

Duluth Airport Authority 2018 YE Summary 2019 1st Quarter Financial Update

May 21st, 2019



Duluth Airport Authority DAA Board Packet Budget vs. Actual From Jan 2018 to Adjust 2018 Year-End #'s Post Audit							
Financial Row	Prior Year Actual (2017 - Adjust 2017)	Current Year Actual (Jan 2018 - Adjust 2018)	Budget Amount (Jan 2018 - Adjust 2018)	Variance from Prior Year	Variance From Budget	Total Budget (Jan 2018 Adjust 2018)	
Ordinary Income/Expense							
Income							
Non-Aeronautical Revenue	2,876,134	2,956,468	2,570,299	80,334	386,169	2,570,299	
Non-Passenger Aeronautical Revenue	1,656,078	1,599,158	1,517,677	(56,920)	81,481	1,517,677	
Passenger Airline Aeronautical Revenue	1,022,791	1,238,773	1,243,501	215,983	(4,728)	1,243,501	
Total - Income	5,555,003	5,794,399	5,331,477	239,396	462,922	5,331,477	
Gross Profit	5,555,003	5,794,399	5,331,477	239,396	462,922	5,331,477	
Expense							
Miscellaneous Expenses	22,464	28,343	27,550	5,879	793	27,550	
Personnel Compensation & Benefits	2,137,190	2,111,378	2,058,343	(25,812)	53,035	2,058,343	
Services and Charges	1,632,916	1,630,538	1,590,565	(2,378)	39,973	1,590,565	
Supplies	473,524	436,717	440,600	(36,807)	(3,884)	440,600	
Total - Expense	4,266,094	4,206,976	4,117,058	(59,117)	89,918	4,117,058	
Net Ordinary Income	1,288,909	1,587,422	1,214,419	298,513	373,004	1,214,419	
Other Income and Expenses							
Other Income							
Non-Operating Revenue	512,242	575,184	488,100	62,942	87,084	488,100	
Total - Other Income	512,242	575,184	488,100	62,942	87,084	488,100	
Other Expense							
Non-Operating Expense	353,053	330,594	407,344	(22,460)	(76,750)	407,344	
Total - Other Expense	353,053	330,594	407,344	(22,460)	(76,750)	407,344	
Net Other Income	159,188	244,590	80,756	85,402	163,834	80,756	
Net Income Exclusive of Project Expenses, Depreciation & Amortization	1,448,097	1,832,012	1,295,175	383,915	536,838	1,295,175	
Projects/Grants	21,931,918	9,533,826	14,219,500	(12,398,092)	(4,685,674)	14,219,500	
Depreciation & Amortization	(9,603,974)	(10,272,587)	(9,641,909)	(668,613)	(630,678)	(9,641,909)	
Net Income	13,776,042	1,093,251	5,872,766	(12,682,790)	(4,779,515)	5,872,766	

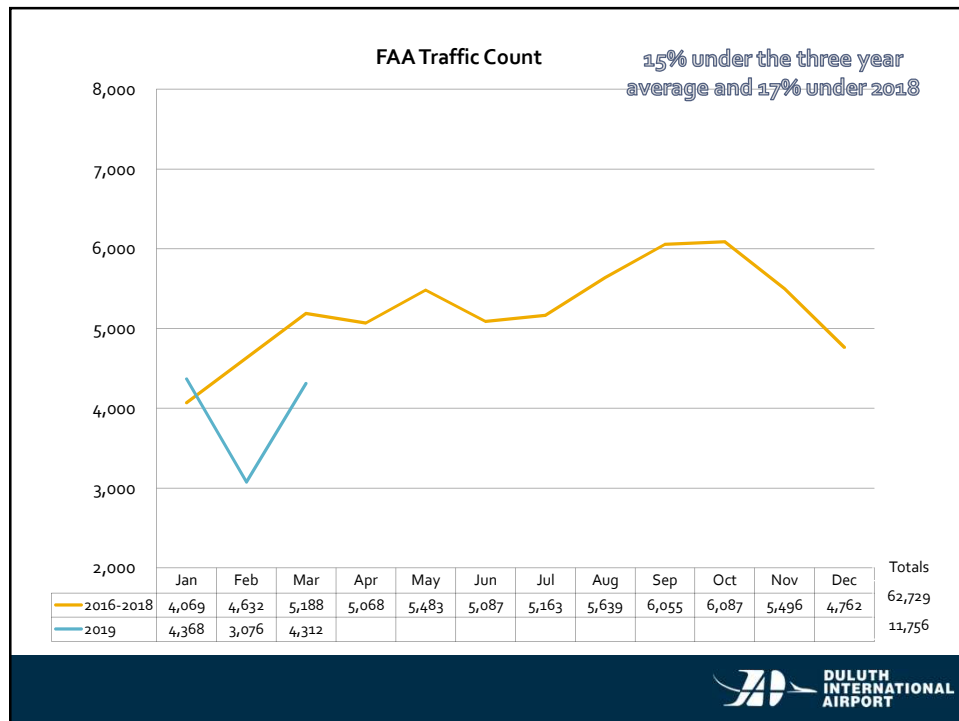
* This report is based on an allocated budget, which is seasonally adjusted. The DAA ended the year with a positive variance of over 536k.

