Holiday Party in December. Total budget for the 15 months is \$25,000.
- Insurance: Increased to reflect higher property valuation. Total budget for the 15 months is \$127,125.
- Operations Monitoring: Increased by \$100,000 to cover fall payment for Vector, the noise and operations monitoring System. Total budget for the 15 months is \$371,000.
- Other Professional: Increased to reflect board approved projects including Hanger 2 Design \$175,000, additional Temporary Tower expense \$50,000 and Obstruction Survey \$100,000. Total budget for the 15 months is \$1,233,000.
- Vehicles Expense: Increased to reflect higher than originally anticipated snow removal costs with last winter's heavy usage. Total budget for the 15 months is \$83,000.
- Equipment Expense: Increased to reflect higher than originally anticipated costs with last winter's heavy usage. Total budget for the 15 months is \$83,000.
- Airfield – Facility Maintenance: Increased by \$125,000 for Tower utility and communications upgrades. Total budget for the 15 months is \$169,000.
- Warehouse Facility Maintenance: Increased to include \$187,200 for repair and coating of the Warehouse building. This is necessary due to the age of the building and the nature of the current and future tenants. Total budget for the 15 months is \$197,200.
- Various Repairs and Maintenance accounts not changed due to projections under budget.
- Land Management: Increased by \$360,000 for restoration project on land owned by TTAD near the Regional Park in coordination with local public agencies and non-profits and various other property owners. Total budget for the 15 months is \$691,300.
- Property Tax Revenue: Increased by \$1,704,000 to reflect known and estimated tax revenue. Total budget for the 15 months is \$7,174,000.

Capital Expenditures

- FAA Grant Eligible projects reduced by \$1,000,000 based on projects not approved for grant funding.
- Other Projects-Changes:
 - Warehouse Office Building increased to \$1,300,000 for the 15 month period.
 - Hangar Taxilanes CD/DE reconstruction, \$605,000 added for the project completed this summer.
 - Additional expense for the Helipad for Emergency Services (Tahoe City) increased by \$280,000 to \$550,000 total.
- Other Projects-New (highlighted in green)
 - Replacement of TTAD Van for \$40,000.
 - Tug Upgrade \$50,000.