

# MEMO:

To: Board of Directors and Staff  
From: Jane E. Dykstra  
Subject: Fiscal 2013-2014 Budget  
Date: September 17, 2013

Attached is the revised 2013-2014 budget and assumptions. The following changes were made based on the discussion at the September 16, 2013 Budget Workshop:

1. The description section of the *Aviation Fuel Sales* line has been corrected to reference the number of gallons that have been budgeted to be sold. The 100LL line now correctly reads 3% fewer gallons. The 7% more gallons of JetA that are referenced in the description column of the spreadsheet, were documented in the Budget Assumptions and the memo for the workshop was correct. The error was in the slide presentation – as that stated we were forecasting 10% more gallons. Note that there were no changes to the dollar amounts on the draft of the budget that were discussed at the workshop – only a correction to the description.
2. A flag was deleted from line 69 related to the *Air Show*.
3. Line 71, *Aviation Safety Initiatives*, was increased from \$15,000 to \$25,000 – with the additional \$10,000 being added to the Airside Operations column.
4. The Payroll and Employee Benefits section has been updated to adjust the potential merit increases to align with the wage scale.
5. Line 54, *Other Employee Benefits*, has been increased by \$1,500 to cover winter jackets for Airside Operations staff.
6. Line 126, *Airfield Equipment, Lights and Signs*, has been increased by \$10,000 to cover work on Alder Hill Beacon.
7. Line 131, *Repair and Maintenance – Facilities*, has been increased by \$16,000 in the Hangars Department to cover the painting of Hangar Row B, which was scheduled for the summer of 2013, but will not be completed before year end, so must be included in next year's budget. It has also been increased by \$7,000 to cover the purchase of man-doors for the hangars.
8. Line 133, *Land Management*, has been increased by \$35,000 in the Airside Operations column to cover the cost of the obstruction removal that will not occur before September 30, 2013.
9. In the Budget Assumptions documentation, the notes for line 109, *Fiscal Analyst – Sustainability Evaluation*, includes a reference that some of the funds may be used for a rules and regs/minimum standards study.
10. The Community Outreach column was reviewed by Staff and the following re-allocations of amounts were made:

<b>Line Reference</b>	<b>Amount Out of Community Outreach</b>	<b>Transferred to Department</b>	<b>Explanation</b>
#64 ACAT – Professional Services	\$1,400	Airside Operations	10% of ACAT professional expenses
#65 ACAT – Projects	\$9,740	Airside Operations	15% of Airspace Development and Enhanced UNICOM projects and 20% of New Projects
#67 Access Control Security	\$500	Airside Operations	Amounts related to community access to building could be incurred by another business.
#73 Communications	\$4,500	Airside Operations	Budget \$500 for Community Outreach – usage of internet, TV, & wifi by public would be offered by other FBOs.
#79 Dues and Subscriptions	\$4,000	Airside Operations and Administration	Subscriptions related to noise issues would be incurred by any airport in the course of managing their business.
#88 Office Supplies	\$2,000	Airside Operations	Supplies will not be directly charged to Outreach, but considered a part of normal Airside Operations.
#91 Operations Monitoring	\$25,000	Airside Operations	Allocation of usage of Flight Tracking and WASP systems for Airside needs.
#94 Internet, Print, Broadcast and Direct Mail	\$6,000	Airside Operations	Some of the publicity incurred by the District would be done by any other airport.

Note that the total amount for each line item did not change – just the allocation across departments. The net change to the Community Outreach Department was a decrease of \$53,140, bringing the related percentage of Property Tax Revenues to 28%.

11. The breakdown of Hangar Revenues on line #13 was requested:

T-Hangars	\$850,000
Box Hangars	\$361,000
Overnight Hangar Rentals	<u>\$20,000</u>
	\$1,231,000

Note that this is for informational purposes only. The breakdown will not appear in the budget or in the accounting records going forward.

A summary of changes to Line 214, "Net Cash Flow," follows:

Original Cash Outflow – Draft of 9/16/13	(\$756,430)
Adjust merit increases to pay scale	(\$1,486)
Purchase winter jackets for Operations Staff	(\$1,500)
Work to cleanup Alder Beacon	(\$10,000)
Paint Hangar Row B	(\$16,000)
Purchase man-doors for hangars	(\$7,000)
Obstruction removal	(\$35,000)
Increase to Safety Initiatives	<u>(\$10,000)</u>
- Revised Cash Outflow	(\$837,416)

The budget will not be published until the fiscal 2012-2013 audit is completed, as those numbers appear in the final document. Please keep the attached copy for reference until the final edition is distributed in December.