* The results of this report are final, as the year-end audit is complete.

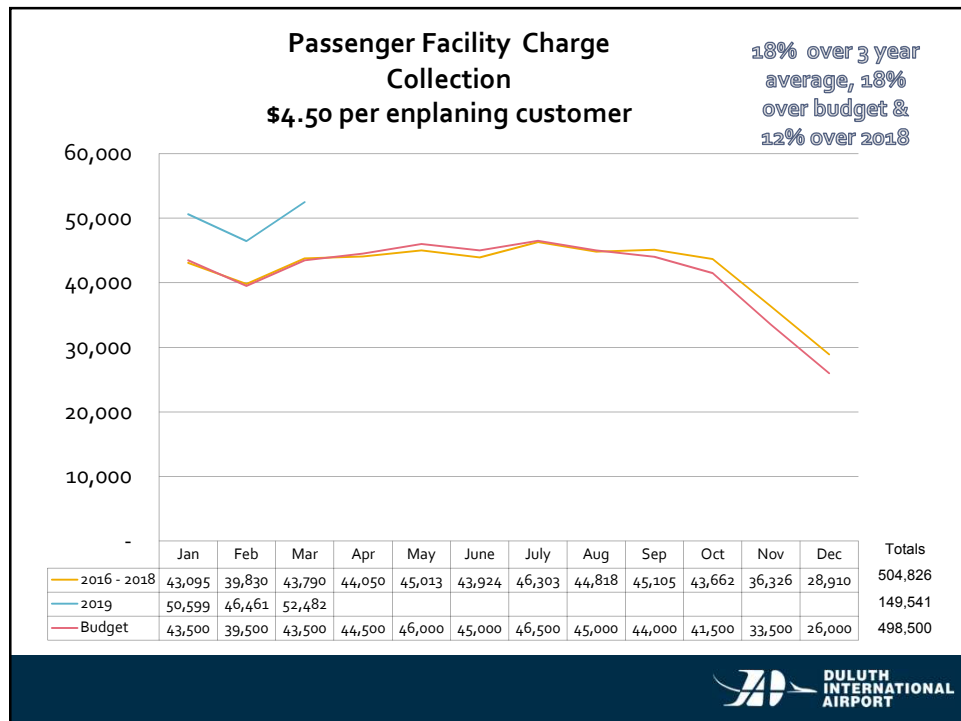
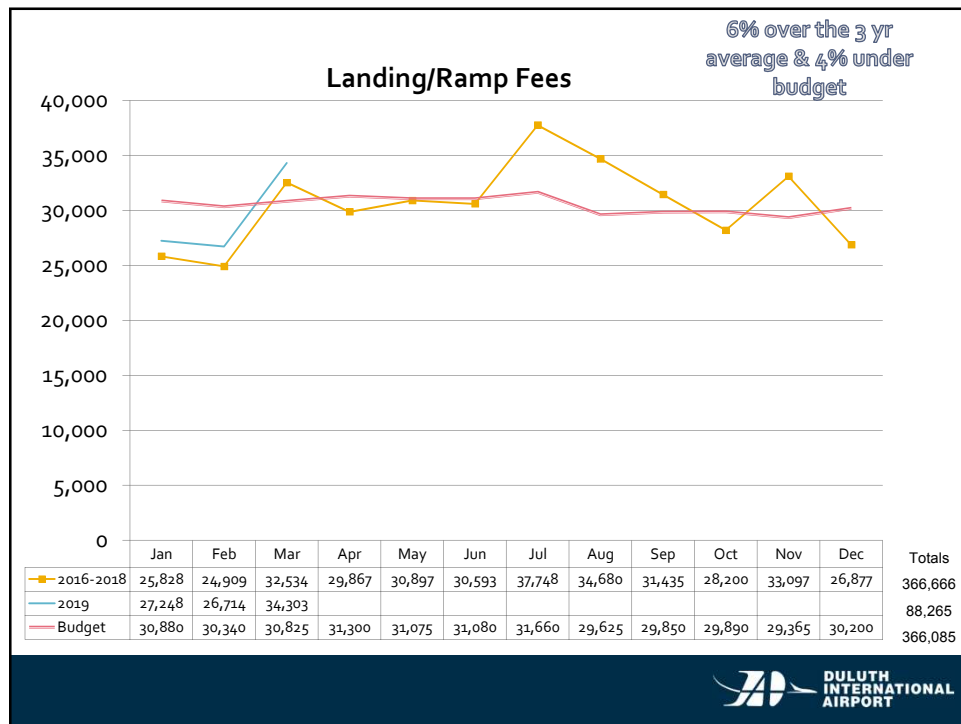
* Revenue's largest variance from budget comes from concession revenue in nearly all categories due to increased passenger traffic. Revenue is nearly 463k over budget.

