

# Spokane Airports 2022 Budget

Spokane International Airport / Airport Business Park/ Felts Field

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# Spokane Airport Board

*Spokane International Airport / Airport Business Park / Felts Field*

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**Spokane International Airport**  
GEG – GENERATING ECONOMIC GROWTH

AIRPORT BUSINESS PARK



**Spokane Airport Board**

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## Section II. Introduction

The SPOKANE AIRPORT BOARD (Board), operates Spokane International Airport (SIA or GEG), Felts Field (SFF) and the Airport Business Park (ABP), collectively referred to as the SPOKANE AIRPORTS (Airport), under and pursuant to the Constitution and Laws of the State of Washington, including Ch. 14.08 RCW, RCW 14.08.200 that certain Joint Resolution and Operating Agreement of Spokane County and the City of Spokane dated October 7, 2019.

The agreement intends the expenses of operating Spokane International Airport, Airport Business Park, and Felts Field shall be paid, *to the maximum extent possible*, from the operating revenues of each area (emphasis added).

The Airport does not receive any funds from either the County or City of Spokane, nor does it receive any local tax revenues. Operating funds come from user fees, tenant rents in varying forms along with airline landing fees. Capital funds come from debt financing, federal and state grants and agreements, facility charges through airlines and rental car agencies along with airport funds generated through operations.

As of December 31, 2019, the Airport employed approximately 160 full and part-time employees responsible for providing access to the global air service network by managing, developing, maintaining and promoting the Airport. Given the pandemic's impact on air transportation, staffing levels decreased to approximately 125 full and part-time employees in 2020 and to 110 as of October 2021. As the airport industry recovers from the pandemic, the Airport will increase staff size appropriately. Employees work diligently to provide quality facilities and services along with a high quality customer experience.

The 2022 budget provides funds to accomplish goals while keeping the cost to airlines reasonable in comparison to previous years, funding important capital projects that will improve airport safety and security, maintaining aging facilities while designing new facilities and improving customer service. Through these initiatives, the budget provides funds for activities that provide economic impact and stimulus by creating jobs in the local area.

### **AIRLINE OPERATING AGREEMENT (AOA)**

This 2022 budget is prepared based on the airline agreement with signatory airlines originally dated January 1, 2010. This agreement was extended, mutually by the Airport and the airlines through December 31, 2015. The Airport and airlines extended the agreement again, with minor modifications, for additional years to provide time to continue negotiating a modernized AOA. The agreement, as amended, now expires on December 31, 2021. Management proposed a one-year extension of the current agreement.

The Airport Airline Affairs Committee (AAAC) convened on November 12, 2021 to discuss the 2022 rates and charges. The AAAC is comprised of Airport staff members along

with representatives of the Signatory Airlines and the major Cargo Carriers. The Airline members of the AAAC currently do not have any veto rights on the Airport's budget, however, they do provide input for consideration.

The amended continuing agreement, on which the 2022 Budgets is based, utilizes a residual rate setting method. This approach is common, but not universal, among US airport operators. A pure residual rate setting method effectively applies all operating revenues and expenses into the models that set rates charged to airlines. Other rate setting methods isolate revenues and expenses into cost centers and apply only the Airfield and Terminal Cost Centers into rate setting models.

During discussions and consultations, it was agreed to continue to allow the Airport to apply a portion of operating net revenue, rather than all net operating revenue, effectively allowing the Airport to retain a larger amount of generated revenue to fund capital projects beneficial to passengers, the Airport and the air carriers.

2021 saw a rebound in passenger activity and aircraft operations from 2020 levels as the region, nation and world slowly recovers from the COVID-19 pandemic. Passenger activity increased approximately 73% over 2020 activity. 2022 activity is forecasted to continue recovery towards 2019 levels. In developing the 2022 budget, the goal is to stabilize and position the Airport for a continued recovery while continuing as an attractive location for adding new airline service and maintaining current destinations.

## **THE BUDGET PROCESS**

The budget process begins each year in July as the staff reviews the expenditures of the first six months of the current fiscal year. A budget packet was distributed including a budget calendar and general directions for each department's budget submittal. The Airport utilizes a budget process in which each expenditure line item is evaluated on its own merit each year. Specific department budgets are then developed to identify resources necessary to meet the daily functions of operating the airports and implementing the necessary airport improvement projects.

The Airport Finance Department continues to work with a third party consultant to Airport's Rates and Charges structure and educate staff on department allocations in preparation for modernizing the AOA as the current extended agreement approaches expiration.

Departments submitted their budgets which were rolled into the Rates and Charges Model (see Section V) to calculate the upcoming year's Terminal Rental Rates and Landing Fees. Each department's initiatives are reviewed before the proposed draft is completed and submitted for review and comment by the Board.

The Capital Improvement Program is also refined to examine its effect on rates and charges. Future period major capital projects are added to the modeling as most of these projects and expenditures affect budget periods beyond the current period under examination.

## FINANCIAL SUMMARY

The table below summarizes the 2022 Consolidated Spokane Airport Board Budget. Subsequent sections and exhibits throughout this document will focus on the individual details of the summary shown.

	2022	Operating	Capital	Total
GEG \$	40,339,938	\$	71,612,000	\$ 111,951,938
ABP \$	1,075,795	\$	430,000	\$ 1,505,795
Felts Field \$	1,709,949	\$	3,512,000	\$ 5,221,949
Consolidated \$	43,125,682	\$	75,554,000	\$ 118,679,682
% change vs. 2021	10.5%		78.0%	45.7%
	2021	Operating	Capital	Total
GEG \$	36,130,435	\$	40,455,000	\$ 76,585,435
ABP \$	1,146,695	\$	1,500,000	\$ 2,646,695
Felts Field \$	1,743,892	\$	490,000	\$ 2,233,892
2021 Consolidated \$	39,021,022	\$	42,445,000	\$ 81,466,022

**The Total Spokane Airport Board 2022 Budget** presented for approval is \$118,679,682 representing a 45.7% increase from the 2021 Budget. This change due to a 10.5% increase in the Operating Budget and a 78.0% increase in the Capital Budget. The increase in the Operating Budget is related to increase in activity levels, and therefore expenses, due to the recovery of passenger activity from the global pandemic. The increase in the Capital Budget is due, in part, to anticipated construction activity for TREX Phase I.

**Consolidated Operating Revenues** are forecast to increase by 10.5% from the 2021 budget to \$43.1 million. SIA operating revenues are forecast to increase by 11.6% from the 2021 budget, due to increase in passenger activity which affects revenues from airline landing fees, concession and rental car activity. Included in the 2022 revenue increase is a 2.6% increase in rental rates for terminal tenants, and a 3.0% increase in the 2022 landing fee rate.

The **Parking / Ground Transportation** cost center has shown marked revenue increases from 2015 to 2019. This area saw the largest revenue decline due to the decrease in passenger activity in 2020 and 2021. 2021 is forecasted to exceed the 2021 budget by 43%, and will be followed by a 66% increase in 2022 as compared to the 2021 budget. Included in the 2022 Budget is a rate structure adjustment to the parking options, including reopening the economy lot due to activity levels. The per-hour rate remains the same at \$2 per hour up to the daily maximum for each available lot.

An annual adjustment to the trip fee rate in Ground Transportation was memorialized in 2017 as efforts to modernize Ground Transportation rate structure began. The rate for 2022 is \$2.00 per trip, an increase of \$0.25 per trip rate compared to 2021. The Ground Transportation staff works with taxis, shuttles, charter busses and Transportation Networking Companies (TNCs).

**Consolidated Operating Expenses**, including depreciation and debt service, are projected to increase 10.5% to \$43.1 million. Operating expenses, not including depreciation and debt service, are projected to increase 17% over the 2021 budget to \$31.0 million. This increase corresponds to the recovery of activity levels at the Airport as the region, nation and world recovers from the global pandemic. The budget model is forecasting passenger growth over projected 2021 levels of 13.1%.

The 2022 Capital Program shows a 78.0% increase from the 2021 budget. The total planned capital expenditures in 2022 are \$75.6 million.

Capital sources of funds are somewhat dependent on the Federal Grant process through the Airport Improvement Program (AIP), other funds obtained through the Department of Transportation (DOT), and the Passenger Facility Charge (PFC) Application process. The funding for the scheduled 2022 projects are funded for the upcoming year through AIP Grant applications, a DOT BUILD grant, pre-collected PFCs, Customer Facility Charges (CFCs) and debt issuance on approved projects. The Airport also uses funds from general operations to the extent expenditures do not reduce the reserve amount below a prescribed level. The recently enacted federal stimulus act may provide additional grant opportunities, however, no new funding opportunities were incorporated into the 2022 budget.

Capital projects at SIA are planned to include construction of a Transload rail-truck facility, roadway improvements, improvements to Concourse C parking lot, TREX Phase I construction, West terminal ramp and taxiline improvements, elevator modernization in the terminal, replacement of in-line Explosive Detection Screening (EDS) devices, public Wi-Fi rehabilitation, and Ground Transportation Center Phase 3 improvements. Airport Business Park capital projects are planned to include rehabilitation of two buildings. Felts Field planned projects include a new tied-down apron, rehabilitation of the terminal, and an aboveground storage tank for aviation fuel. As noted above, these projects are funded by DOT and AIP grants, PFCs, a Transportation Security Administration (TSA) agreement, CFCs, Airport general funds and a debt issuance. The DOT and AIP grants contain a matching provision from the Airport's cash. Also planned are replacement of aging equipment and vehicles to be funded with current year operating funds or those funds earmarked in prior years for projects that will be carried over to 2022.

## **CUSTOMER SERVICE INITIATIVES**

As a service to the Airport's travelers, the past few years have seen significant construction and general maintenance in areas getting to the terminal and in the parking areas. Revenue control systems have been recently upgraded to provide secure, contact-less, transaction processing for travelers.

Terminal modifications have been enacted to provide safe and sanitary conditions for travelers along with physical distancing markers and plexi-glass barriers.

Construction of utilities for a future convenience store and gas station along with a return-to-terminal roadway was completed in the fall of 2018.

The Airport continues to provide access to TSA Pre-check in the enrollment center located near the Airport Police offices in the C-Concourse.





### Section III. Airline Activity Forecast

#### PASSENGER TRAFFIC

The Airport has seen enplanement and total passenger increases each year since 2013 to 2019. Due to the global COVID-19 pandemic, the Airport experienced a 52.4% decrease in enplanements in 2020. Through September 2021, enplanements are up 68.9% for the same period in 2020. For budgetary purposes, 2022 enplaned passengers are projected to be below 2019 levels by 7.2% and above the projected 2021 total by 13.1%.

