

MEMO:

To: Board of Directors and Staff
From: Jane Dykstra
Subject: Financial Report
Date: June 20, 2012

The following is a summary of fuel sales for the month of May 2012:

Fuel Sales

	May 2012	May 2011	FYTD 11-12	FYTD 10-11	FYTD 11-12 Budget
100 LL - Gallons	6,535	6,157	44,613	45,087	
100 LL – Revenues	\$38,045	\$33,998	\$243,475	\$212,310	\$229,101
100LL – Net Revenues	\$4,160	\$2,983	\$26,234	\$20,965	\$21,349
JET A - Gallons	7,940	5,394	78,889	72,114	
JET A - Revenues	\$50,920	\$32,856	\$475,811	\$390,447	\$390,352
JET A – Net Revenues	\$20,949	\$13,906	\$198,023	\$176,892	\$163,871

The District has sold 474 fewer of gallons of 100LL than were sold in the first eight months of the prior fiscal year. The net revenue for 100LL exceeds the amount for the prior fiscal year due to the adjustment of the margin for full-serve fuel. Gallons of JetA sold are ahead of the previous year by 9%. The net revenues for both types of fuel are better than the budgeted amounts.

Overall Airside Revenues, year-to-date through May 31, 2012 are \$131,591 (18%) ahead of budget, while Total Revenues are \$122,187 (6%) ahead of budget. Over the next few months the District will face some issues that will affect operating revenues: the runway closure, vacancy of Hangar 1, and hangar rent credits to the J/K row tenants who will be impacted by the construction project.

Property tax revenues of \$1,098,120 were received on May 18, 2012 from Placer County. This brings the total amount received from Placer County for the July 1, 2011 – June 30, 2012 tax year to \$2,674,781 – or 95% of the \$2,812,472 in their estimated allocation. This is slightly below the percentage that the District has received by the May payment in prior years. The District reserves 2% of the estimate, so it is unlikely that actual revenues for the period will come in below the amount the District has been accruing.

On June 15, 2012 the first progress payment was made to Granite Construction Company

for work on the J/K Hangar Row project. A draw down on the grant for \$122,608 was submitted that day as well. A summary of the project to date appears below:

AIP Eligible Expenses Incurred	\$169,893
Ineligible Expenditures	<u>\$17,878</u>
Total Costs to Date (6/15/12)	\$187,771
Amount reimbursed by the FAA	<u>(\$148,062)</u>
District cost to date	<u>\$39,709</u>

Note that a request for FAA reimbursement can only be processed after payment has been made, so the amount included in total expenses incurred that represents retainage (\$14,038) has not been submitted for reimbursement.

I am working on the renewal application for the Public Officials and Employment Practices Liability coverage. The policy term ends 8/16/12, so if there are not viable proposals submitted within the budgeted amount, the Board will see this on the July agenda.

Hangar tenants in the J/K rows who opted not to transfer to another hangar during the construction project received a 50% credit on their rent for the month of June – this will continue through the duration of the project. Executive staff determined a 50% credit was reasonable, considering the tenants are able to keep their belongings in their hangars and have pedestrian access to the hangars. Tenants were advised to remove vehicles or aircraft; and they are not being charged nightly fees parking fees.

Charges related to the Admin Building are wrapping up. I have advised all appropriate personnel that the asset accounts need to be finalized by the end of the fiscal year, and that any purchases that need to be made should be done as soon as possible. In addition to the building, the following assets will be broken out: the park, solar installation, security gate related expenses, fire alarm system, and various enhanced technology categories (data, audio visual, public information). An update on costs incurred through June 30, 2012 will be presented at the July board meeting.

If you have any questions, you can contact me on my direct line 530-587-7692. I will be out of the office on Monday, June 25th.