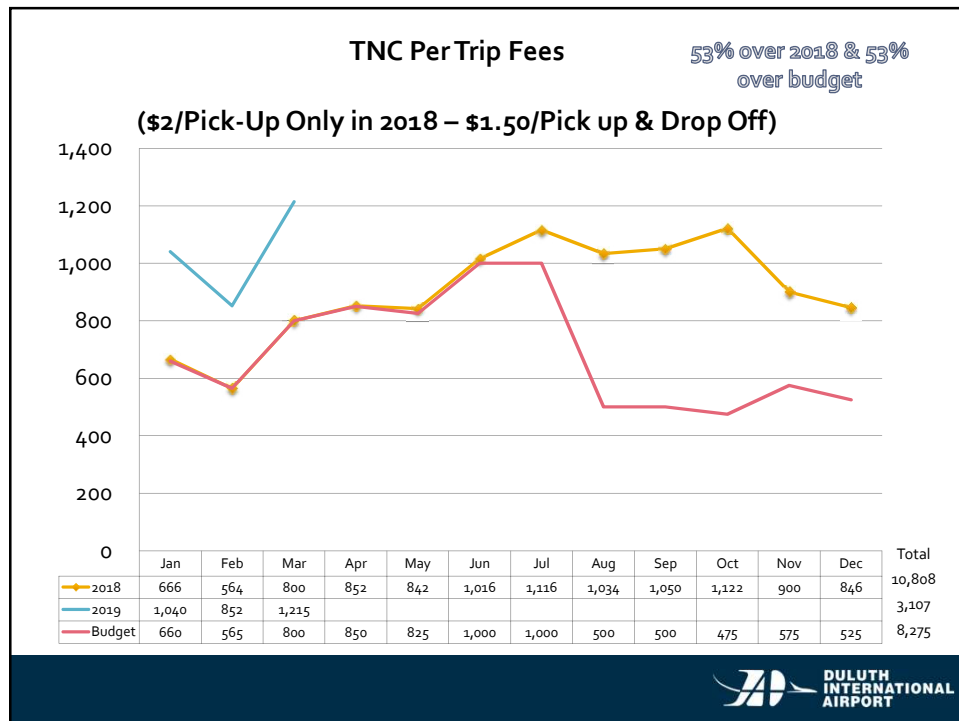
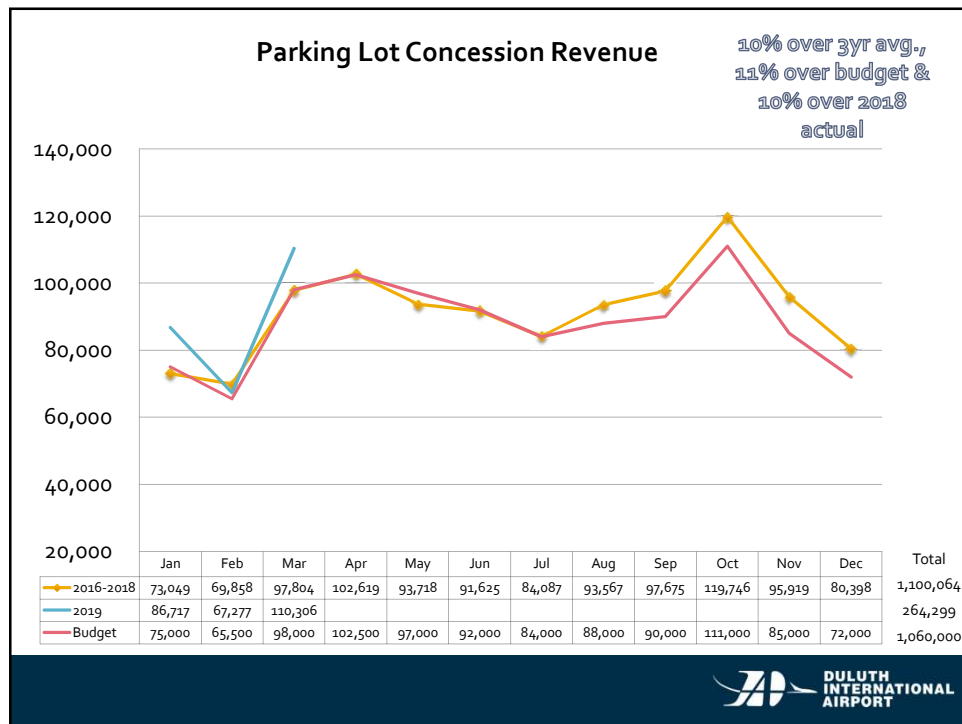
* Expense's largest variance from budget comes from audit adjustments made at year-end to account for other post-employment benefits. Supplies were under budget, while contracted services were over budget, leaving us at year-end nearly \$90k over budget in expenses.