The following table shows actual passenger activity by airline for 2019 and 2020 with estimates for 2021 and 2022, which are incorporated into the 2022 Budget. The table also shows the current breakdown of passengers traveling out of the two terminals.

<b>Traffic Activity</b> <b>Spokane International Airport</b> <b>(for the 12 months ending December 31; numbers in thousands)</b>				
	Actual 2019	Actual 2020	Estimated 2021	Budget 2022
Enplaned Passengers				
Alaska	706	334	558	630
Allegiant (non-sig)	0	-	14	15
Delta	501	202	372	420
Frontier (non-sig)	35	15	21	23
Southwest	464	235	388	439
American	123	89	162	183
United	191	85	145	164
Others	3	1	1	1
Total	2,023	962	1,660	1,877
Enplaned Passengers	2,023	962	1,660	1,877
% Change YoY	1.2%	-52.4%	72.6%	13.1%
% Change to 2019		-52.4%	-17.9%	-7.2%
By Terminal				
Terminal C	828	424	720	814
Terminal A&B	1,195	539	941	1,064
Total	2,023	962	1,660	1,877

## AIRCRAFT LANDED WEIGHT FORECAST

The Airport collects landing fees from landing air carriers based on an aircraft's Maximum Gross Landed Weight (MGLW). The costs of operating the airfield are recovered through the Landing Fee Rate multiplied by the MGLW of each aircraft. The accuracy of the landed weight forecast of each air and cargo carrier has an impact on the Landing Fee Rate. Section IV, which discusses Cost Centers, Allocations, Rate Making and CPE, will examine the methodology of rate making under a Residual Airline Agreement such as the agreement at GEG. Simply stated, the higher the landed weight forecast, the lower the budgeted unit cost rate for the upcoming year.

The following table shows actual passenger and cargo landed weight for 2019 and 2020 along with forecasts for 2021 and 2022, which has been incorporated into the 2022 Budget. 2022 landed weight is forecasted to be above 2019 levels by 5.1%.

<b>Traffic Activity</b> <b>Spokane International Airport</b> <b>(for the 12 months ending December 31; numbers in thousands)</b>				
	Actual 2019	Actual 2020	Estimated 2021	Budget 2022
Landed Weight				
Passenger Airlines				
Alaska	741	532	693	760
Allegiant (non-sig)	1	-	24	26
Delta	554	407	538	590
Frontier (non-sig)	33	21	22	25
Southwest	513	392	396	434
American	142	129	197	216
United	247	140	180	197
Others	7	2	2	2
Cargo				
Signatory	429	414	440	515
Non-signatory	66	130	104	105
Total	2,733	2,168	2,594	2,872
% Change YoY	1.0%	-20.7%	19.7%	10.7%
% Change to 2019		-20.7%	-5.1%	5.1%



## Section IV. Cost Centers, Allocations, Rate Making and CPE

### COST CENTERS

The Airport is currently organized with seven direct cost centers with a goal to continue to refine the cost centers and allocations to them each year to provide better forecasts for rate making. The direct cost centers are Airfield (including Operations and the Fuel Facility), Parking and Ground Transportation, Other Buildings and Grounds, GEG Terminal, Rental Car Facilities, the ABP and Felts Field. There are five indirect cost centers in Planning and Engineering, Airport Rescue and Fire Fighting (ARFF), Information Technology, Police / Dispatch, and Airport Administration.

### ALLOCATIONS

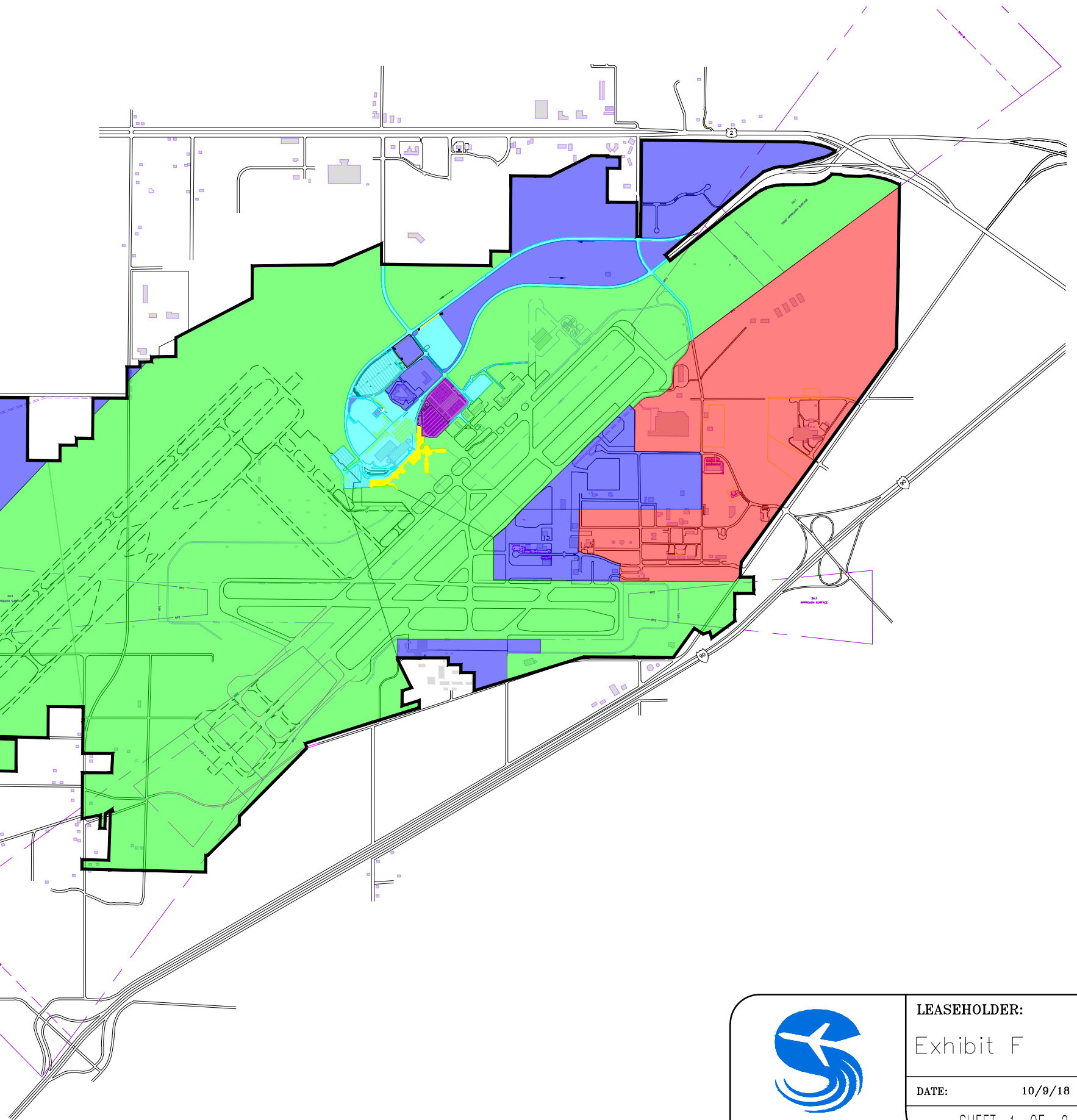
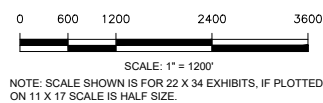
To develop rates, the expenses from four of the indirect costs centers, excluding administration, are allocated to the direct costs centers based on an analysis of the staff hours dedicated to a center along with the budgeted costs within each indirect cost center. After those indirect costs are allocated to the direct cost centers, administration is allocated based on the total actual direct and indirect costs for each direct cost center. The allocation percentages for 2022 are shown below. These allocation rates are reviewed annually and potentially revised at the end of each review period to reflect actual operations and maintenance for all of the facilities.

<b>M&amp;O Expense Allocation Percentages Spokane Airport Board</b>								
	Airfield	Fuel	Terminal	Parking	OB&G	QTA	ABP	Felts
<b>Indirect Allocations</b>								
Airfield Maintenance	65.0%	0.0%	0.0%	20.0%	10.0%	0%	0.0%	5.0%
Terminal Maintenance	0.0%	0.0%	80.0%	20.00%	0.0%	0%	0.0%	0.0%
Operations	90.0%	0.0%	2.5%	2.5%	0.0%	0%	0.0%	5.0%
Fuel	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Engineering	40.0%	1.0%	40.0%	10.0%	1.0%	0%	1.0%	7.0%
IT	25.0%	0.0%	25.0%	25.0%	18.0%	0%	2.0%	5.0%
ARFF/Fire	73.3%	3.2%	15.9%	0.9%	4.6%	0%	2.1%	0.0%
Police	1.0%	0.0%	80.0%	15.0%	1.5%	0%	2.5%	0.0%
Communications	1.0%	0.0%	80.0%	15.0%	1.5%	0%	2.5%	0.0%
Airport Business Park	0.0%	0.0%	0.0%	0.0%	0.0%	0%	100.0%	0.0%
Felts Field	0.0%	0.0%	0.0%	0.0%	0.0%	0%	0.0%	100.0%



**LEGEND:**

- AIRFIELD  
3447.2 ACRES
- OTHER BUILDINGS/LAND  
2063.2 ACRES
- RAC  
17.5 ACRES
- PARKING /LANDSIDE  
115.8 ACRES
- TERMINAL  
6.2 ACRES
- AIRPORT BUSINESS PARK  
540.3 ACRES
- PROPERTY LINE