**TRUCKEE TAHOE AIRPORT DISTRICT**  
**FISCAL 2013-2014 BUDGET SUMMARY TABLE**  
**Draft for Board Approval 9/26/2013**

				FY 2012-2013 BUDGET	FY 2012-2013 ESTIMATE	FY 2013-2014 BUDGET	
OPERATING REVENUES				\$ 3,830,655	\$ 3,944,493	\$ 3,986,418	
COST OF SALES				(1,137,802)	(1,195,789)	(1,283,972)	
SALARIES, WAGES & BENEFITS				(2,090,322)	(1,910,506)	(2,182,577)	
	<b>GROSS PROFIT</b>			<b>\$ 602,531</b>	<b>\$ 838,198</b>	<b>\$ 519,869</b>	
OPERATING, GENERAL & ADMIN. EXP.				(2,313,637)	(2,310,739)	(2,417,665)	
REPAIRS & MAINTENANCE (NET OF OPERATING GRANTS)				(1,454,250)	(1,217,041)	(1,816,580)	
	<b>NET LOSS FROM OPERATIONS</b>			<b>\$ (3,165,356)</b>	<b>\$ (2,689,582)</b>	<b>\$ (3,714,376)</b>	
PROPERTY TAX REVENUE				4,155,000	4,524,421	4,360,000	
OTHER INCOME			A	535,000	64,622	30,000	
	<b>NET INCOME BEFORE DEPRECIATION</b>			<b>\$ 1,524,644</b>	<b>\$ 1,899,461</b>	<b>\$ 675,624</b>	
CAPITAL FUNDING RECEIVED				828,360	433,745	387,360	
CAPITAL EXPENDITURES NET OF PROCEEDS FROM SALES				(2,224,900)	(614,400)	(1,900,400)	
	<b>NET INCREASE (DECREASE) IN CASH</b>			<b>\$ 128,104</b>	<b>\$ 1,718,806</b>	<b>\$ (837,416)</b>	
	A Note that the \$500,000 receivable from the Joerger Family was budgeted to be received in FY2013.						

**TRUCKEE TAHOE AIRPORT DISTRICT  
FISCAL 2013-2014 BUDGET  
Draft for Board Approval 9/26/2013**

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**TRUCKEE TAHOE AIRPORT DISTRICT**  
**FISCAL 2013-2014 BUDGET**  
**Draft for Board Approval 9/26/2013**

		AIRSIDE	HANGARS	OTHER	WAREHOUSE	ADMINISTRATION	MAINTENANCE	COMMUNITY	LAND	CAPITAL	TOTAL	
		OPERATIONS		BUS. LEASES				OUTREACH	MANAGEMENT	IMPROVEMENTS		
23												23
24												24
25												25
26	<b>COST OF GOODS SOLD</b>											26
27												27
28	Aviation Fuel Cost - 100LL	374,100									374,100	28
29	Jet Fuel and Prist Cost	892,930									892,930	29
30	Oil & Lubricant Cost	900									900	30
31	Merchandise Purchases	1,500									1,500	31
32	Inventory Shrinkage	14,541	Estimate 1.5% of gallons sold for 100LL and 1% for JetA								14,541	32
33												33
34	<b>TOTAL COST OF GOODS SOLD</b>	1,283,972	0	0	0	0	0	0	0	0	1,283,972	34
35												35
36												36
37	<b>PAYROLL AND EMPLOYEE BENEFITS</b>											37
38												38
39	Salaries & Wages	358,809	69,577	28,905	28,905	296,464	184,326	173,913	12,559		1,153,458	39
40	Overtime	3,644	641	87	87	2,953	1,484	2,304			11,200	40
41	Other Pay	5,940	1,260	540	540	4,140	3,240	2,160	180		18,000	41
42	Vacation, Sick, and Holiday Pay (15%)	63,319	12,278	5,101	5,101	52,317	32,528	30,691	2,216		203,551	42
43												43
44	<b>TOTAL SALARIES &amp; WAGES</b>	431,712	83,756	34,633	34,633	355,874	221,578	209,068	14,955	0	1,386,210	44
45												45
46	PERS Total Contributions	102,795	19,959	8,296	8,296	84,750	52,853	49,652	3,591		330,191	46
47	PERS Employee Contributions	(34,245)	(6,649)	(2,764)	(2,764)	(28,234)	(17,608)	(16,541)	(1,196)		(110,002)	47
48	Medicare Expense	6,260	1,214	502	502	5,269	3,213	3,137	218		20,315	48
49	FICA Expense - Temporary Employees	250	125	25	25	500	40	446			1,411	49
50	Employee Benefit Insurance	132,283	24,224	8,737	8,737	98,973	67,181	59,323	3,392		402,850	50
51	Workers' Compensation Insurance	29,165	2,619	1,629	1,629	13,307	15,577	8,163	963		73,052	51
52	State Unemployment	5,000					5,000				10,000	52
53	Training and Education (includes travel costs)	9,850				17,900	7,550	12,700			48,000	53
54	Other Employee Benefits	4,457				9,077	5,610	1,406			20,550	54
55												55
56	<b>TOTAL PAYROLL AND BENEFITS</b>	687,525	125,247	51,059	51,059	557,416	360,994	327,352	21,923	0	2,182,577	56
57												57
58	<b>GROSS PROFIT (LOSS)</b>	269,892	1,145,752	104,671	267,241	(557,416)	(360,994)	(327,352)	(21,923)	0	519,869	58
59												59