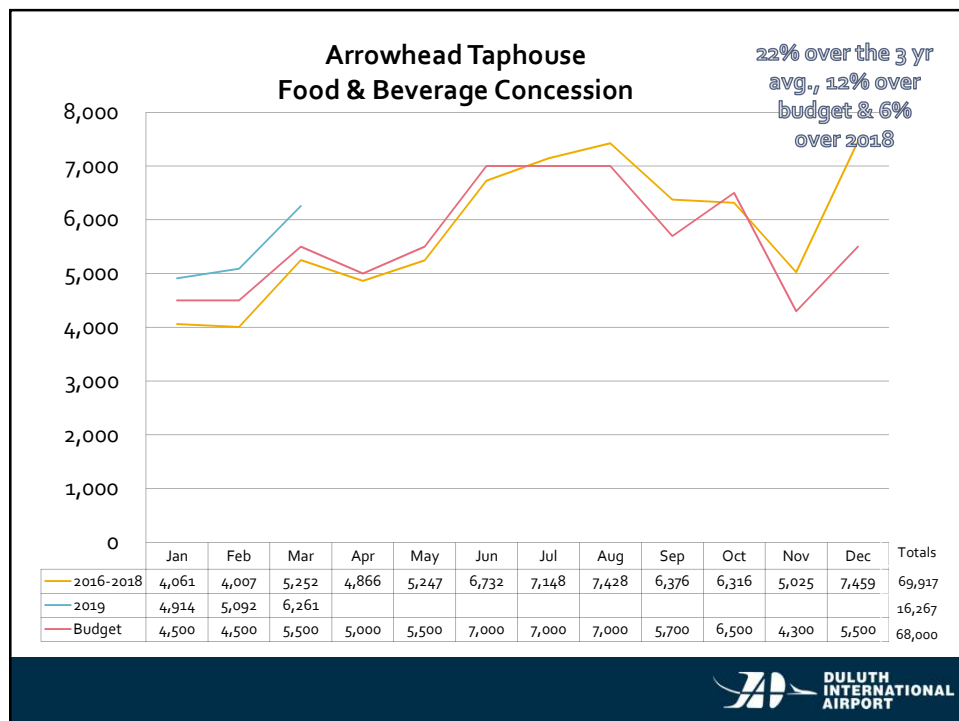
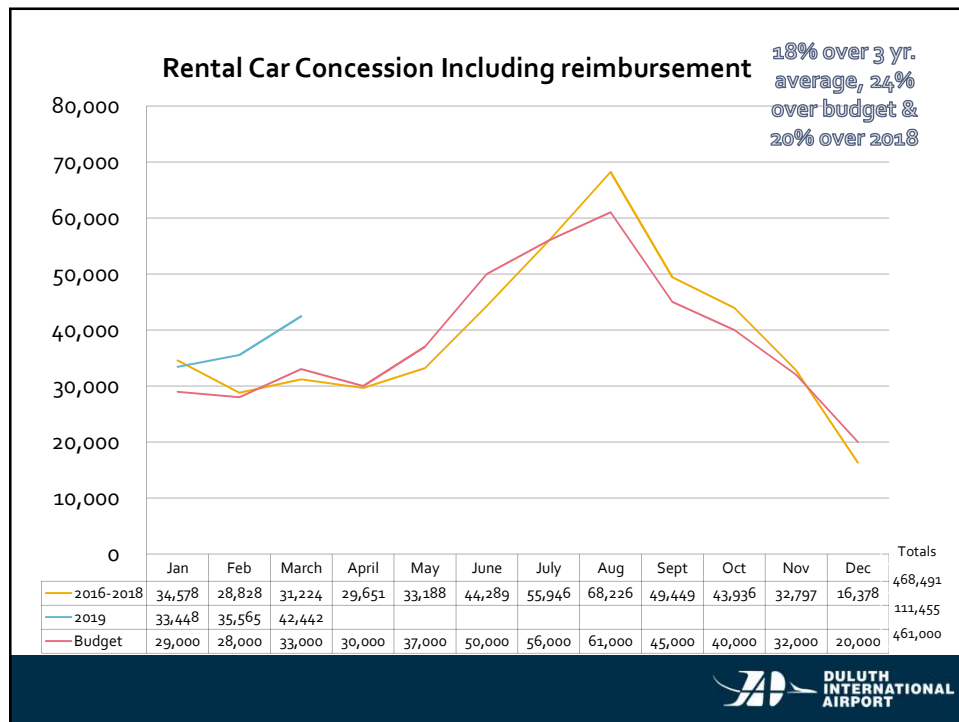
Duluth Airport Authority DAA Board Packet Budget vs. Actual Jan 2019, Feb 2019, Mar 2019							
Unaudited							
Financial Row	Prior Year Actual (Jan 2018 - Mar 2018)	Current Year Actual (Jan 2019 - Mar 2019)	Budget Amount (Jan 2019 - Mar 2019)	Variance from Prior Year	Variance From Budget	Total Budget (Jan 2019 - Adjust 2019)	
Ordinary Income/Expense							
Income							
Non-Aeronautical Revenue	645,551	688,334	639,758	42,783	48,576	2,651,808	
Non-Passenger Aeronautical Revenue	394,348	362,019	358,086	(32,329)	3,934	1,510,738	
Passenger Airline Aeronautical Revenue	294,991	344,294	351,947	49,303	(7,653)	1,407,786	
Total - Income	1,334,890	1,394,648	1,349,790	59,757	44,857	5,570,332	
Gross Profit	1,334,890	1,394,648	1,349,790	59,757	44,857	5,570,332	
Expense							
Miscellaneous Expenses	8,534	7,078	7,267	(1,456)	(189)	29,625	
Personnel Compensation & Benefits	444,412	492,800	521,201	48,387	(28,401)	2,210,849	
Services and Charges	443,938	434,420	446,796	(9,518)	(12,376)	1,614,373	
Supplies	99,596	166,734	129,800	67,138	36,934	461,435	
Total - Expense	996,480	1,101,032	1,105,064	104,551	(4,032)	4,316,282	
Net Ordinary Income	338,410	293,616	244,726	(44,794)	48,889	1,254,050	
Other Income and Expenses							
Other Income							
Non-Operating Revenue	142,890	157,240	132,000	14,350	25,240	524,000	
Total - Other Income	142,890	157,240	132,000	14,350	25,240	524,000	
Other Expense							
Non-Operating Expense	85,086	75,356	95,356	(9,730)	(20,000)	379,834	