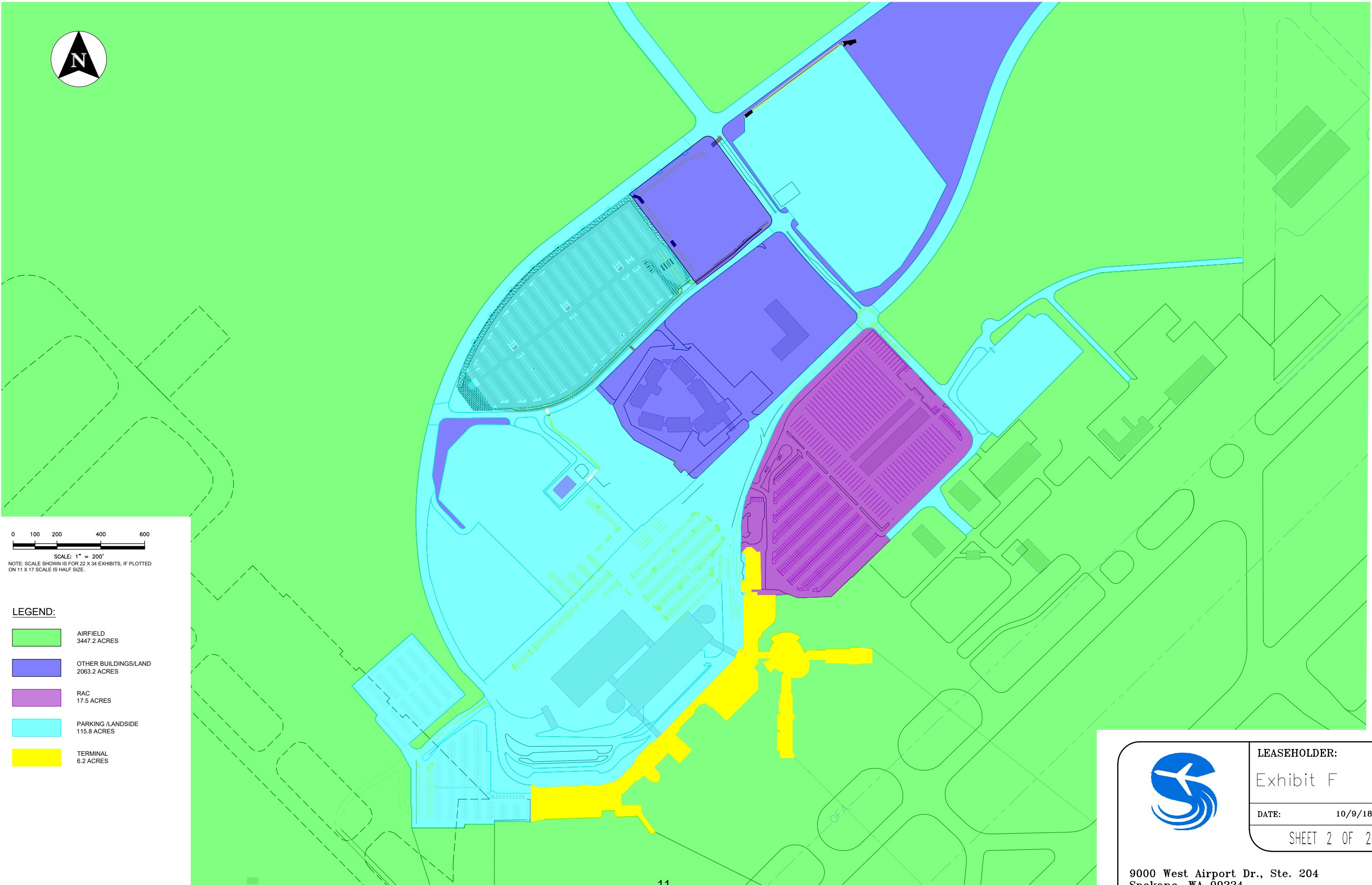
LEASEHOLDER:

Exhibit F

DATE: 10/9/18

SHEET 1 OF 2

9000 West Airport Dr., Ste. 204  
Spokane, WA 99224



LEASEHOLDER:

Exhibit F

DATE: 10/9/18

SHEET 2 OF 2

9000 West Airport Dr., Ste. 204  
Spokane, WA 99224



## **RATE MAKING**

The Airport operates under an existing AOA with a residual ratemaking methodology where generally, with some exceptions, all revenues are shared with the signatory air carriers. Under the current AOA there is no specified methodology for each rate making calculation, however, there are federal guidelines for establishing rates. Currently the signatory airlines participate, in a consultation role only, in the budget and rate setting process and agreed to modifications to the rate making methodology outlined in the Introduction section under Airline Operating Agreement (AOA).

### **Terminal Rental Rate Calculation**

The existing AOA does not prescribe a methodology for calculating terminal building rentals, fees, and charges. However, exhibits provided annually to the air carriers with updated rates prescribes the fees and charges and the relative weighting of such charges. The Airport uses a cost center residual methodology to calculate a cost recovery terminal building rental rate.

The Terminal Building Cost includes allocable M&O Expenses, debt service (net of allocable PFC or CFC revenues), any debt service coverage, depreciation charges (net of bond-funded projects, grants, and PFC revenues), and M&O Reserve deposit requirements. The resulting Terminal Building Cost is reduced by Terminal Concession Revenues, Non-airline Terminal Rentals, a percentage of the estimated surplus revenue generated from the Parking/Landside cost center (with the remainder flowing into the airport residual landing fee rate), Other Terminal Payments, and Loading Bridge Fees to yield the Net Terminal Building Requirement.

The Net Terminal Building Requirement is divided by Rented Space weighted by the weight classifications to derive the Terminal Building Rental Rate per square foot per year. The 2022 terminal rental rate for Class 1 space (generally public areas) is \$60.70 per square foot per annum (sfpa), an increase of 2.6% from \$59.19 sfpa in 2021. The calculation of the Terminal Rental Rate is displayed in Section V.

### **Landing Fee Calculation**

The methodology for calculating the landing fee rate is based on an airport residual approach where the total cost of SIA is credited with airline terminals rentals, other airline fees and charges, non-signatory airline landing fees, and non-airline revenues to yield the landing fee revenue requirement. The landing fee requirement is then divided by signatory airline landed weight forecast to derive the landing fee rate per 1,000 pound unit.

More specifically, the methodology consists of the following steps:

1. The SIA rate base includes M&O Expenses, debt service, debt service coverage, depreciation charges (net of grants and PFC revenues), and the M&O Expense Reserve deposit requirement. The rate base also includes an amount to provide sufficient funding for the Airport's share of funding the CIP.

2. The Airfield Requirement is then reduced by airline revenues other than landing fees and non-airline revenues, and the prior year carry forward surplus (deficit) to yield the Net Landing Fee Requirement.

3. The Net Landing Fee Requirement is divided by forecast Total Landed Weight of passenger and cargo carriers (as weighted for premiums) to derive the Signatory Airline Landing Fee Rate per 1,000-pound unit.

The 2022 landing fee rate is \$2.16 per 1,000 pounds of landed weight, an increase of 3.0% from the 2021 rate of \$2.10 / 1,000 pounds. The calculation of the Landing Fee Rate is displayed in Section V.

#### **COST PER ENPLANEMENT (CPE)**

The calculations of the Terminal Rent Rate and the Landing Fee result in charges to the air carriers. Those charges contribute to both Terminal and Airfield Revenue. One measure of the cost to operate at an airport by an airline is the Cost Per Enplanement (CPE) calculation.

The average CPE represents the net cost incurred by the commercial airlines based on their regular operations at the Airport. The table below shows the actual CPE for 2019 and 2020 along with forecasts for 2021 and 2022. The 2021 estimated CPE is \$6.57 as compared to a budgeted CPE of \$9.87, which was presented in the 2021 Budget. The improvement in the CPE relates to the recovery of passenger activity in 2021. The 2022 budgeted CPE is \$6.19, which is slightly lower than actual 2019.

<b>Airline Cost per Enplaned Passenger Spokane International Airport (for the 12 months ending December 31; numbers in thousands except rates)</b>				
	Actual 2019	Actual 2020	Estimated 2021	Budget 2022
Passenger Airline Payments				
Passenger Airline Signatory Landing Fees	\$ 5,186	\$ 3,106	\$ 4,205	\$ 4,744
Terminal Building Rent	6,751	6,916	6,216	6,367
Loading Bridge Fees	247	260	262	265
RON and Airfield Fees	260	112	116	121
Subtotal	\$ 12,444	\$ 10,394	\$ 10,800	\$ 11,497
Nonsignatory Passenger Landing Fees	112	59	115	130
Total Airline Revenues	\$ 12,556	\$ 10,453	\$ 10,915	\$ 11,627
Enplaned Passengers	2,023	962	1,660	1,877
Airline Cost per Enplaned Passenger	\$ 6.21	\$ 10.86	\$ 6.57	\$ 6.19

Also shown is the forecast CPE of each individual air carrier. The estimates for 2021 and 2022 are based on presumed activity and costs. The actual 2021 CPE cannot be calculated until the final audit work is completed in 2022. The fluctuation between air carriers is related to their incurred costs and passenger activity.

**Airline Cost per Enplaned Passenger by Airline****Spokane International Airport**

(for the 12 months ending December 31; numbers in thousands except rates)

	Actual 2019	Actual 2020	Estimated 2021	Budget 2022
Enplaned Passengers				
Alaska	706	334	558	630
Allegiant (non-sig)	0	-	14	15
Delta	501	202	372	420
Frontier (non-sig)	35	15	21	23
Southwest	464	235	388	439
American	123	89	162	183
United	191	85	145	164
Others	<u>3</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total Airlines	2,023	962	1,660	1,877
Cost per Enplaned Passenger				
Alaska	\$ 5.96	\$ 10.79	\$ 6.76	\$ 6.23
Allegiant (non-sig)	8.04	-	5.18	5.29
Delta	5.78	11.33	6.69	6.40
Frontier (non-sig)	3.85	5.30	3.63	3.73
Southwest	5.61	9.40	5.43	5.11
American	8.37	10.23	6.34	6.40
United	8.48	14.88	8.92	8.38
Others	<u>20.06</u>	<u>103.88</u>	<u>63.22</u>	<u>36.83</u>
Average	\$ 6.21	\$ 10.86	\$ 6.57	\$ 6.19





## Section V. Terminal Rent Rate and Landing Fee Calculations

The tables below show the actual calculation of the average terminal rent rate and the airfield landing fee as described in Section IV Rate Making.