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		AIRSIDE	HANGARS	OTHER	WAREHOUSE	ADMINISTRATION	MAINTENANCE	COMMUNITY	LAND	CAPITAL	TOTAL	
		OPERATIONS		BUS. LEASES				OUTREACH	MANAGEMENT	IMPROVEMENTS		
60	<b>OPERATING, GENERAL, AND ADMINISTRATIVE EXPENSES</b>											60
61												61
62	<b>ACAT: See note A below</b>											62
63	<b>Meetings</b>							15,800			15,800	63
64	<b>Professional Services</b>	1,400						12,600			14,000	64
65	<b>Projects</b>	9,740						94,960	A		104,700	65
66	<b>Training and Education</b>							13,500			13,500	66
67	<b>Access Control / Security</b>	1,500							500		2,000	67
68	<b>Accidents and Damage</b>	500	500			500	500				2,000	68
69	<b>Air Show</b>							130,000			130,000	69
70	<b>Annoyance Reduction Programs (Includes Fly QT Program)</b>							128,000			128,000	70
71	<b>Aviation Safety Initiatives</b>	20,000				5,000					25,000	71
72	<b>Cash Over/Short</b>	100									100	72
73	<b>Communications - Phone/Radio/Internet</b>	10,500	500			29,500	7,000	500			48,000	73
74	<b>Conventions &amp; Conferences</b>					20,000		10,000			30,000	74
75	<b>County Support - Tax Collection Fees</b>					95,000					95,000	75
76	<b>Credit Card Processing Fees</b>	67,242	21,056								88,298	76
77	<b>Directors' Fees &amp; Board Meeting Expenses</b>					20,000		20,000			40,000	77
78	<b>Directors' Medical Insurance</b>					76,000					76,000	78
79	<b>Dues &amp; Subscriptions</b>	4,500				10,400	2,500	1,000			18,400	79
80	<b>Employee Relations Activities</b>	3,000	400			3,600	3,000	1,500			11,500	80
81	<b>Employment Expenses</b>	1,250				1,250	1,000				3,500	81
82	<b>Equipment Rental</b>					15,100					15,100	82
83	<b>Geographic Information System</b>	6,000				15,000	8,000	8,000			37,000	83
84	<b>Homebasing Incentive</b>	500	85,500								86,000	84
85	<b>Insurance</b>	11,200	25,600	1,600	3,200	32,000	6,400				80,000	85
86	<b>Library and Reference Materials</b>	1,000				500					1,500	86
87	<b>Office Equipment - R &amp; M &amp; Purchase</b>	2,000	500			28,000	2,500	7,500			40,500	87
88	<b>Office Supplies</b>	4,000	2,000			11,000	1,000				18,000	88
89	<b>Operating Supplies/ Small Tools</b>	6,500	500	250	250	4,500	9,500				21,500	89
90	<b>Operating Supplies - Shop towels, laundry</b>						4,000				4,000	90
91	<b>Operations Monitoring</b>	25,000				25,000		191,488			241,488	91
92	<b>Outreach Program:</b>											92
93	<b>Consultant</b>	5,000	3,000			6,000		10,000			24,000	93
94	<b>Internet, Print, Broadcast and Direct Mail</b>	10,000	1,000			9,250		34,000			54,250	94
95	<b>Events and Programs</b>							18,250			18,250	95
96	<b>Sponsorships</b>							25,000			25,000	96
97	<b>Promotional Items</b>							14,900			14,900	97
98	<b>Pilot Outreach (includes EAA payment in-kind)</b>							13,650			13,650	98
99	<b>Website</b>	30,000	5,000			15,000		10,000			60,000	99
100	<b>Permits, Licenses, &amp; Fees (Includes LAFCO fees)</b>	2,500				33,100	2,700				38,300	100
101	<b>Postage, Freight, and Delivery</b>	100	1,200			2,200	500				4,000	101
102	<b>Printing &amp; Copying</b>	1,000				3,000		1,000			5,000	102
103	<b>Professional Services:</b>											103
104	<b>Accounting &amp; Auditing</b>					22,000					22,000	104
105	<b>Legal</b>					70,000		10,000			80,000	105
106	<b>Computer Support / Network Administration</b>	9,000	12,000			38,000		2,500			61,500	106
107	<b>Other Professional Fees</b>	80,000	7,500	7,500	7,500	39,500	30,000	85,000	22,000		279,000	107
108	<b>Engineering</b>	5,000	1,000			13,000	42,429				61,429	108
109	<b>Fiscal Analyst - Sustainability Evaluation</b>	8,000	3,000	2,000	2,000	25,000		5,000			45,000	109
110	<b>Travel &amp; Business Meals Expense (Local)</b>	200				3,000		300			3,500	110
111	<b>Utilities:</b>											111
112	<b>Electricity</b>	34,500	67,500	4,500	6,000	15,000	16,500	6,000			150,000	112
113	<b>Gas</b>	2,750	250	3,250	250	4,250	9,250	2,000			22,000	113
114	<b>Water &amp; Sewer</b>	2,000				10,000	1,000	2,000			15,000	114
115	<b>Garbage</b>	3,000	12,000			3,000	2,000	500			20,500	115
116	<b>Fire Monitoring Service</b>		4,000		400	2,200	900				7,500	116
117	<b>Other (Income) and Expense</b>					2,000					2,000	117
118												118
119	<b>TOTAL OPERATING, G &amp; A EXP</b>	368,982	254,006	19,100	19,600	707,850	150,679	874,948	22,500	0	2,417,665	119
120												120