Total - Other Expense	85,086	75,356	95,356	(9,730)	(20,000)	379,834	
Net Other Income	57,804	81,884	36,644	24,080	45,240	144,166	
Net Income Exclusive of Project Expenses, Depreciation & Amortization	396,214	375,500	281,371	(20,714)	94,129	1,398,216	
Projects/Grants	(1,237,789)	(3,329,646)	4,560,976	(2,091,857)	(7,890,623)	18,243,905	
Depreciation & Amortization	(2,566,970)	(9,098)	(2,400,993)	2,557,872	2,391,895	(9,588,809)	
Net Income	(3,408,546)	(2,963,245)	2,441,354	445,301	(5,404,598)	10,053,312	
* This report is based on an allocated budget, which is seasonally adjusted. At this time the DAA is at a positive variance of over 94k.							
* The results of this report are expected to change slightly with adjustments as delays in receipt of invoices occurs from time to time.							
* The largest variance from budget in revenues comes from concession revenue specifically parking and car rental concessions. Revenue is nearly 45k over budget.							
* The largest variance from budget in expenses comes from increased fuel and sand costs of over 50k due to the harsh winter conditions and increased per gallon price of fuel. Fortunately personnel compensation and benefits is 28k under budget and services and charges is over 12k under budget, which leave us with an expense total of just over \$4k under budget.							
* Non-operating income is up due to increased PFC collections while expenses are down 20k in budgeted interest expenses on the line of credit since it has not yet been used this year.							