<b>Calculation of Terminal Building Rental Rate</b>				
<b>Spokane International Airport</b>				
<b>(for the 12 months ending December 31; numbers in thousands except rates)</b>				
	Actual 2019	Actual 2020	Estimated 2021	Budget 2022
<b>TERMINAL BUILDING COST</b>				
M&O Expenses	\$ 9,848	\$ 9,381	\$ 8,261	\$ 9,778
M&O Reserve Fund Requirement	653	-	-	-
Debt Service	-	-	-	-
CARES Act Grants for Debt Service	-	-	-	-
Debt Service Coverage	-	-	-	-
Net Depreciation Charges	2,263	2,872	2,669	2,558
<b>Terminal Building Cost</b>	<b>\$ 12,764</b>	<b>\$ 12,253</b>	<b>\$ 10,930</b>	<b>\$ 12,336</b>
<b>Less: Terminal Non-Airline Revenues Associated With Rented Space</b>				
Terminal Concession Revenues	\$ (2,223)	\$ (1,291)	\$ (1,409)	\$ (1,525)
Nonairline Terminal Rentals	(686)	(650)	(633)	(650)
Share of Parking Surplus @ 40% (2020 /2021)	(1,848)	(892)	(2,962)	(2,994)
Other Terminal Payments	(844)	(642)	(873)	(868)
TSA Security Reimbursement <sup>2</sup>	-	-	-	-
CARES Reimbursment	-	(3,551)	-	-
Loading Bridge Fees	(247)	(260)	(262)	(265)
<b>Net Terminal Building Requirement</b>	<b>\$ 6,916</b>	<b>\$ 4,967</b>	<b>\$ 4,791</b>	<b>\$ 6,035</b>
Weighted Rented Space	96	99	99	99
<b>Charged Average Terminal Rental Rate (per sq ft per year)</b>	<b>\$ 61.44</b>	<b>\$ 64.73</b>	<b>\$ 59.19</b>	
<b>Calculated Average Terminal Rental Rate (per sq ft per year)</b>	<b>\$ 72.16</b>	<b>\$ 49.96</b>	<b>\$ 48.19</b>	<b>\$ 60.70</b>
Rented Space	96	99	99	99
<b>Subtotal</b>	<b>\$ 5,889</b>	<b>\$ 6,435</b>	<b>\$ 5,884</b>	<b>\$ 6,035</b>
Other Airline Terminal Payments <sup>1</sup>	332	332	332	332
<b>Airline Terminal Rentals</b>	<b>\$ 6,221</b>	<b>\$ 6,767</b>	<b>\$ 6,216</b>	<b>\$ 6,367</b>
1. Storage – Outside, Janitorial, Boarding Areas Walkway, Ramp - Equipment Storage, and Glycol Pad.				

<b>Calculation of Landing Fee</b> <b>Spokane International Airport</b> <b>(for the 12 months ending December 31; numbers in thousands except rates)</b>				
	Actual 2019	Actual 2020	Estimated 2021	Budget 2022
<b>Landing Fee Requirements</b>				
M&O Expenses	\$ 28,796	\$ 25,967	\$ 23,945	\$ 30,208
Net Depreciation				
Total SIA Depreciation - Existing Assets	23,806	26,398	25,503	24,187
Less: Future Capital Outlays				
Less Grant, PFC and Bond Funded Assets	(14,120)	(17,986)	(17,759)	(17,146)
Future SAB Funded Assets (Net of AIP/PFC)	-	-	600	1,364
Return on Investment in Land	990	990	990	990
Additional Discretionary Cash Flow (if Extension)	1,800	1,800	1,800	1,800
Debt Service				
Debt Service - Outstanding GARBs	-	784	-	-
Debt Service - Future GARBs	-	-	-	-
Debt Service - Outstanding Subordinate Lien	468	468	368	-
Required Debt Service Coverage	-	-	-	-
M&O Reserve Fund	1,910	-	-	-
Subtotal	\$ 43,649	\$ 38,421	\$ 35,446	\$ 41,403
Less:				
Airline Terminal Building Rent	(6,751)	(6,916)	(6,216)	(6,367)
Other Airline Revenues	(1,333)	(1,107)	(1,114)	(1,121)
Total Nonairline Revenues, incl CARES	(28,179)	(26,637)	(23,133)	(25,370)
Subtotal	\$ 7,387	\$ 3,760	\$ 4,983	\$ 8,544
<b>Less Non-Operating Revenues</b>				
Interest Income	\$ (661)	\$ (642)	\$ (587)	\$ (600)
Air Service Incentive Waivers	(65)	(46)	(50)	(50)
<b>TOTAL LANDING FEE REQUIREMENT</b>	\$ 6,661	\$ 3,073	\$ 4,346	\$ 7,894
Plus Unfunded Pension Liability			934	
Prior Year Carry Over (Surplus)/Deficit	(2,168)	(1,297)	(2,570)	(1,511)
<b>Net Landing Fee Requirement</b>	\$ 4,493	\$ 1,775	\$ 2,710	\$ 6,383
Landing Fees Paid	\$ 6,524	\$ 4,346	\$ 5,732	
Signatory Landed Weight (millions/lbs)	2,198	1,600	2,002	2,199
Signatory Cargo Landed Weight (adjusted for premium) 105%	450	435	462	541
Non-Signatory Use Agmt Landed Weight (adjusted) 115%	47	26	55	60
Itinerant Landed Weight (adjusted) 150%	99	195	156	158
Adjusted Total Landed Weight	2,794	2,257	2,675	2,958
Change	1.2%	-19.2%	18.5%	10.6%
<b>Calculated Signatory Airline Landing Fee Rated (per 1000 lbs)</b>	<b>\$ 1.61</b>	<b>\$ 0.79</b>	<b>\$ 1.01</b>	<b>\$ 2.16</b>
Charged Signatory Airline Landing Fee Rate	2.36	2.24	2.10	
Charged Signatory Cargo Airline Landing Fee Rate 105%	2.48	2.35	2.21	2.27
Non-Signatory Use Agmt Landing Fee Rate 115%	2.71	2.58	2.42	2.48
Itinerant Landing Fee Rate 150%	3.54	3.36	3.15	3.24



## Section VI. Operating Revenues and Expenses

### OPERATING REVENUES

Operating revenues are revenues generated through the daily operations of the Airport. The cost centers outlined earlier, Airfield (including Fuel Facility), Parking and Ground Transportation, Other Buildings and Grounds, GEG Terminal, Rental Car Facilities, the ABP and Felts Field are broken down here into smaller components for analysis. Other revenue sources are typically Non-operating and are generated from facility charges and interest income.

#### Highlights:

- **Parking and Ground Transportation** is estimated to have an increase in revenue of 64.7% from the 2021 budget (15.1% over estimated 2021 revenue) due to anticipated higher passenger activity in 2022.
- **Airline Terminal and Other Commercial Land / Building Rents** are more resilient to the fluctuations in activity as leased space is necessary to continue to provide services to the public.
- **Landing Fees Revenue** shows an increase of 51.2% in 2022 compared to 2021 estimated revenue due to an increase in passenger carrier landed weight, driven by additional routes by passenger carriers. Cargo carrier activity is also forecasted to increase in 2022.
- **Food, Beverage, Retail and Car Rental Revenues** show increases as revenue is directly related to an increase in passenger activity.

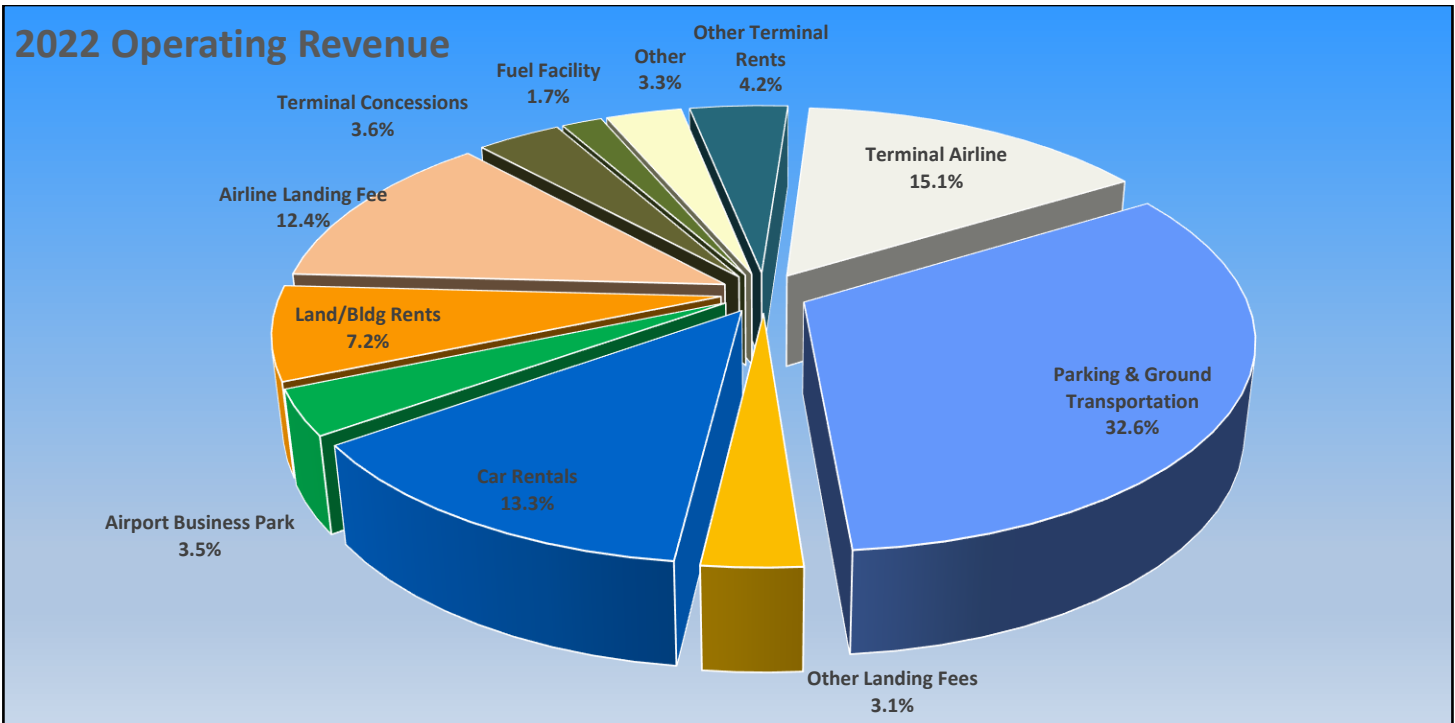
This table and the chart on the next page shows the main revenue sources for 2021 and 2022.