TRUCKEE TAHOE AIRPORT DISTRICT  
FISCAL 2013-2014 BUDGET  
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		AIRSIDE	HANGARS	OTHER	WAREHOUSE	ADMINISTRATION	MAINTENANCE	COMMUNITY	LAND	CAPITAL	TOTAL	
		OPERATIONS		BUS. LEASES				OUTREACH	MANAGEMENT	IMPROVEMENTS		
121	NET CASH TO HERE	(99,090)	891,746	85,571	247,641	(1,265,266)	(511,673)	(1,202,300)	(44,423)	0	(1,897,796)	121
A	The ACAT budget was prepared by the ACAT. The Projects budget contains \$18,700 to fund new projects; expenses in this category would be subject to Board approval before any funds are expended.											



**TRUCKEE TAHOE AIRPORT DISTRICT**  
**FISCAL 2013-2014 BUDGET**  
**Draft for Board Approval 9/26/2013**

		AIRSIDE OPERATIONS	HANGARS	OTHER BUS. LEASES	WAREHOUSE	ADMINISTRATION	MAINTENANCE	COMMUNITY OUTREACH	LAND MANAGEMENT	CAPITAL IMPROVEMENTS	TOTAL	
122	REPAIRS AND MAINTENANCE											122
123												123
124	Vehicles Expense (includes insurance \$7,200)	16,300					16,300				32,600	124
125	Equipment Expense	37,250					48,000				85,250	125
126	Airfield Equipment, Lights and Signs	96,000									96,000	126
127	Aviation Safety Related Equipment	5,000									5,000	127
128	R & M - Pavement Maintenance & Cracksealing	730,750									730,750	128
129	Anticipated Grant Funding for Eligible Pavement Maintenance	0									0	129
130												130
131	Repair and Maintenance - Facilities	13,000	307,420	100,860	54,500	53,800	21,600				551,180	131
132	Hazardous Material & Waste Disposal	6,000	500				7,500				14,000	132
133	Land Management	35,000							266,800		301,800	133
134												134
135	TOTAL REPAIRS & MAINTENANCE	939,300	307,920	100,860	54,500	53,800	93,400	0	266,800	0	1,816,580	135
136												136
137												137
138												138
139	NET CASH FLOW FROM OPERATIONS	(1,038,390)	583,826	(15,289)	193,141	(1,319,066)	(605,073)	(1,202,300)	(311,223)	0	(3,714,376)	139
140												140
141	Net Cash Flow from Operations, excluding Community Outreach and Land Management					(\$2,200,851)						141
142	Related Percentage of Property Taxes					-50.5%						142
143												143
144	Related Percentage of Property Taxes to Fund Pavement Work (included above)					-16.8%						144
145	Related Percentage of Property Taxes to fund Facilities Work per Plan (included above)					-11.0%						145
146												146
147						Net Cash Flow Related to Community Outreach		(\$1,202,300)				147
148						Related Percentage of Property Taxes		-27.6%				148
149												149
150												150
151	OTHER INCOME AND EXPENSE											151
152												152
153	Interest Income					30,000					30,000	153
154	Receipt of Long-Term Receivable from Joerger Family										0	154
155	Operating Grants										0	155
156												156
157	TOTAL OTHER INCOME AND EXPENSE	0	0	0	0	30,000	0	0	0	0	30,000	157
158												158
159	NET CASH FLOW BEFORE CAPITAL EXPENDITURES AND PROPERTY TAXES											159
160		(1,038,390)	583,826	(15,289)	193,141	(1,289,066)	(605,073)	(1,202,300)	(311,223)	0	(3,684,376)	160
161												161
162												162

