



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

AGENDA TITLE: Financial Report, June 30, 2018
MEETING DATE: August 22, 2018
PREPARED BY: Sally Lyon, Director of Finance and Administration

Revenues:

For the six months ended June 30, 2018, Airside Operating Revenue was 42%, \$457,400 over budget on a year to date basis as well as 101%, \$781,300 over the prior year. The Net Airside Revenue, \$902,700 (after deducting the Cost of Sales) was 50%, \$300,900 over budget. Hangar Revenues were on budget on a year-to-date basis, Other Business Leasing Revenues were under budget (6%), (\$17,200), , and Warehouse Revenues are down (21%), (\$23,000) with vacancies.

	Gallons sold 100LL	Gallons sold Jet A
1/1/18-6/30/18	14,513	110,936
1/1/17-6/30/17	11,634	65,758
Net Increase/(Decrease)	2,879	45,178
% Increase/(Decrease)	25%	69%
100LL	Revenue	Net Revenue
1/1/18-6/30/18	\$77,190	\$16,838
1/1/17-6/30/17	\$55,886	\$11,807
Jet A		
1/1/18-6/30/18	\$531,036	\$281,301
1/1/17-6/30/17	\$272,297	\$139,739

Cost of Goods Sold:

Fuel costs are up from budget by 22%, \$55,600 that corresponds to 76% increased fuel cost compared to prior year. Gross profit on fuel is 49%. Net Airside Revenue is up from budget by \$195,000.

Payroll and Employee Benefits:

Total Payroll & Benefits are \$44,800, 3% under budget. The following contributes to this difference:

- Wages, Salaries and Other Compensation is \$43,100, 4% under budget. Payroll Taxes, Employee Benefit Insurance, Workers Compensation Insurance and Training and Other are under budget combined by \$1,800, 0%.

Operating, General and Administrative Expenses are under budget \$529,800, 21% for the six months ended June 30, 2018. Major variance is in Other Professional, over budget (\$191,200) due to extending the Tower operations. Offsetting that is Community Partnerships, under budget \$654,200 with minimal expenditures so far this year.

Repair & Maintenance expenses were under budget by \$707,100, 73% for the same period. Major variance is in Pavement Maintenance, with a lack of projects.

Other Income and Expense is under budget \$182,600, (5%) compared to budget primarily due to operating grant revenue.

Net Income is \$1,517,100. This is a positive variance of \$1,351,700 from the budget, but tracks similar to prior year.

The hangar waitlist as of 08/10/18 is:

- 41 on the executive hangar waitlist made up of 26 new tenants & 15 transfer list tenants looking for executive-size hangars.
- 42 on the T-Hangar waitlist, 18 for “super T’s” (44’ doors or larger), 23 for regular T-Hangars, 1 Helicopter.
- 3 non-aero end caps (we are no longer renting T-hangars for non-aero usage with 100% occupancy).

Sales and operations continue to be very strong through June. Construction on the executive hangars is actively progressing. We are fully staffed including temporary seasonal staff.

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	81%	\$34,170	ACAT has not had any major expenditures yet this year.
Access Control	84%	\$12,884	Minimal expenditures thus far.
Airshow	(79%)	(\$31,464)	Timing differences of expenditures.
Aviation Safety Initiatives	39%	\$21,455	The primary expenditure is for the airspace study that is currently underway.
Conventions, Conferences	49%	\$11,071	Less expenditure than anticipated.
Credit Card Fees	(48%)	(\$14,198)	This corresponds to increased airside sales.
Directors' Fees and Expenses	32%	\$17,434	Timing differences of expenditures.
Office Equipment	66%	\$26,403	Timing differences of expenditures.
Operating Supplies	(50%)	(\$29,985)	Over budget due to WOB CAM expenditures. There is a CAM reimbursement coming from Clear Capital and the CAM rate has been increased this year to make up the shortfall.
Professional-Accounting	35%	\$10,400	Less expenditures than anticipated.
Professional-Legal	33%	\$17,561	Less expenditures than anticipated.
Other Professional	(49%)	(\$195,656)	Over budget due to extending tower operations. Included year to date: Airport Artwork \$3,000, Non-Aero Land Use \$1,400, Economic Impact Study \$25,000 (this expense is a carryover from prior year), Tower staffing and upgrades \$521,000,

			Lobbying \$18,000, Airspace Study \$18,000, various other \$6,000.
Detailed Income Statement Line Item	% Variance Favorable (Unfavorable) Budget	\$ Variance Favorable (Unfavorable) Budget	Explanation
Public Relations-Consulting	(116%)	(\$12,720)	Higher than anticipated costs on mail collateral.
Community/Agency Partnerships	75%	\$659,153	Included year to date: Gateway Mountain Center \$75,000, Hwy 267 TART services \$62,000, Zagster \$28,500 (\$9,000 to reimbursed from Tahoe Forest Hosp., TTCF Housing Council \$50,000
Utilities	10%	\$11,771	Less expenditure than anticipated.
Pavement Maintenance	95%	\$402,186	Minimal expenditures thus far, more to come as construction begins in October on ACIP projects.
Airfield–Facility Maintenance	41%	\$12,211	Minimal expenditures thus far, budgeted snowmelt system delayed to 2019.
Hangar-Facility Maintenance	77%	\$129,437	Minor hangar repairs so far this year. Most expenditures in the summer months.
OBL-Facility Maintenance	(419%)	(\$16,787)	Expenditures for WOB maintenance, higher than anticipated. WOB cam has been increased by \$.04 per square ft.
Warehouse –Facility Maintenance	58%	\$36,124	Timing differences of expenditures, warehouse upgrades underway.
Land Management	100%	\$92,250	Timing differences of expenditures, land management expenses underway.

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