## Sources of Operating Revenue

This table shows general categories of revenues as a percentage of total operating revenues

Rank	Description	Budgeted 2021	FY 2021 % of Total Rev	Year End Estimate 2021	FY 2021 % of Total Rev	Budgeted 2022	FY 2022 % of Total Rev	\$ Change	% Change
1	Parking / Landside / GTC	8,317,000	20.3%	11,903,844	30.5%	13,702,000	32.6%	5,385,000	64.7%
2	Terminal Rent (airline)	6,677,989	16.3%	6,216,080	15.9%	6,367,123	15.1%	(310,866)	-4.7%
3	Car Rentals	5,230,000	12.8%	4,597,387	11.8%	5,577,500	13.3%	347,500	6.6%
4	Airline Landing Fees	3,448,751	8.4%	4,713,673	12.1%	5,215,254	12.4%	1,766,503	51.2%
5	Commercial Land / Bldg Rents	4,549,441	11.1%	3,356,029	8.6%	3,047,882	7.2%	(1,501,560)	-33.0%
6	Terminal Rent (other)	1,028,150	2.5%	1,767,880	4.5%	1,782,818	4.2%	754,668	73.4%
7	Food/Bevs/Retail	1,043,100	2.6%	1,408,847	3.6%	1,525,000	3.6%	481,900	46.2%
8	Airport Business Park	1,531,327	3.7%	1,453,442	3.7%	1,466,000	3.5%	(65,327)	-4.3%
9	Landing Fees (other)	1,229,923	3.0%	1,134,154	2.9%	1,288,220	3.1%	58,297	4.7%
10	Fuel Facility	560,000	1.4%	735,801	1.9%	735,801	1.7%	175,801	31.4%
	Other Revenue *	7,258,592	17.8%	1,747,055	4.5%	1,375,613	3.3%	5,882,979	427.7%
	<b>Total Operating Revenues</b>	<b>\$ 40,874,273</b>	<b>100.0%</b>	<b>\$ 39,034,192</b>	<b>100.0%</b>	<b>\$ 42,083,210</b>	<b>100.0%</b>	<b>\$ 1,208,937</b>	<b>3.0%</b>

\* CARES funds were budgeted in 2021 but not in 2022.



## OPERATING EXPENSES

Operating expenses are generated through the daily operations of the Airport. Operating expenses are tracked in the direct and indirect cost centers described earlier. Along with the direct cost centers tracking revenue, there are five indirect cost centers in Planning and Engineering, Airport Rescue and Fire Fighting (ARFF), Information Technology, Police and Dispatch along with Airport Administration. The table and chart following this breaks down expenses into smaller categories for analysis.

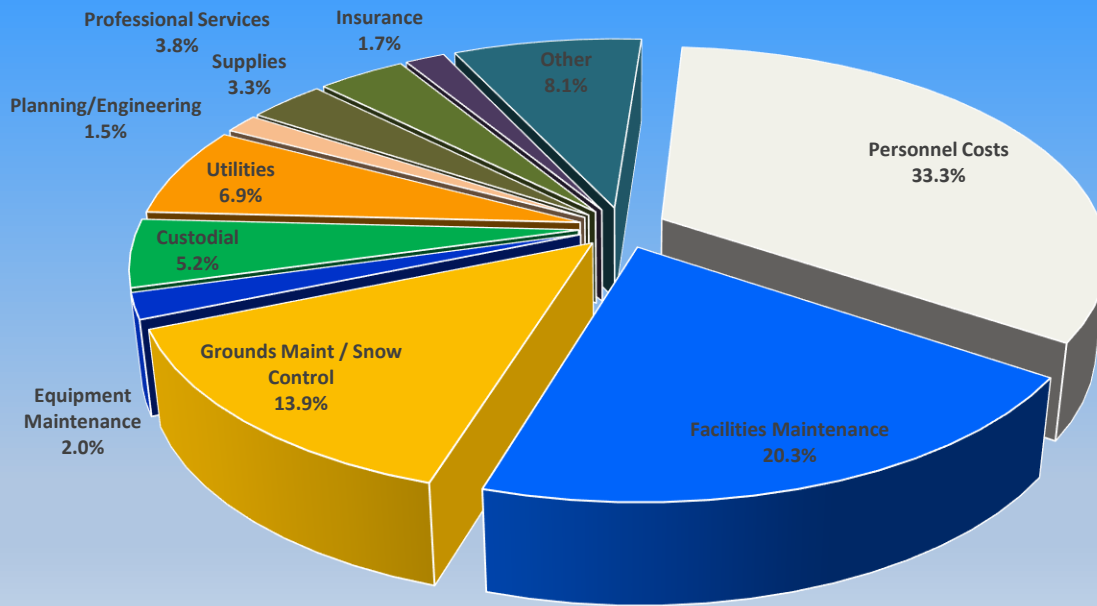
### Highlights:

- **Personnel Compensation and Benefits** accounts for 33.3% of total operating expenses. 2022 shows an increase of 23.3% over the prior year and is related to anticipated increases in staffing levels due to the recovery of passenger activity.
- **Facilities and Grounds maintenance** accounts for 20.3% of total operating expenses in 2022 and represents an increase of 6.0% over 2021 budget. The increase partially relates to previously deferred maintenance items.
- **Ground maintenance and snow control** accounts for 13.9% of total operating expenses in 2022. This is an increase of 45.2% over prior year due to increase roadways around the airport needing to be maintained and deferred maintenance items.

<b>Operating Expenditures by Rank</b>									
<i>This table shows general categories of expenses as a percentage of total operating expenses</i>									
<u>Rank</u>	<u>Description</u>	<u>Budgeted 2021</u>	<u>FY 2021 % of Total Exp</u>	<u>Year End Estimate 2021</u>	<u>FY 2021 % of Total Exp</u>	<u>Budgeted 2022</u>	<u>FY 2022 % of Total Exp</u>	<u>22 vs '21 Budget \$ Change</u>	<u>% Change</u>
1	Personnel (Incl taxes / benefits)	8,720,437	31.5%	9,515,726	36.2%	10,754,079	33.3%	2,033,642	23.3%
2	Facilities, Hangars, Bldgs, Depreciation	6,177,798	22.3%	5,601,423	21.3%	6,549,710	20.3%	371,912	6.0%
3	Grounds Maintenance / Snow Control	3,100,000	11.2%	1,362,548	5.2%	4,500,000	13.9%	1,400,000	45.2%
4	Utilities (Power/Nat. Gas/Water/Sewer)	1,873,503	6.8%	1,914,248	7.3%	2,230,650	6.9%	357,147	19.1%
5	Custodial Services & Supplies	1,726,875	6.2%	1,297,898	4.9%	1,668,700	5.2%	(58,175)	-3.4%
6	Professional Services	1,133,000	4.1%	1,018,698	3.9%	1,218,000	3.8%	85,000	7.5%
7	Other Supplies	967,334	3.5%	867,374	3.3%	1,061,750	3.3%	94,416	9.8%
8	Equipment Maintenance	475,609	1.7%	496,060	1.9%	631,500	2.0%	155,891	32.8%
9	Insurances	460,647	1.7%	536,855	2.0%	551,750	1.7%	91,103	19.8%
10	Research / Planning / Engineering	285,988	1.0%	245,699	0.9%	470,000	1.5%	184,012	64.3%
	Other Operating Expenses	11,503,349	41.5%	12,981,571	49.3%	13,378,733	41.5%	1,875,384	16.3%
	Total Operating Expenses	\$ 27,704,104	100.0%	\$ 26,322,373	100.0%	\$ 32,260,793	100.0%	\$ 4,556,689	16.4%

*Note: Minor reclassifications have been made to prior years to conform with 2022 presentation and some totals or % may not add exactly due to rounding*

## 2022 Operating Expenses





## Section VII. Capital Improvement Program

The Capital Improvement Program (CIP) is developed annually and updated throughout each year. The purpose of the CIP process is to evaluate, prioritize, and coordinate proposed projects for, ideally, a five-year period. Projects that may require FAA funding in the future are updated with the FAA annually. The projects developed through the planning process require the use of Federal funding through the FAA, DOT, and the TSA along with state grants, PFCs, CFCs, debt issuance and cash generated by operation of the Airport.

The primary goal of the CIP is the development of a detailed capital budget for the current fiscal year and a plan for capital development during the next three to four years. By updating and approving the CIP, a strategy and schedule is set for budgeting and constructing facilities at SIA, ABP, and Felts Field.

The table below shows a summary of projects by area for 2020-2022.

<b>Summary of 2020 - 2022 Capital Improvement Program</b> <b>(for the 12 months ending December 31; numbers in thousands)</b>			
	Projected 2020	Projected 2021	Budget 2022
Spokane International Airport			
Airfield	\$ 96	\$ 8,579	\$ 4,750
Terminal - Other	1,669	7,550	3,125
Terminal - TREX	767	5,563	45,562
Parking / Landside Roadways	\$ 2,356	4,046	3,300
Hangars & Buildings (Incl RAC)	1,655	9,500	11,350
ARFF	762	-	60
IT	-	250	1,475
Police	17	-	75
Admin	64	75	65
Subtotal - SIA	7,387	35,563	69,762
Fuel	-	-	1,850
Felts Field	-	490	3,512
Airport Business Park	-	1,500	430
<b>Total CIP</b>	<b>\$ 7,387</b>	<b>\$ 37,553</b>	<b>\$ 75,554</b>





## Section VIII. Debt Service

The Airport has covenants to maintain a bond debt service coverage ratio of not less than 1.3, which it has successfully maintained. The calculation for 2019 & 2020, along with forecasts for 2021 and 2022, is shown below. The Airport defeased a 2008 bond and redeemed a 2005 bond in 2017 and defeased four Washington State Community Economic Revitalization Board (CERB) loans in 2021. The Airport has no debt outstanding at the end of 2021. Since the Airport does not carry any Municipal Bond debt, it has not been required to obtain a Bond Rating, however the most recent ratings in 2017 were A+ Standard & Poor's, A+ Fitch, and A-2 Moody's.