**TRUCKEE TAHOE AIRPORT DISTRICT**  
**FISCAL 2013-2014 BUDGET**  
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		AIRSIDE OPERATIONS	HANGARS	OTHER BUS. LEASES	WAREHOUSE	ADMINISTRATION	MAINTENANCE	COMMUNITY OUTREACH	LAND MANAGEMENT	CAPITAL IMPROVEMENTS	TOTAL	
163	<b>CAPITAL EXPENDITURES FOR FY 2013-2014</b>											163
164	Amounts designated by a ◀ require Board Approval prior to obligating any funds.											164
165	<b>FAA GRANT ELIGIBLE PROJECTS/ITEMS</b>											165
166	Replace Plow Truck									(430,400)	(430,400)	166
167												167
168												168
169												169
170												170
171												171
172	<b>TOTAL OF GRANT ELIGIBLE ITEMS</b>									(430,400)	(430,400)	172
173												173
174	<b>ESTIMATED GRANT PROCEEDS</b>									387,360	387,360	174
175												175
176	<b>ESTIMATED TTAD CONTRIBUTION TO ABOVE ITEMS</b>									(43,040)	(43,040)	176
177								Grant Eligible Projects As a Percentage of Property Tax Revenues			-1.0%	177
178	<b>OTHER 2013 - 2014 PROJECTS</b>											178
179	Enhanced ARFF Resources for Airport & Community									(450,000)	(450,000)	◀ 179
180	Design and Permitting for Multipurpose Community Hangar									(375,000)	(375,000)	◀ 180
181	Helipad for Emergency Services (Tahoe City)									(270,000)	(270,000)	181
182	Replace Bald Mountain Beacon									(100,000)	(100,000)	182
183	Automated Weather Observing System (AWOS) - YR 2									(80,000)	(80,000)	183
184	Replace 2000 man-lift (assumes purchase of used equip)									(50,000)	(50,000)	184
185	Replace 2007 Operations Truck									(35,000)	(35,000)	185
186	Jet Fuel Convault for Emergency Services									(30,000)	(30,000)	186
187	Small 4WD SUV									(30,000)	(30,000)	187
188	Replace Vehicle Lift in the Maintenance Bay									(25,000)	(25,000)	188
189	Lease Management Software									(25,000)	(25,000)	189
190											0	190
191	<b>TOTAL FOR OTHER PROJECTS</b>									(1,470,000)	(1,470,000)	191
192								Total Other Projects as a Percentage of Property Tax Revenues			-33.7%	192
193	<b>LAND PURCHASES / DEVELOPMENT</b>											193
194	Allocation for land purchase/development								0		0	◀ 194
195	<b>TOTAL FOR LAND PURCHASES / DEVELOPMENT</b>								0		0	195
196												196
197												197
198	<b>TOTAL CAPITAL EXPENDITURES (LINES 172 189 &amp; 194)</b>								0	(1,900,400)	(1,900,400)	198
199												199
200	<b>ESTIMATED GRANT PROCEEDS (LINE 174)</b>								0	387,360	387,360	200
201												201
202	<b>NET CASH FLOW FOR CAPITAL EXPENDITURES</b>	0	0	0	0	0	0	0	0	(1,513,040)	(1,513,040)	202
203												203
204	<b>NET CASH FLOW after CAPITAL EXPENDITURES and BEFORE PROPERTY TAXES</b>											204
205		(1,038,390)	583,826	(15,289)	193,141	(1,289,066)	(605,073)	(1,202,300)	(311,223)	(1,513,040)	(5,197,416)	205
206												206
207	<b>PROPERTY TAXES</b>					Net Cash Flow Related to Land Purchase / Management			(311,223)			207
208						Related Percentage of Property Taxes			-7.1%			208
209	Property Taxes - Nevada County					1,500,000					1,500,000	209
210	Property Taxes - Placer County					2,860,000					2,860,000	210
211												211
212	<b>Total Property Tax Revenue</b>					4,360,000					4,360,000	212
213												213
214	<b>NET CASH FLOW</b>	(1,038,390)	583,826	(15,289)	193,141	3,070,934	(605,073)	(1,202,300)	(311,223)	(1,513,040)	(837,416)	214
215								Related Percentage of Property Taxes			-19.2%	215



Line #	Budget Assumptions	Fiscal Year 2013-2014
	<b>Operating Revenues</b>	
1 - 2	<i>Aviation Fuel Sales and Jet Fuel Sales</i> – The budget assumes the sale of 3% fewer gallons of 100LL than the District estimates it will sell in FY2013; this reflects the trending of 100LL sales, which have decline 3% in each of the last three fiscal years. The budget assumes the sale of 7% more gallons of JetA than are estimated to be sold in FY2013. The District may begin to sell contract fuel in the upcoming year, and the effect that will have on sales cannot be quantified. The sales prices per gallon used for budgeting purposes are derived by taking the District's purchase price at 8/20/13 and adding on a gross margin of seventy-five cents per gallon for 100LL self-serve, \$1.30 for 100LL full-serve, and \$2.00 per gallon for JetA. Revenues from fuel sold to SASOs (based on quantities in the preceding 12 months) are estimated based on a discount of ten cents per gallon of 100LL sales and fifty cents per gallon on JetA sales.	
5	<i>Auto Parking</i> - Budgeted amounts are based on actual results for the period from 7/1/12 - 6/30/13.	
6-7	<i>Tiedowns and Transient Use Fees (TUF)</i> - Revenues from Tiedowns and TUFs are estimated based on activity during the previous twelve month period (adjusting for the runway closure in 2012) using the rates and pricing structure in effect at July 31, 2013.	
9-11	<i>Other Airside Revenues</i> - Budgeted amounts are based on actual revenues for the period from 7/1/12 - 6/30/13 for existing services. Revenues for the ground power unit (which has only been in service since February) were annualized based on existing sales data.	
13	<i>Hangar Rental Income</i> - The Hangar Rental Income line includes monthly hangar rent at the base rate and share fees. Annual pre-payment discounts of \$13,560 are netted out of that total (they are assumed to continue at the current level). Based on current occupancy, a 12% vacancy rate is factored in. Nightly hangar revenues (\$20,000) are also included on this line.	
16	<i>Other Business Leasing</i> - Rents for Red Truck, Sierra Aero, Hertz, Careflight, Soar Truckee and the Experimental Aircraft Association are calculated to increase by a 1.0% CPI adjustment in the month stated in the corresponding lease. No rental revenues have been included for Hangar #2. In the twelve months ended 6/30/13 the District received \$70,995 from Hertz in concession revenues. The current budget includes \$70,000 for Hertz Concessions. EAA revenues are included at \$1,129 per month (pre-CPI), and an offsetting expense is included in Other Public Relations - Community Outreach, as we anticipate payment-in-kind in accordance with their current contract.	
18	<i>Warehouse Revenues</i> - Rents for Clear Capital, Mt. Home Center, Porter's, Wholesale Resort and Porter Simon are included with a 1.0% CPI adjustment in the month stated by their lease.	
	<b>Cost of Goods Sold</b>	
28-29	<i>Aviation and Jet Fuel Cost</i> - The number of gallons of fuel that are being budgeted as sales were costed at the purchase price effective 8/20/13.	
32	<i>Inventory Shrinkage</i> is estimated at 1.5% of total cost of the number of gallons of 100LL the District anticipates selling and 1.0% of the cost of the JetA fuel the District is forecasting to sell. The actual rate for October 2012 through July of 2013 was 1.0% for 100LL and 1.0% for Jet A.	
	<b>Payroll and Employee Benefits</b>	
39-40	<i>Salaries and Wages</i> are budgeted based on full staffing levels, with a vacancy factor included. The exempt and administrative positions are budgeted at 2080 hours per year. The Operations/ Maintenance Technicians are budgeted at 2080 hours plus 88 hours of holiday pay. Seasonal employees (snow removal) are budgeted for a total of 380 hours. The overtime included in the budget was estimated to be the same as the number of hours of overtime incurred over the past twelve months for regular, full-time, hourly employees, adjusted for staffing changes. The cost of living increase approved by the Board of Directors at the August 22, 2013 meeting is included in the budget. Merit increases, which are at the discretion of the General Manager, have been included at an average of 2%. The Director of Finance and Administration position has been budgeted to have a three month overlap as the existing employee transitions out.	