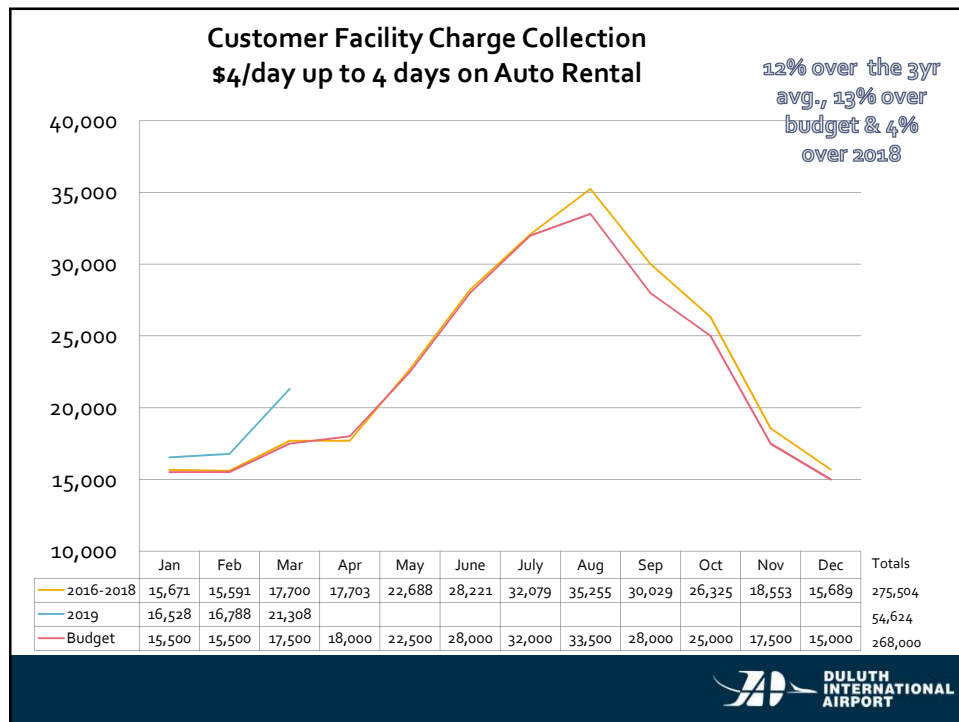