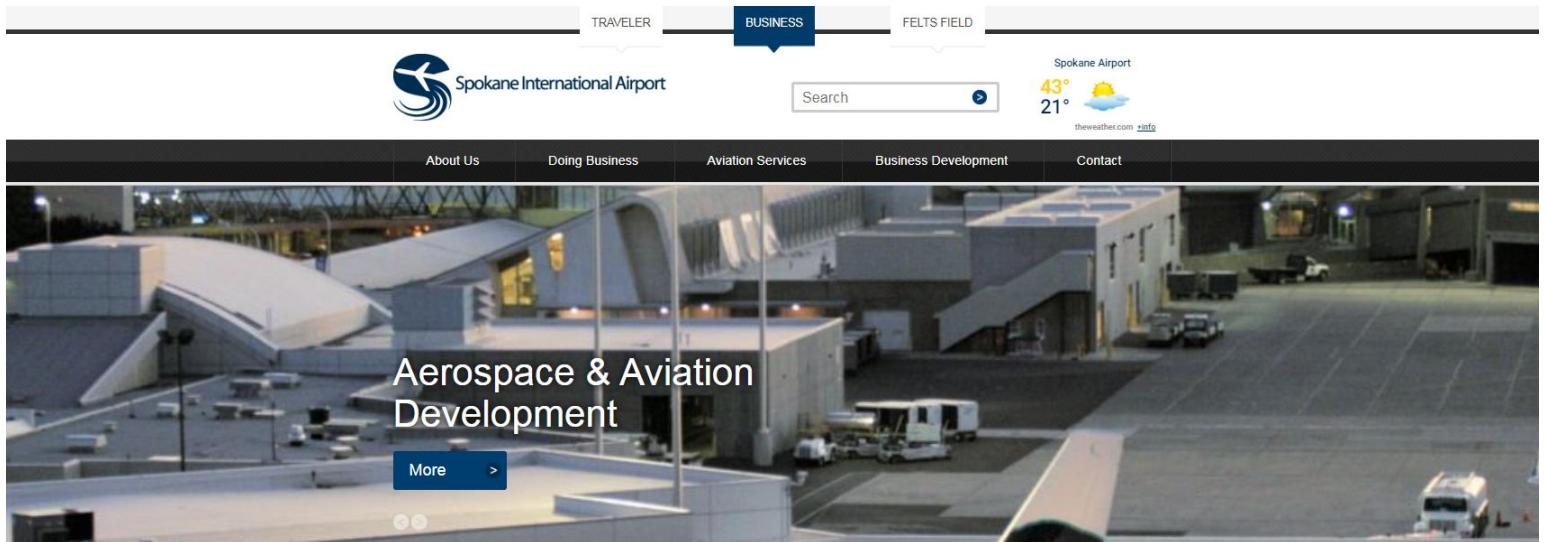
Having no outstanding debt positions the Airport to be able to pursue long-term bond financing to fund TREX Phase I construction.

<b>Debt Service by Series and Cost Center</b>				
<b>Spokane International Airport</b>				
<b>(for the 12 months ending December 31; numbers in thousands)</b>				
	Actual 2019	Actual 2020	Estimated 2021	Budget 2022
<b>By Series</b>				
Senior Lien				
2008 Revenue Bonds	\$ -	\$ -	\$ -	\$ -
2010 Revenue Bonds	-	-	-	-
Total Existing Debt Service	\$ -	\$ -	\$ -	\$ -
Future PFC Debt Service	-	-	-	-
Less: PFC Revenues Pledged	-	-	-	-
Future GARB Debt Service	-	-	-	-
Total Senior Lien Debt Service	\$ -	\$ -	\$ -	\$ -
Subordinate Lien				
2005 CERB Loan	\$ 51	\$ 51	\$ -	\$ -
2006 CERB Loan	48	48	-	-
2008 CERB Loan	118	118	118	-
2010 CERB Loan	250	250	250	-
Total Subordinate Debt Service	\$ 468	\$ 468	\$ 368	\$ -
Subordinate Lien - Felts Field				
2018 City Hangar Loan	-	-	-	-
Senior Lien				
2005 Revenue Bonds - ABP	\$ -	\$ -	\$ -	\$ -
<b>TOTAL DEBT SERVICE</b>	<b>\$ 468</b>	<b>\$ 468</b>	<b>\$ 368</b>	<b>\$ -</b>

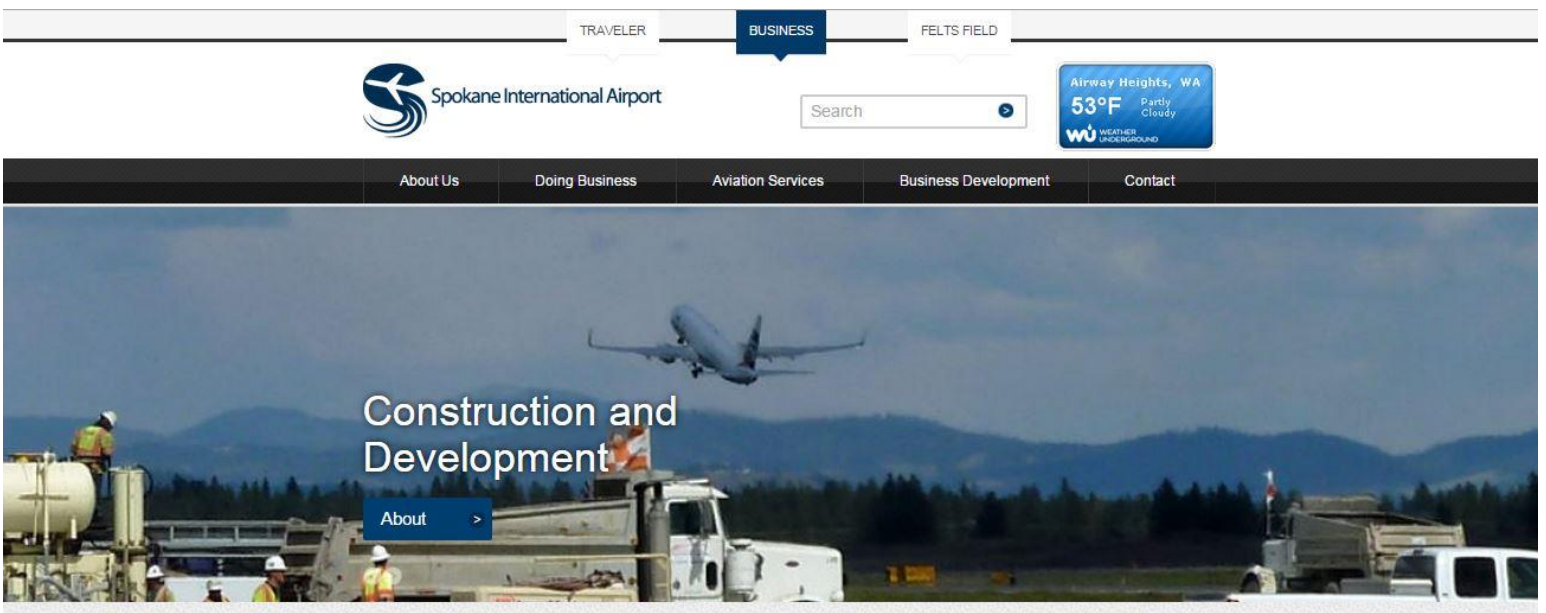




## Section IX. Budget Summaries by Cost Center



### **Spokane Airport Board Consolidated Summary Spokane International Operations Summary Business Park Operations Summary Felts Field Operations Summary Capital Improvement Program**



# SPOKANE AIRPORT BOARD

## 2022 BUDGET SUMMARY

*Note: reclassifications have been made to prior years to conform with 2021 presentation  
and some totals or % may not add exactly due to rounding*

	<u>2019 Actual</u>	<u>Projected 2020 Yr End</u>	<u>2021 Budget</u>	<u>Projected 2021 Yr End</u>	<u>2022 Budget</u>	<u>% Change 22 vs 21</u>
<b>Operations Revenues (with CARES)</b>						
Spokane International	\$ 42,803,423	\$ 38,553,305	\$ 38,527,553	\$ 37,229,454	\$ 39,286,597	
Airport Business Park	1,410,347	1,556,894	1,531,327	1,458,442	1,466,000	
Felts Field	<u>772,149</u>	<u>839,905</u>	<u>815,392</u>	<u>775,929</u>	<u>718,751</u>	
	<u>44,985,919</u>	<u>40,950,105</u>	<u>40,874,272</u>	<u>39,463,825</u>	<u>41,471,348</u>	1.5%
<b>Other Sources</b>						
Spokane International	646,765	629,877	566,138	600,000	600,000	
Airport Business Park	30,666	26,264	24,524	11,485	11,485	
Felts Field	(18,896)	-	-	-	-	
(To) / From Reserves	<u>(3,681,625)</u>	<u>(1,040,511)</u>	<u>(2,443,912)</u>	<u>(2,443,912)</u>	<u>-</u>	
	<u>(3,023,090)</u>	<u>(384,370)</u>	<u>(1,853,250)</u>	<u>(1,832,427)</u>	<u>611,485</u>	
<b>Total Operations / Other Sources</b>	<u>\$ 41,962,829</u>	<u>\$ 40,565,735</u>	<u>\$ 39,021,022</u>	<u>\$ 37,631,398</u>	<u>\$ 42,082,833</u>	7.8%
<b>Operations Expenses</b>						
Spokane International	\$ 29,452,623	\$ 27,748,667	\$ 26,455,794	\$ 25,651,165	\$ 30,957,510	17.0%
Airport Business Park	708,449	555,079	630,510	495,640	694,072	
Felts Field	<u>596,296</u>	<u>520,025</u>	<u>617,800</u>	<u>558,789</u>	<u>609,211</u>	
	<u>30,757,368</u>	<u>28,823,771</u>	<u>27,704,104</u>	<u>26,705,594</u>	<u>32,260,793</u>	16.4%
<b>Debt Service</b>						
Spokane International	451,701	454,636	362,743	-	-	
Airport Business Park	-	-	-	-	-	
Felts Field	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
	<u>451,701</u>	<u>454,636</u>	<u>362,743</u>	<u>-</u>	<u>-</u>	
<b>Operations &amp; Debt Service</b>	<u>31,209,069</u>	<u>29,278,407</u>	<u>28,066,847</u>	<u>26,705,594</u>	<u>32,260,793</u>	14.9%
<b>Non-Cash Depreciation</b>						
Spokane International	9,325,477	10,865,645	9,311,898	7,864,403	9,382,428	
Airport Business Park	556,887	540,435	516,185	470,842	381,723	
Felts Field	<u>871,395</u>	<u>1,114,027</u>	<u>1,126,092</u>	<u>1,131,085</u>	<u>1,100,738</u>	
	<u>10,753,760</u>	<u>12,520,108</u>	<u>10,954,175</u>	<u>9,466,329</u>	<u>10,864,889</u>	
<b>Total Operations/ Other Expenditures</b>	<u>\$ 41,962,829</u>	<u>\$ 41,798,515</u>	<u>\$ 39,021,022</u>	<u>\$ 36,171,923</u>	<u>\$ 43,125,682</u>	10.5%
<b>Capital Sources</b>						
Spokane International	30,435,966	7,386,676	40,455,000	71,612,000	71,612,000	
Airport Business Park	36,290	-	1,500,000	430,000	430,000	
Felts Field	<u>4,243,194</u>	<u>404,820</u>	<u>490,000</u>	<u>3,512,000</u>	<u>3,512,000</u>	
	<u>\$ 34,715,450</u>	<u>\$ 7,791,496</u>	<u>\$ 42,445,000</u>	<u>\$ 75,554,000</u>	<u>\$ 75,554,000</u>	78.0%
<b>Capital Expenditures</b>						
Spokane International	30,435,966	7,386,676	40,455,000	71,612,000	71,612,000	
Airport Business Park	36,290	52,870	1,500,000	430,000	430,000	
Felts Field	<u>4,243,194</u>	<u>404,820</u>	<u>490,000</u>	<u>3,512,000</u>	<u>3,512,000</u>	
	<u>\$ 34,715,450</u>	<u>\$ 7,844,366</u>	<u>\$ 42,445,000</u>	<u>\$ 75,554,000</u>	<u>\$ 75,554,000</u>	78.0%
<b>Consolidated Sources</b>	<u>\$ 76,678,279</u>	<u>\$ 48,357,231</u>	<u>\$ 81,466,022</u>	<u>\$ 113,185,398</u>	<u>\$ 117,636,833</u>	44.4%
<b>Consolidated Expenditures</b>	<u>\$ 76,678,279</u>	<u>\$ 49,642,881</u>	<u>\$ 81,466,022</u>	<u>\$ 111,725,923</u>	<u>\$ 118,679,682</u>	45.7%