Line #	Budget Assumptions	Fiscal Year 2013-2014
	<b>Payroll and Employee Benefits (continued)</b>	
41	<i>Other Pay</i> – Includes the following: Cost savings awards (\$2,500), Safety awards (\$2,850), safety officer assignment pay (\$1,500), Aviation Knowledge Certification Program pay (\$5,000), and \$6,150 in performance awards (at General Manager's discretion).	
42	<i>Vacation, Sick and Holiday Pay</i> - has been estimated at 15% of total straight-time wages and salaries, consistent with prior year. The actual rate for the first nine months of the 2012-2013 fiscal year was 14%.	
46-54	<i>Benefits</i> - PERS contributions are based on the contribution rate provided by PERS. The District's Contribution Rate is currently 15.685%; the estimated rate used for the next PERS fiscal year (7/1/14 - 6/30/15) is 16.6%; however, PERS has stated that rate may due to new actuarial policies. The District's budget uses a rate of 17% for the period from July 1, 2014 – September 30, 2014. The Employee portion of the contributions remains constant at 8%. The effect of the new (2 <sup>nd</sup> ) tier of pension benefits is not calculated in the budget as it currently only effects two employees. Medicare and FICA expenses are based on current rates. <i>Employee Benefit Insurance</i> is budgeted based on the current medical insurance program with the District self-insuring for a portion of the coverage. The District's self-insurance payouts have been conservative estimated based on the first year's experience. The District's medical premiums are budgeted to increase 12% beginning with the renewal on August 1, 2014. The dental and vision premiums are budgeted to increase by 7% at the time of the policy renewal. The amount shown as the cost of <i>Employee Benefit Insurance</i> is net of the 7% employees contribute toward the insurance. The District's Workers' Comp Insurance experience factor has increased from 103% to 119%. <i>Training and Education</i> costs are budgeted at \$48,000 to reflect the Aviation Knowledge Certification Program, the general manager's aviation stipend, employee flight currency, and other employee training opportunities. <i>Other Employee Benefits</i> include the General Manager's car allowance of \$500/month, cell phone allowances, uniform allowances, plus insulated coveralls, rain gear, jackets and other safety gear as needed.	
	<b>Operating, General and Administrative Expenses</b> The majority of the Operating, General and Administrative Expenses were estimated based on the results of the previous twelve months. Other significant circumstances which were taken into consideration in the budgeting process are noted below.	
62-66	<i>ACAT</i> - ACAT's budget was generated by the team.	
69	<i>Air Show</i> - Based on the current estimate from the Air Fair Committee for next year's event.	
70	<i>Annoyance Reduction Programs</i> - The expense of the Signatory Incentive - Fly QT Program is included here. Other noise abatement expenses are budgeted to cover signage, printing, meetings or other outlays not connected to ACAT.	
71	<i>Aviation Safety Initiatives</i> – Provides funding for two fire fighters to attend ARFF training and other aviation safety programs identified through the year. This also provides funding for an aviation safety quarterly meeting series.	
73	<i>Communications</i> – This line item includes phone service/equipment and internet access. Includes \$5,000 for an additional repeater for the maintenance radio frequency.	
74	<i>Conventions and Conferences</i> - Attendance is anticipated at the Special District Institute conferences, ICAS, AAAE events, the UC Davis Eco-Aerovision Conference, FAA and CSDA events.	
75	<i>County Support</i> - Estimated at 2.09% of property taxes, based on prior year actuals.	
76	<i>Credit Card Processing Fee</i> - Estimated at 3% of Total Airside Operations Revenues (prior 6 month total was 2.7% of corresponding revenues). Fees for hangar rental payments were estimated based on 62% of hangar payments being made by credit card at 3.2% - rate is higher as cards are not swiped.	
77	<i>Director's Fees and Board Meeting Expenses</i> - Budgeted for 15 meetings at \$800 each and one offsite meetings at \$3,000. Also included are \$1,800 to cover technology related expenses. The expenses anticipated related to the broadcasting of the Board meetings (\$20,000) has been included in the Community Outreach category.	



