

MEMO:

To: Board of Directors and Staff
From: Jane Dykstra
Subject: Financial Report
Date: February 17, 2011

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

Fuel Sales

	January 2011	January 2010	FYTD 10-11	FYTD 09-10	FYTD 10-11 Budget
100 LL - Gallons	8,819	4,087	24,039	21,637	
100 LL – Revenues	\$39,901	\$17,140	\$105,835	\$90,131	\$96,602
100LL – Net Revenues	\$3,702	\$1,946	\$11,060	\$10,635	\$10,747
Gross Margin Percentage			10.4%	11.8%	11.1%
JET A - Gallons	13,950	6,266	37,667	25,818	
JET A - Revenues	\$74,909	\$30,779	\$194,269	\$125,534	\$145,872
JET A – Net Revenues	\$33,699	\$15,282	\$92,411	\$63,925	\$71,029
Gross Margin Percentage			47.6%	50.9%	48.7%

The number of gallons sold of both 100LL and JetA are higher than sales in the first four months of the prior year. Overall Airside Revenues, year-to-date through January 31, 2011 are \$70,188 (8.13%) ahead of budget.

The District's auto policy is up for renewal April 1, 2010. Our current carrier declined to renew the coverage, stating that the fact that the vehicles are operated on the "airport tarmac" was an exposure outside their underwriting guidelines. I have completed applications for both Alliant and Alpine, our previous broker. Assuming the proposals come in within the budgeted amount, Staff will select a provider and have a policy bound. If there is not a quote within the budgeted amount, the item will be on the March agenda for Board consideration.

The District received \$1,476,774 from Placer County on January 20th. The payment represented \$1,523,559 in property taxes, \$1,330 in interest, and payment of both the LAFCO (\$1,758) and County Support fees (\$46,422). The taxes received represent 56% of the amount calculated by the county in their Estimated Allocation – a percentage consistent

with prior years. The total amount for County Support Expense between the two counties came to \$79,720, which exceeds the amount budgeted for the year by \$10,345. The amount charged is based on the actual costs incurred by the counties to collect the funds. The budgeted amount was based on the percentage the county support charge was of total property tax receipts in the prior year.

I have completed a request for a quote for medical insurance coverage through Special District Risk Management Authority (SDRMA), the group the District has its Workers' Compensation Insurance with. As they have over 80,000 members, they are able to offer lower rates than our current small group policy. In addition, the District may be eligible for certain discounts by having both types of coverage through SDRMA. A couple of years ago, when SDRMA first offered medical coverage, we received a quote, but the fact that some of our employees were living outside the state caused the rates to be higher than what we were paying at the time. They have revised their policy so that the location of the agency is used to determine the rates – not the zip code of the individual members. The rate schedule is not age-rated, as our current policy is, and the District could see a significant savings, if we are approved. Our application has been sent to underwriting, and they are expected to respond by the end of February. Our renewal rates for the Blue Shield policy which ends May 1, 2011 should be available the beginning of March. At the March 24, 2011 meeting the issue will be on the agenda with information on the options available.

Notification of the Board's decision on hangar rates was sent out with the February 1st invoices. Subsequently, on February 7, 2011, the executive hangar tenants also received revised copies of their Signatory Incentive Elections forms. Staff asked the tenants to sign them as acknowledgement of their new monthly rate and return them prior to March 1, 2011. As of February 17, we have received eight of the twenty-four forms – no comments have been received.

The District has retained outside counsel to handle an issue related to a hangar tenant who has filed for bankruptcy.

A new version of our fixed asset software has been installed, and a new version of CYMA, the accounting software, has been received and needs to be installed.

I will not be at the February 24, 2011 meeting, as I will be attending the California State Municipal Finance Officers' annual conference. I plan to be in the office in the afternoon on Monday, February 21st and Tuesday, February 22nd. I will be at the hangar tenant meeting that is scheduled for Tuesday evening at 6:00 PM, and then be leaving for the conference. If you have any questions, please contact me at 587-7692.