



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

AGENDA TITLE: Adoption of Final Budget for Calendar Year January to December 2020

MEETING DATE: December 4, 2019

PREPARED BY: Kelly Woo, Director of Finance and Administration & Kevin Smith, General Manager

RECOMMENDED ACTION: (Approve by Consent) Approve Final Budget for Calendar Year End December 31, 2020.

DISCUSSION: This memorandum introduces the Final Budget for Calendar year December 31, 2020. Included in this document are proposed Revenues, Expenses for the year as well as proposed Capital Projects to provide analysis of Cash Flow needs to insure financial viability of the District.

The budget process began in August 2019 when the Board of Directors reviewed budget goals and funding opportunities for the calendar year 2020. To assist the Board, staff has also provided a 5 year forecast. At the September meeting, the Board of Directors reviewed the first draft of the detailed budget and narrative. At the October meeting, the Board based on a staff recommendation removed the East Terminal Parking Lot project and flagged the Field House Study as well as break out agency partnerships, transit, and housing funding into 3 categories. Changes recommended at the November 6th board meeting are detailed below.

Changes from the Draft Budget reviewed November 6, 2019:

Operating Budget

- **Hangar Rental Income:** detailed out income by hangar type per board request increased \$36,404 to match to actual rates charged with CPI increase

- **Other Business Income:** detailed out income by business per board request decreased \$30,680 to match actual rates charged with CPI increase
- **Warehouse Income:** detailed out income by warehouse tenant increased \$41,820 to match tenant rates with CPI increase and new completed space for Project Mana
- **Employee Benefits (Insurance):** increase of 8% or \$43,497 based on renewal rates for 2020
- **Training, Education & Other:** Added \$9,000 for fitness allowance increase to \$500 per person
- **Insurance:** Increased 30% or \$39,000 for property & liability policy increases for 2020
- **Grader Lease:** Increased \$41,000 to true up placeholder amount to actual lease cost

The above operational changes increased revenues by \$47,544 and expenditures by \$172,497.

Capital Expenditures

- **Ponderosa Golf Course Irrigation Agreement:** The Board agreed to at the November 6th meeting to include \$50,000 per year for 20 years for the purpose of upgrading and replacing the irrigation system at the District owned Golf Course pending a final proposal. The TDRPD will be presenting a formalized agreement at a future meeting, likely January 22, 2020.

The above Capital Expenditure changes increased 2020 Capital Projects by \$50,000.

In this final draft of the Budget, Unrestricted Cash is projected to begin the year at \$8.2 million and end the year at \$4.5 million.

The Director of Finance and Administration and General Manger would like to thank all who participated in the annual budget process. We are pleased to present the CY2020 Budget for approval.

The Budget was also discussed and amendments proposed at the August 28, 2019 Budget Workshop, the September 25, 2019 regular Board Meetings as well as the November 6, 2019 Board meeting. All discussion and amendments have been incorporated into this final draft of the CY2020 Annual Budget.

ATTACHMENTS:

CY2020 Operating and Capital Expenditure Final Budget