Line #	Budget Assumptions	Fiscal Year 2013-2014
	<b>Operating, General and Administrative Expenses (continued)</b>	
78	<i>Directors' Medical Insurance</i> - has been budgeted based on the Directors' current policies with a 15% premium increase factored in.	
83	<i>Geographic Information System</i> - The GIS is used to assist pilot and community education, detail airfield history, and in the development and implementation of an Open Space Acquisition Plan. GIS is also integral in the Flight Tracking System capabilities and maintaining the District's infrastructure – the utilities plan will be represented in the GIS.	
84	<i>Homebasing Incentive</i> - Based on the Signatory Incentive Election Forms currently on file for hangar tenants. An additional \$500 has been included to cover possible participation by annual tie-down customers.	
85	<i>Insurance</i> - Insurance premiums were budgeted based on the current policies with an estimated increase of 15% for liability coverage and 10% for property coverage. Current premiums: Property - \$45,642, Liability \$13,800, and Elected Officials - \$15,701.	
87	<i>Office Equipment</i> - Budget includes amount to purchase IT equipment (\$24,500) and other office equipment (\$5,000) as required for operations and in accordance with policy. In addition, \$10,000 has been budgeted to setup a backup server location in the maintenance building.	
89	<i>Operating Supplies / Small Tools</i> – Costs related to ongoing operations – which vary by department to include such items as tiedown rope and chocks for Airside Operations, software for the Administrative Department and offset wrenches for Maintenance.	
91	<i>Operations Monitoring</i> – Includes the WASP monitoring fee of \$18,000 and an additional \$3,000 for battery replacement. The recurring maintenance fees for the Flight Tracking System and the site leases (\$15,500) are included here as well as \$20,000 for maintenance, and \$2,500 for support services. The recurring maintenance fees total \$118,000 and include Volans, NavAid and ITT. Additionally, \$40,000 is budgeted for the FAA Facility Transmitting Authorization process. The \$25,000 in the Administrative Department column is related to potential costs for Air Traffic Control (ATC) certification and testing of the flight tracking system. If successful, this would permit the integration of our flight tracking data with ATC systems (Oakland Center and NorCal Approach).	
92-99	<i>Outreach Program</i> - The total is \$210,050 for the various elements of the Outreach Program. Line 93 "Consultant" represents fees for outside services. Line 94, "Internet, Print, Broadcast and Direct Mail" includes \$12,000 for radio outreach, \$6,000 for print ads and \$30,000 for the newsletters. The "Events and Programs" line includes various outreach meetings, the community bike program, and the Santa Fly-In. Sponsorships are contributions to various local events/agencies as determined by policy – the amount budgeted is \$25,000, which includes \$7,500 for Excellence in Education grants. The "Promotional Items" line includes funds for signage, handouts, gliders, etc. Line 98, "Pilot Outreach," includes the potential expense for the in-kind payment from EAA of \$13,650.	
100	<i>Permits, Licenses and Fees</i> – Included here are mandated fees for inspections and environmental monitoring, LAFCO expenses, fees paid to Paychex for the time tracking system, payroll processing and human resource administration.	
104	<i>Accounting and Audit</i> - Expenses are budgeted based on the Engagement Letter with the auditor.	
105	<i>Legal</i> - Legal expenses were estimated based on the activity in the previous twelve months (\$51,450), with an increase related to possible costs on the land lease issue. A request for proposals for District Counsel is being issued, and hourly rates could increase. FY 2014 legal fees will be budgeted to increase over the prior year actual experience. The legal expense in the Community Outreach Dept. is for specific aviation law support.	
106	<i>Computer Support/Network Administration</i> - The amount budgeted includes software support and maintenance contracts. Estimates of the annual maintenance costs by workstation were made by district staff to include monitoring of the District's IT network, backup services and data maintenance. There are \$18,000 budgeted for an IT Content Management System and \$8,000 budgeted for penetration testing and internal threat assessment.	





