



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

AGENDA TITLE: Financial Report, September 30, 2017
MEETING DATE: November 29, 2017
PREPARED BY: Sally Lyon, Director of Finance and Administration

Revenues:

For the twelve months ended September 30, 2017, Airside Operating Revenue was 39%, \$888,100 over budget on a year to date basis as well as 28%, \$679,900 over the prior year. The Net Airside Revenue, \$1,852,000 (after deducting the Cost of Sales) was 38%, \$514,400 over budget. Hangar Revenues were 1%, \$17,300 over budget on a year-to-date basis, Other Business Leasing Revenues were (3%), (\$9,400) under budget, and Warehouse Revenues are down (1%), (\$3,900).

	Gallons sold 100LL	Gallons sold Jet A
10/1/16-9/30/17	87,934	488,456
10/1/15-9/30/16	87,493	402,800
Net Increase/(Decrease)	441	85,656
% Increase/(Decrease)	.5%	21%
100LL	Revenue	Net Revenue
10/1/16-9/30/17	\$438,169	\$93,249
10/1/15-9/30/16	\$409,169	\$98,852
Jet A		
10/1/16-9/30/17	\$1,990,577	\$1,040,015
10/1/15-9/30/16	\$1,563,032	\$858,107

Cost of Goods Sold:

Fuel costs are up from budget by 41%, \$376,000 that corresponds to 32% increased fuel sales. Gross profit on fuel is 47%. Net Airside Revenue is up from budget by \$514,400.

Payroll and Employee Benefits:

Total Payroll & Benefits are \$186,500, 7% over budget. The following contributes to this difference:

- Wages, Salaries and Other Compensation is (\$174,400), (10%) over budget. We are extending some of our seasonal staff longer than anticipated and have the new facility maintenance position.
- Payroll Taxes, Employee Benefit Insurance, Workers Compensation Insurance and Training and Other are under budget combined by (\$12,000), (1%) over budget.

Operating, General and Administrative Expenses are under budget \$789,400, 18% for the twelve months ended September 30, 2017. Repair & Maintenance expenses were under budget by \$267,900, 13% for the same period.

Other Income and Expense is up \$49,900, 1% compared to budget.

Net Income is \$2,830,200. This is a positive variance of \$1,439,200 from the budget.

The hangar waitlist as of 11/16/17 is:

- 40 people on the Executive Hangar waitlist made up of 25 new tenants and 15 transfer list tenants (Based on the pre-lease process seven of the 40 wait list individuals will occupy the new Executive hangars once they are constructed)
- 34 people on the T-Hangar waitlist (12 waiting for Super-T's with 44' doors or larger, 21 waiting for regular T-Hangars, 1 helicopter)
- 4 people on the non-aero End Cap waitlist

Operations and sales have slowed significantly, as we move into fall and winter season. The Tahoe City Helipad project is progressing with \$180,000 spent through October. The Maintenance building expansion is also progressing with \$500,000 spent this year. TTAD is preparing to activate the Seasonal Tower for the Holiday season through the end of February.

Variance Analysis

The following variance analysis provides explanations for individual line items that have a difference of more than \$10,000 and more than 10% to the budgeted amount.

Detailed Income Statement Line Item	% Variance Favorable (Unfavorable) Budget	\$ Variance Favorable (Unfavorable) Budget	Explanation
ACAT	33%	\$27,914	ACAT has not had any major expenditures yet this year.
Annoyance Reduction Programs	22%	\$35,671	Additional Fly Quiet tier was budgeted for an additional \$36,000 and was not implemented.
Access Control	52%	\$15,919	Under budget due to timing of expenses. There are gate access upgrades underway.
Aviation Safety Initiatives	54%	\$59,047	Airspace study underway, under budget due to timing.
Communications	26%	\$15,465	Radio replacement is one third of this line item, only partially expended to date.
Conventions, Conferences	(33%)	(\$10,745)	Over budget, more expense than anticipated for both staff and board travel.
Credit Card Fees	(23%)	(\$17,165)	Over budget, reflecting the increase in sales.
Office Equipment	40%	\$39,697	Under budget due to timing of expenses.
Operations Monitoring Expenses	37%	\$100,317	Flight tracking has had no issues and been operating effectively.
Professional Services-Legal	17%	\$18,335	Lower expenditures so far this year.
Professional Services –Computer Support	57%	\$94,861	Under budget due to timing of expenses. The budget included \$50,000 for point of sale software upgrade that we do not plan to spend.
Internet, Print, etc	27%	\$33,214	Under budget due to timing of expenses.
Community/Agency Partnerships	28%	\$211,928	Expenditures to date are for Boys and Girls Club \$90,000 (2 annual payments), Excellence in Education \$7,500, Tahoe City PUD-Ice Skating Rink \$150,000, TNT/TMA membership \$1,750, Bike Share Program \$29,000, Truckee Bike Park \$25,000, Truckee Thursdays Shuttle \$10,000, Highway 267 Transit \$62,000, RASC membership \$10,000, RASC membership for

			TNT/TMA \$10,000, TTCF Housing \$50,000, and Tahoe Area Mountain Bike Assoc. \$85,000.
Detailed Income Statement Line Item	% Variance Favorable (Unfavorable) Budget	\$ Variance Favorable (Unfavorable) Budget	Explanation
Pilot Outreach	30%	\$35,029	Under budget due to timing of expenses.
Promotional Items	52%	\$12,931	Under budget, less purchases based on need.
Vehicle Expense	(70%)	(\$22,388)	Diesel fuel and tire purchases over budget due to snowmageddon.
Equipment Expense	(31%)	(\$15,718)	Snow equipment repairs higher than expected.
Airfield Equipment, Lights and Signs	76%	\$26,058	Lower expenditures than expected.
Airfield-Facility Maintenance	33%	\$47,471	Under budget due to timing of expenses.
Hangar-Facility Maintenance	68%	\$303,727	Painting and repairs for Hangar 1 have been completed this year.
Other Business Buildings Maintenance	(122%)	(\$82,622)	Some Hangar 1 repairs are included in this account.
Warehouse – Facility Maintenance	(1827%)	(\$182,650)	Roof repairs completed, not anticipated in the facility maintenance plan.
Terminal Building – Facility Maintenance	86%	\$120,816	Under budget due to timing of expenses.
Land Management	15%	\$49,273	Higher expenditures this past fall for Waddle Ranch.

If you have any questions, please don't hesitate to call me (530) 587-7692.