# SPOKANE INTERNATIONAL AIRPORT

## 2022 OPERATIONS BUDGET SUMMARY

*Note: reclassifications have been made to prior years to conform with 2021 presentation  
and some totals or % may not add exactly due to rounding*

	<u>2019 Actual</u>	<u>Projected 2020 Yr End</u>	<u>2021 Budget</u>	<u>Projected 2021 Yr End</u>	<u>2022 Budget</u>	<u>% Change 22 vs. 21</u>
<b>Operations Revenues (with CARES)</b>						
Parking / Ground Transportation	\$ 15,353,376	\$ 8,584,381	\$ 9,310,995	\$ 11,903,844	\$ 13,702,000	
Airfield	6,801,313	8,389,322	6,882,366	6,728,596	6,548,474	
Fuel Facility	825,519	735,801	703,075	735,801	735,801	
Other Buildings & Grounds	2,537,884	2,509,977	2,636,981	2,442,242	2,083,582	
Terminal	10,751,148	11,456,774	11,644,569	9,546,472	9,674,941	
Rental Car Facilities	6,328,214	3,826,865	4,930,000	5,718,234	6,377,500	
Other Revenues	205,969	109,138	155,367	154,265	164,300	
Indirect Cost Centers CARES Funds	-	2,941,047	2,264,200	-	-	
<b>Total Operations Revenue</b>	<b>\$ 42,803,423</b>	<b>\$ 38,553,305</b>	<b>\$ 38,527,553</b>	<b>\$ 37,229,454</b>	<b>\$ 39,286,597</b>	<b>2.0%</b>
<b>Operations Expenses</b>						
Parking / GTC / Landside	5,556,086	4,823,396	4,609,250	3,971,318	5,837,286	
Airfield & Operations	5,873,452	6,237,552	5,776,310	5,455,899	6,230,825	
Fuel Facility	445,985	385,817	385,450	385,450	518,177	
Other Buildings & Grounds	483,123	188,652	360,983	234,847	326,450	
Terminal	5,666,229	5,264,652	4,893,098	4,225,200	5,255,780	
Rental Car Facilities	389,351	399,226	380,000	361,325	377,500	
Other Indirect Centers						
Engineering	527,494	412,750	343,783	632,630	742,439	
Fire	2,275,829	2,306,414	1,678,253	2,264,661	2,247,062	
Information Technology	590,495	583,198	634,160	633,878	818,352	
Police	1,989,129	2,073,530	1,563,625	1,741,551	2,052,880	
Communication	548,394	550,291	507,741	500,456	556,759	
General Administration	<u>5,107,056</u>	<u>4,523,190</u>	<u>5,323,141</u>	<u>5,243,950</u>	<u>5,994,000</u>	
<b>Sub-Total Operations Expenses</b>	<b>29,452,623</b>	<b>27,748,667</b>	<b>26,455,794</b>	<b>25,651,165</b>	<b>30,957,510</b>	<b>17.0%</b>
<b>Revenues over Expenses pre Deprec</b>	<b>\$ 13,350,800</b>	<b>\$ 10,804,638</b>	<b>\$ 12,071,759</b>	<b>\$ 11,578,288</b>	<b>\$ 8,329,087</b>	
<b>Net Depreciation</b>	<b>(9,325,477)</b>	<b>(10,865,645)</b>	<b>(9,311,898)</b>	<b>(7,864,403)</b>	<b>(9,382,428)</b>	
<b>Revenues over Expenses incl Deprec</b>	<b>\$ 4,025,323</b>	<b>\$ (61,008)</b>	<b>\$ 2,759,861</b>	<b>\$ 3,713,885</b>	<b>\$ (1,053,341)</b>	
<b>Other Sources Available / (Used)</b>						
Interest Income	661,122	641,721	600,000	600,000	600,000	
Debt Interest	<u>(14,357)</u>	<u>(11,844)</u>	<u>(33,862)</u>	<u>-</u>	<u>-</u>	
<b>Total Other Sources Available</b>	<b>646,765</b>	<b>629,877</b>	<b>566,138</b>	<b>600,000</b>	<b>600,000</b>	<b>6.0%</b>
Available for Debt / Projects / Reserves	4,672,088	568,869	3,325,999	4,313,885	(453,341)	
<b>Total Debt Principal</b>	<b>(451,701)</b>	<b>(454,636)</b>	<b>(362,743)</b>	<b>-</b>	<b>-</b>	<b>-113.6%</b>
<b>Sources over (Expenses)</b>	<b>\$ 4,220,387</b>	<b>\$ 114,233</b>	<b>\$ 2,963,256</b>	<b>\$ 4,313,885</b>	<b>\$ (453,341)</b>	

# AIRPORT BUSINESS PARK

## 2022 OPERATIONS BUDGET SUMMARY

*Note: reclassifications have been made to prior years to conform with 2021 presentation  
and some totals or % may not add exactly due to rounding*

	<u>2019 Actual</u>	<u>Projected 2020 Yr End</u>	<u>2021 Budget</u>	<u>Projected 2021 Yr End</u>	<u>2022 Budget</u>	<u>% Change 22 vs. 21</u>
<b>Operations Revenues (with CARES)</b>						
Building / Office Leases	\$ 1,148,272	\$ 1,140,768	\$ 1,129,485	\$ 1,140,301	\$ 1,142,000	
Land Leases	239,825	303,889	301,090	300,374	311,000	
Miscellaneous	22,250	112,237	100,752	17,767	13,000	
<b>Total Operating Revenues</b>	<u>\$1,410,347</u>	<u>\$1,556,894</u>	<u>\$1,531,327</u>	<u>\$1,458,442</u>	<u>\$1,466,000</u>	11.6%
<b>Operating Expenses</b>						
Buildings	\$ 367,357	\$299,360	\$ 324,560	\$ 286,650	\$ 376,400	
Grounds	205,081	90,019	137,050	88,450	145,800	
General Administration	136,011	165,700	168,900	120,540	171,872	
<b>Total Operating Expenses</b>	<u>708,449</u>	<u>555,079</u>	<u>630,510</u>	<u>495,640</u>	<u>694,072</u>	-7.1%
<b>Revenues over Expenses (Pre Deprec)</b>	\$ 701,898	\$ 1,001,815	\$ 900,817	\$ 962,802	\$ 771,928	
Depreciation	(556,887)	(540,435)	(516,185)	(470,842)	(381,723)	
<b>Operating Revenue over (Expense)</b>	<u>\$ 145,011</u>	<u>\$ 461,380</u>	<u>\$ 384,632</u>	<u>\$ 491,960</u>	<u>\$ 390,205</u>	
<b>Other Sources Available / Used</b>						
Interest Income	15,127	13,039	13,039	-	-	
Interest Expense	-	-	-	-	-	
Other Non-Operating Income (Expense)	15,539	13,225	11,485	11,485	11,485	
Total Other Sources Available	<u>30,666</u>	<u>26,264</u>	<u>24,524</u>	<u>11,485</u>	<u>11,485</u>	
Available for Debt / Projects / Reserves	175,677	487,644	409,156	503,445	401,690	
Total Debt Principal	-	-	-	-	-	
<b>Sources over Expenditures incl Deprec</b>	<u>\$ 175,677</u>	<u>\$ 487,644</u>	<u>\$ 409,156</u>	<u>\$ 503,445</u>	<u>\$ 401,690</u>	

# FELTS FIELD

## 2022 OPERATIONS BUDGET SUMMARY

Note: reclassifications have been made to prior years to conform with 2021 presentation  
and some totals or % may not add exactly due to rounding

	<u>2019 Actual</u>	<u>Projected 2020 Yr End</u>	<u>2021 Budget</u>	<u>Projected 2021 Yr End</u>	<u>2022 Budget</u>	<u>% Change 22 vs. 21</u>
<b>Operating Revenues</b>						
Airfield	\$ 47,608	\$ 40,445	\$ 46,980	\$ 53,031	\$ 46,980	
Hangars/ Bldgs / Land	688,152	681,786	653,750	685,566	636,896	
Terminal	26,534	26,684	26,600	27,814	27,575	
Miscellaneous	9,855	90,990	88,062	9,518	7,300	
<b>Total Revenues</b>	<b>\$ 772,149</b>	<b>\$ 839,905</b>	<b>\$ 815,392</b>	<b>\$ 775,929</b>	<b>\$ 718,751</b>	<b>32.8%</b>
<b>Operating Expenses</b>						
Airfield	\$ 129,004	\$ 143,850	\$ 174,000	\$ 149,500	\$ 159,850	
Hangars/ Bldgs / Land	84,597	64,300	105,200	85,780	107,450	
Terminal	61,147	59,525	71,850	74,265	83,400	
General Admin	321,548	252,350	266,750	249,244	258,511	
<b>Total Expenses</b>	<b>596,296</b>	<b>520,025</b>	<b>617,800</b>	<b>558,789</b>	<b>609,211</b>	<b>-8.0%</b>
<b>Revenue / (Expense) Pre Depreciation</b>	<b>\$ 175,853</b>	<b>\$ 319,880</b>	<b>\$ 197,592</b>	<b>\$ 217,140</b>	<b>\$ 109,540</b>	<b>-444.4%</b>
Depreciation	(1,742,876)	(1,985,508)	(1,997,573)	(1,994,194)	(1,963,848)	
Credit for Funded Assets	871,481	871,481	871,481	863,110	863,110	
<b>Net Depreciation</b>	<b>(871,395)</b>	<b>(1,114,027)</b>	<b>(1,126,092)</b>	<b>(1,131,085)</b>	<b>(1,100,738)</b>	
<b>Revenue / (Expense) incl Depreciation</b>	<b>\$ (695,542)</b>	<b>\$ (794,147)</b>	<b>\$ (928,500)</b>	<b>\$ (913,945)</b>	<b>\$ (991,198)</b>	
<b>Cash Available for Debt Service</b>	<b>\$ 175,853</b>	<b>\$ 319,880</b>	<b>\$ 197,592</b>	<b>\$ 217,140</b>	<b>\$ 109,540</b>	
Interest and Other Income	(18,896)	-	-	-	-	
Available for Debt / Projects / Reserves	156,957	319,880	197,592	217,140	109,540	
Debt Service	-	-	-	-	-	
<b>Expenses over Sources</b>	<b>\$ 156,957</b>	<b>\$ 319,880</b>	<b>\$ 197,592</b>	<b>\$ 217,140</b>	<b>\$ 109,540</b>	