Line #	Budget Assumptions	Fiscal Year 2013-2014
	<b>Operating, General and Administrative Expenses (continued)</b>	
107	<i>Other Professional Fees</i> - The amount budgeted can be detailed as follows: \$150,000 for the Airport Master Plan, \$30,000 for consulting costs related to the creation of a capital facilities plan for utilities, \$85,000 for aviation consulting related to non-ACAT issues such as airspace and safety, \$7,000 related to land appraisals, \$5,000 for an Art Coordinator and \$2,000 for consultation related to employment issues.	
108	<i>Engineering</i> - Engineering fees are based on the level of service anticipated, including the Facility Maintenance Plan work. These are fees not attributable to capitalized projects.	
109	<i>Fiscal Analyst – Sustainability Evaluation</i> – Funds budgeted to provide resources for Staff and Board to analyze fiscal and operational sustainability of programs, projects and initiatives – such as the multi-use hangar project or a rules and regs/minimum standards study.	
111-116	<i>Utilities</i> – The utility costs for the admin building are based on experiences. The electrical and gas utility costs related to the admin building are allocated to Operations, Administration and Community Outreach Departments.	
	<b>Repair and Maintenance Expenses</b>	
124-125	<i>Vehicle and Equipment Expense</i> - The previous twelve month expenses were calculated and then adjusted for expected expenses related to: refurbishment of the old JetA truck, replacement of a seal on the new JetA truck, purchase of a portable tug for aircraft, funds for replacement/repair of snow removal equipment cutting edges, and the purchase of a new snow blower. The vehicle expense line includes auto insurance (anticipated to increase slightly due to the budgeted purchase of a new vehicles) and the unleaded fuel used by District vehicles. The Equipment line includes the expense for diesel fuel for equipment - including snow removal equipment, in addition to the repair and maintenance of the District's equipment.	
126	<i>Airfield Equipment, Lights and Signs</i> - Costs of the fuel farm, self-serve station, airfield lights, signs and navigation aids are included here. The Facilities Maintenance Plan calls for \$30,000 in work on the fuel farm and \$35,000 for the fuel island. While we are budgeting in accordance with the Plan, Staff will investigate the requirements and ensure the needs are met at the most reasonable expense to the District. Alder Hill Beacon cleanup is budgeted at \$10,000.	
127	<i>Safety Related Equipment</i> – The budget includes \$3,000 to provide some type of heating to hangar A09 and \$2,000 for other projects which may develop.	
128	<i>Repair and Maintenance - Pavement Maintenance and Cracksealing</i> - Includes \$695,750 for pavement maintenance. Also included is \$20,000 for crack filling/repair including supplies for work performed by District personnel and \$15,000 for an update to the Pavement Management Plan (PMP). The updated PMP will detail the work to be completed in the summer of 2014. If the projects are determined to be capitalizable, they will be included as fixed assets and not expensed.	
129	<i>Anticipated Grant Funding for Airfield Pavement Maintenance</i> - The District is not anticipating any FAA or Caltrans funding of pavement maintenance projects.	
131	<i>Repair and Maintenance Expenses</i> – The Repair and Maintenance Expenses for the facilities were based on the Facilities Maintenance Plan plus specific projects noted by Staff. Of the total amount budgeted (\$528,180), projects identified by the Plan represent \$399,430 of the total. The cost of janitorial service for the admin building is also included at \$24,000.	
133	<i>Land Management</i> - Includes funding for the projects listed in the Forest Management Plan (\$166,800), plus \$80,000 in road repairs. Also included is \$10,000 for a Truckee River Watershed Council partnership contribution for parcel mitigation on the Martis Creek Estates and Ponderosa Golf Course parcels. The \$35,000 in Airside is related to the obstruction project.	
	<b>Other Income and Expense</b>	
153	<i>Interest</i> - Interest on our LAIF account was estimated based on the July 2013 balance being adjusted for anticipated cash flow related to property tax payments. The interest rate used was 0.25% - current rate at LAIF. Also included is the interest earned by the certificates of deposit held by the District.	
154	<i>Receipt of Long-term Receivable from the Joerger Family</i> – Note that no funds are anticipated being received at this time. The anticipated payment date is now July 1, 2016.	



Line #	Budget Assumptions	Fiscal Year 2013-2014
	<b>Capital Expenditures</b>	
165-166	<i>FAA Grant Eligible Projects</i> – The Plow Truck (model year 1990) replacement is on the ACIP in 2014, and Staff hopes that by having the specs completed and the project ready to go the District can receive FAA funding in the current fiscal year.	
174	<i>Grant Funding</i> is estimated at 90% of project costs.	
178-191	<i>Other Capital Projects</i> - Projects included here are based on staff input, evaluation of asset condition and the equipment replacement schedule. Note that the AWOS is included here as the project will not be competed in fiscal year 2012-2013. The design and permitting for the multipurpose hangar have been included; it is assumed that the construction would occur in the next fiscal year.	
	<b>Land Purchases / Development</b>	
193-194	<i>Allocation for land purchase/development</i> – No amount has been budgeted for FY2014; there are \$2,750,000 designated in Unrestricted Net Assets for land acquisitions.	
	<b>Property Taxes</b>	
209-212	<i>Property Taxes</i> - The estimates for the current property tax year (7/1/13 - 6/30/14) were based on the assessed valuations received from the counties and historical percentages. The valuation of the property in both counties increased slightly (an overall increase of 2.85%). Based on historical tax receipt rates (ratio of revenues to valuation), the District will budget property tax revenues to increase by 1% for Placer County and 0.5% for Nevada County from actual receipts in the previous tax year – those estimations include a reserve of 1.0%.	