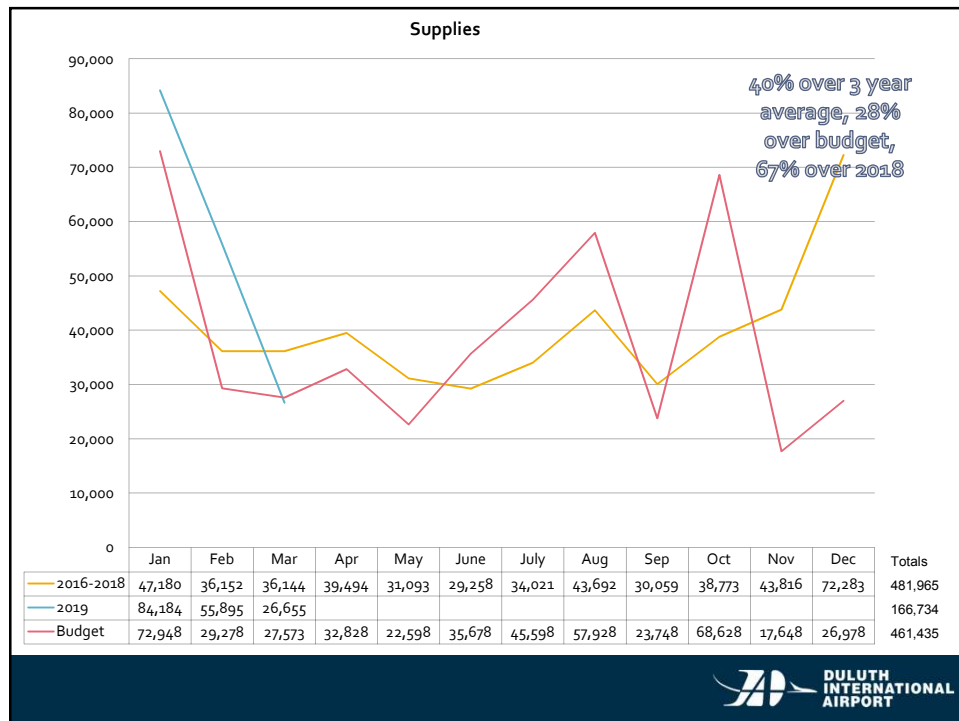
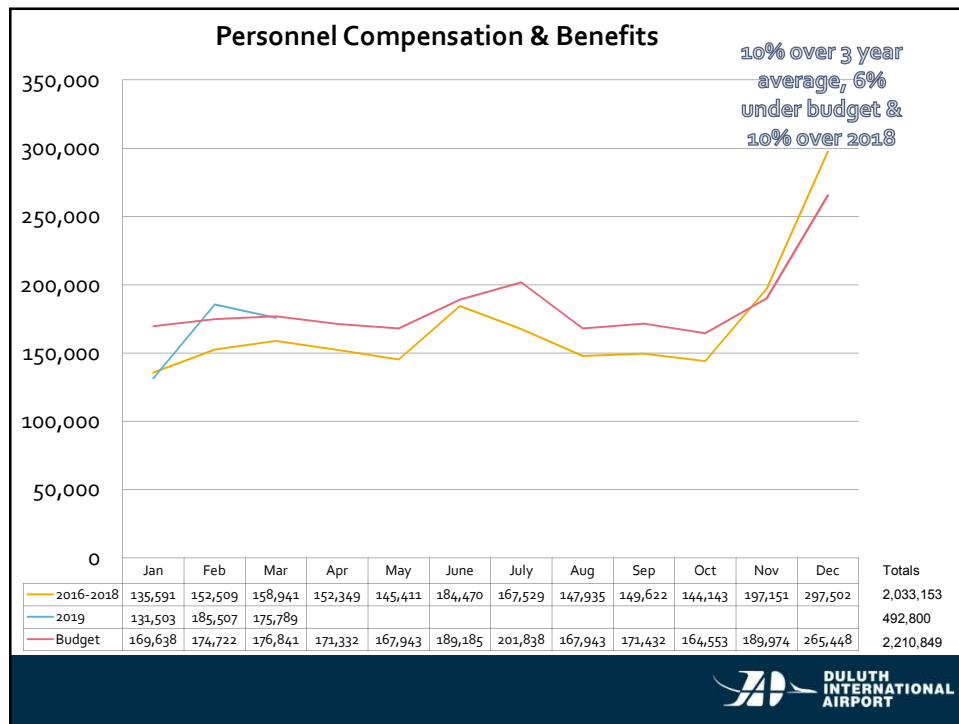