# SPOKANE AIRPORT BOARD

## 2022 CAPITAL SUMMARY

Note: reclassifications have been made to prior years to conform with 2021 presentation and some totals or % may not add exactly due to rounding

		2019	2020	Projected	2021	2022
		Actual	Budget	2020 Yr End	Budget	Budget
<b>SPOKANE INTERNATIONAL AIRPORT</b>						
<b>SOURCES OF FUNDS</b>						
	Federal & AIP Grants	1,290,436	7,656,100	2,508,168	8,000,000	-
	Other Federal Grants / Funds	121,131	3,000,000	75,976	13,800,000	12,000,000
	Other State / Local Funds	1,981,266	1,500,000	236,289	1,000,000	-
	Available / Used PFC Collections and Interest	16,076,555	11,000,000	1,027,136	2,500,000	3,500,000
	Revenue Bonds / PFC Supported					45,562,000
	Available CFC Collections	152,609	5,100,000	1,277,566	8,350,000	-
	Funds From Operations, Unrestricted Cash, CARES	10,813,969	12,662,900	2,261,541	6,805,000	10,550,000
	<b>Total</b>	<b>30,435,966</b>	<b>40,919,000</b>	<b>7,386,676</b>	<b>40,455,000</b>	<b>71,612,000</b>
<b>EXPENDITURE OF FUNDS</b>						
	Parking / Ground Transportation	3,742,347	15,445,000	563,428	625,000	3,300,000
	Landside Roadways	985,259	-	1,792,997	2,405,000	-
	Airfield / Ops / Fuel	4,503,841	2,015,000	95,942	9,000,000	6,600,000
	Other Buildings & Grounds	2,322,115	7,100,000	1,655,197	22,350,000	11,350,000
	Terminal	13,739,848	15,060,000	2,436,517	5,500,000	48,687,000
	ARFF	56,079	729,000	762,052	-	60,000
	I.T.	3,832,340	120,000	-	500,000	1,475,000
	Police / Security	918,876	300,000	16,544	-	75,000
	Admin	-	150,000	64,000	75,000	65,000
	Land Acquisitions	335,261	-	-	-	-
	<b>Total Expenditures</b>	<b>30,435,966</b>	<b>40,919,000</b>	<b>7,386,676</b>	<b>40,455,000</b>	<b>71,612,000</b>
<b>AIRPORT BUSINESS PARK</b>						
<b>SOURCES OF FUNDS</b>						
	Funds From Operations & Unrestricted Cash	36,290	620,000	-	1,500,000	430,000
	<b>Total Sources</b>	<b>36,290</b>	<b>620,000</b>	<b>-</b>	<b>1,500,000</b>	<b>430,000</b>
<b>EXPENDITURE OF FUNDS</b>						
	Total Capital Projects	838,943	-	-	1,500,000	430,000
	<b>Total Expenditures</b>	<b>36,290</b>	<b>620,000</b>	<b>52,870</b>	<b>1,500,000</b>	<b>430,000</b>
<b>FELTS FIELD</b>						
<b>SOURCES OF FUNDS</b>						
	Federal & AIP Grants	147,478	300,000		330,000	90,000
	Other Grants		98,000			492,000
	Debt or Other Funds				-	-
	Funds From Operations & Unrestricted Cash	4,095,716	880,000	404,820	160,000	2,930,000
	<b>Total Sources</b>	<b>4,243,194</b>	<b>1,278,000</b>	<b>404,820</b>	<b>490,000</b>	<b>3,512,000</b>
		\$ 613,190	\$ (1,385,646)	\$ (11,416,616)	\$ (11,736,256)	\$ (8,874,256)
<b>EXPENDITURE OF FUNDS</b>						
	Airfield	52,226	630,000	268,046	440,000	690,000
	Other Buildings / Grounds	4,096,106	50,000	119,912	50,000	600,000
	Terminal	15,355	598,000	16,862	-	1,572,000
	Land Acquisitions	79,507	-	-	-	650,000
	<b>Total Expenditures</b>	<b>4,243,194</b>	<b>1,278,000</b>	<b>404,820</b>	<b>490,000</b>	<b>3,512,000</b>

Note: The expenditures noted above do not necessarily represent specific projects, rather a variety of projects in a category that will be individually vetted by the Airport Board through the Committee process prior to authorization of expending of funds.



## Section X. Selected 2022 Rates & Charges List

Space rates shown on a square foot per annum basis

Other rate basis are noted

(This list is not meant to be all inclusive.)

Change from 2021

Spokane International Airport	Signatory	Cargo Exempt*	w/ Use Agreement	Itinerant
<b>Class 1 Space</b>				
Airline Ticket Counters	\$ 60.70			
Airline Ticket Office (ATO)	60.70			
Queuing Areas	60.70			
Instant Travel Machines	60.70			
Concourse Hold Areas	60.70			
Baggage Claim	60.70			
<b>Class 2 Space</b>				
Baggage Service (BOS)	\$ 45.53			
Upper Concourse Office	45.53			
Ops Office	45.53			
Communications Office	45.53			
Baggage Make-Up	45.53			
Baggage Delivery	45.53			
Lower Concourse Office	45.53			
Storage Room	45.53			
Maintenance Office	45.53			
Baggage Cabinet	45.53			
Triturator Building	45.53			
Loading Bridge / mo	\$ 2,151.04			
Aircraft Parking / mo	\$ 500.00			
Boarding Walkway	\$ 11.25			
Ramp GSE Storage	\$ 4.34			
Glycol Pad	4.34			
Outside Storage	0.80			
Landing Fee / 1,000 lbs	\$ 2.16	\$ 2.26	\$ 2.47	\$ 3.23
Non Leased Loading Bridge / full turn	291.00		291.00	291.00
{Includes NON Leased Loading Bridge, A/C Parking, Concourse holding area}				
Non Leased Baggage System / turn	113.00		113.00	113.00
{Includes both baggage make-up for outbound AND baggage claim for inbound}				
Non Leased Ticketing / use	31.00		31.00	31.00
{Includes NON Leased Ticket Counter Only}				
Non Leased Aircraft Parking / use	100.00	105.00	125.00	150.00
{Includes NON Leased Aircraft Parking area away from a Bridge}				
Fuel Flowage Fee / Gallon	0.040	0.040	0.050	0.065

\*Cargo Exempt: Cargo Carriers with on-airfield ramp & operation facilities



## Section X. Selected 2022 Rates & Charges List

Space rates shown on a square foot per annum basis

Other rate basis are noted

(This list is not meant to be all inclusive.)

Change from 2021

Spokane International General Aviation	
Non Lease Aircraft Parking / day	
Single Engine Aircraft	\$ 25.00
Multi Engine / Small Jet	35.00
Q-400 / EJ / RJ or Greater	50.00

Use Agreement / month	
SIA	\$ 90.00
Felts Field	35.00

Felts Field Rates	
Landing Fee / 1000 lbs	\$ 2.50
Non Lease Aircraft / day	25.00
T-Hangar / mo	230.00
Tie-Down / mo	30.00
Fuel Flowage / Gallon	0.065

Mini Warehouse Rates	
amounts due in advance for entire billing term)	
Monthly Only	TBD
Includes WA St LH Tax	

Miscellaneous Items (not incl. applicable taxes)	
Security Badge Only	\$ 30.00
Badge Renewal or Fingerprinting	40.00
New Badge & Fingerprinting	60.00
1st Lost Badge	30.00
2nd Lost Badge	40.00
3rd Lost Badge	60.00
Telephone Line / mo	12.00
Fitness Center / mo	15.00
GTC Conf room / 4 hrs	25.00
Room Setup (if necessary)	25.00
Event or Conference Center / day	175.00
GTC Trip Fee / Trip	1.75

Force Account Rates	
Materials	Cost + 10%
Labor / hr.	\$ 62.50

ALL VEHICLE PARKING LOT RATES INCLUDE WA STATE SALES TAX					
Parking (Sales Tax Included)	Covered	Outside			
Length of Stay	Garage	Surface	C-Lot	Economy	Hourly
0 - 2 HR	\$ 4.00	\$ 4.00	\$ 4.00	\$ 6.00	\$ 2.00 / HR
2 - 3 HRS	6.00	6.00	6.00		
3 - 4 HRS	8.00	8.00	8.00		
4 - 5 HRS	10.00				
5-24 HRS	12.00				
<b>DAILY MAX.</b>	<b>\$ 12.00</b>	<b>\$ 8.00</b>	<b>\$ 8.00</b>	<b>\$ 6.00</b>	

Miscellaneous Vehicle Parking	
Employee Lots / mo	\$ 30.00
Employee Surface Lot / mo	130.00
Employee Garage Parking / mo	200.00
Passport / Executive / mo	200.00
Vendor / Contractor Parking / veh / year	50.00
Transponder Replacement	50.00
ALL VEHICLE PARKING INCLUDES WSST	

**Notes:** Certain other terminal and leasehold rental rates are set in conjunction with the Airline Operating Agreement (AOA) provisions while others are set by Fair Market Value appraisals. Rental Car and Concession rates are determined through negotiation and Request for Proposal (RFP) processes. Equipment rentals and other rates are available upon request.



# *Spokane Airports 2022 Budget*

*Spokane International Airport / Airport Business Park/ Felts Field*



[www.spokaneairports.net](http://www.spokaneairports.net)

*Approved:*  
*Spokane Airport Board, November 18, 2021*