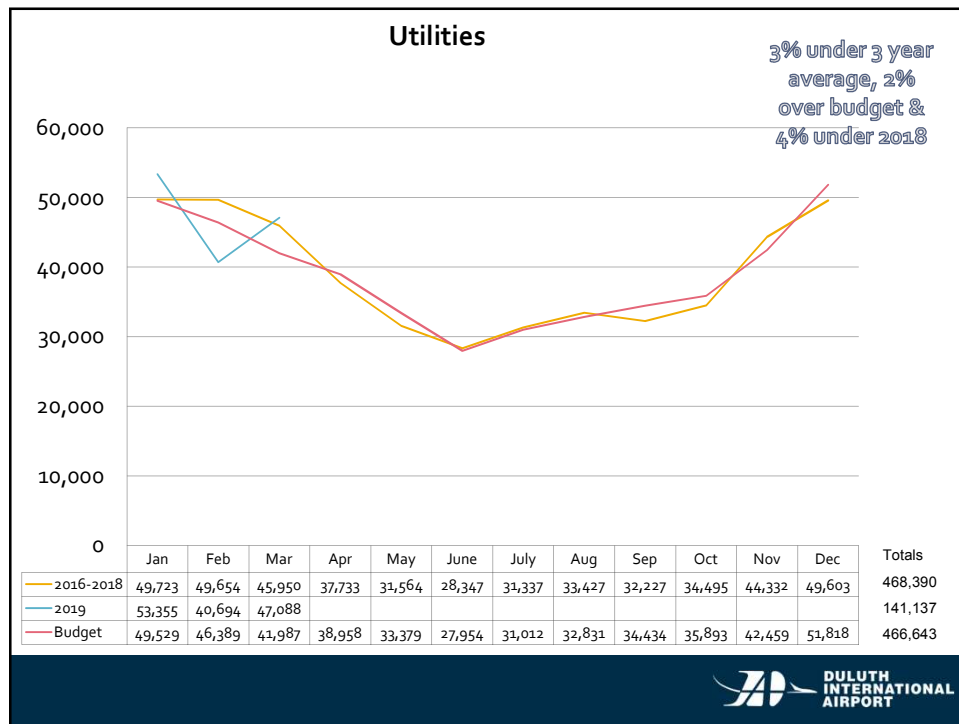


Operating Expenditures

DULUTH INTERNATIONAL AIRPORT





Long-Term Liabilities

Fund Source	City Loan 1 (Bonding)				City Loan 2 (Bonding)		DEDA Amort	NCA Loan	City Loan 3 (Bonding)		Total Annual Long-Term Liability
	CFC	PFC	DAA OPERATING	Total	PARKING REVENUES		0%	8.85%	LSC RENT		
2012	192,681.26	321,781.26	107,518.76	621,981.28		-	26,666.64	75,000.00			723,647.92
2013	189,981.26	322,281.26	111,018.76	623,281.28		-	26,666.64	75,000.00			724,947.92
2014	192,281.26	322,681.26	109,418.76	624,381.28	115,718.04		26,666.64	75,000.00			841,765.96
2015	194,481.26	322,981.26	107,818.76	625,281.28	338,981.26		26,666.64	75,000.00			1,065,929.18
2016	191,581.26	323,181.26	106,218.76	620,981.28	340,571.26		26,666.64	75,000.00	242,752.33		1,305,971.51
2017	193,681.26	323,281.26	109,618.76	626,581.28	336,071.26		26,666.64	75,000.00	247,137.50		1,311,456.68
2018	190,681.26	323,281.26	107,918.76	621,881.28	335,446.26		26,666.64	75,000.00	247,337.50		1,306,331.68
2019	192,681.26	323,181.26	106,218.76	622,081.28	338,776.26		26,666.64	37,500.00	247,387.50		1,272,411.68
2020	194,193.76	322,331.26	109,306.26	625,831.28	336,336.26		26,666.64	-	247,287.50		1,236,121.68
2021	195,393.76	326,037.50	107,168.76	628,600.02	338,006.26		2,222.62	-	247,037.50		1,215,866.40
2022	191,268.76	324,162.50	109,918.76	625,350.02	338,443.76		-	-	246,637.50		1,210,431.28
2023	191,937.50	321,812.50	107,425.00	621,175.00	338,108.76		-	-	246,087.50		1,205,371.26
2024	192,050.00	323,618.76	109,693.76	625,362.52	336,971.26		-	-	245,387.50		1,207,721.28
2025	191,800.00	324,768.76	111,693.76	628,262.52	340,143.76		-	-	244,537.50		1,212,943.78
2026	196,175.00	325,237.50	108,412.50	629,825.00	337,393.76		-	-	243,437.50		1,210,656.26
2027					339,218.76				246,877.50		586,096.26
2028									244,675.00		244,675.00
2029									246,975.00		246,975.00
2030									243,695.00		243,695.00

DULUTH INTERNATIONAL AIRPORT

2019 SKY HARBOR Financials

Financial Row	Prior Year Actual (Jan 2018 - Mar 2018)	Current Year Actual (Jan 2019 - Mar 2019)	Budget Amount (Jan 2019 - Mar 2019)	Variance from Prior Year	Variance From Budget	Total Budget (Jan 2019 - Adjust 2019)
Ordinary Income/Expense						
Income						
Non-Aeronautical Revenue	315	387	476	72	(89)	22,450
Non-Passenger Aeronautical Revenue	9,631	11,246	9,784	1,615	1,462	112,444
Total - Income	9,946	11,633	10,260	1,687	1,373	134,894
Gross Profit	9,946	11,633	10,260	1,687	1,373	134,894
Expense						
Miscellaneous Expenses	455	48	580	(408)	(532)	2,350
Personnel Compensation & Benefits	13,374	13,321	19,799	(53)	(6,478)	79,198
Services and Charges	5,164	5,751	5,346	587	405	23,560
Supplies	9,307	3,999	10,042	(5,308)	(6,043)	65,845
Total - Expense	28,301	23,119	35,768	(5,182)	(12,649)	170,953
Net Ordinary Income	(18,355)	(11,486)	(25,508)	6,869	14,023	(36,059)
Net Income Exclusive of Project Expenses, Depreciation & Amortization	(18,355)	(11,486)	(25,508)	6,869	14,023	(36,059)
Projects/Grants	2,351,602	394,347	1,039,451	(1,957,255)	(645,104)	4,157,804
Depreciation & Amortization	(162,969)	0	0	162,969	0	0
Net Income	2,170,278	382,861	1,013,942	(1,787,417)	(631,081)	4,121,745

- Sky Harbor is operating with a positive variance vs budget of over \$14k.
- Revenues are nearly 1.4k over budget and expenses are over 12k under budget.

Questions ...

