

Spokane Airports 2021 Budget

Spokane International Airport / Airport Business Park/ Felts Field

WHEN IT'S TIME TO FLY



Now Offering **Nonstop Service** to
16 DESTINATIONS Throughout the U.S.

Alaska

American
Airlines

DELTA

FRONTIER

Southwest

UNITED





Spokane Airport Board

Spokane International Airport / Airport Business Park / Felts Field

2021 Budget Table of Contents

I.	Spokane Airport Board Members.	1
II.	Introduction Overview, Process, Summary	2
III.	Activity Passengers, Landed Weights, Operations.	7
IV.	Cost Centers, Allocations, Rate Making and CPE	9
V.	Terminal Rent Rate and Landing Fee	15
VI.	Operating Revenues and Expenses	17
VII.	Capital Improvement Program	20
VIII.	Debt Service	21
IX.	Benchmark Table of Other Airports.	22
X.	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	24 25 26 27 28 29
XI.	Selected Rates and Charges	30



Spokane International Airport
GEG – GENERATING ECONOMIC GROWTH

AIRPORT BUSINESS PARK



Spokane Airport Board

Ezra Eckhardt (Chair)
K. Collins Sprague (Vice Chair)
Al French (Secretary)
Breean Beggs
Max Kuney
Nancy Vorhees
Jennifer West

Lawrence J. Krauter, CEO
Brian Werst, General Counsel



Section II. Introduction

The SPOKANE AIRPORT BOARD (Board), operates Spokane International Airport (GEG), the Airport Business Park (ABP), and Felts Field (SFF), 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 programmed general fund appropriations 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 loans, 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. Due to the negative impacts of the COVID-19 Pandemic on the aviation industry, staffing levels have been reduced to approximately 125 full and part-time employees. Employees work diligently to provide quality facilities and services along with a high quality customer experience.

The 2021 budget provides funds to accomplish goals while keeping the cost to airlines competitive, funding important capital projects that will improve efficiency, 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 supporting existing, and creating new, jobs in the region.

AIRLINE OPERATING AGREEMENT (AOA)

This 2021 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.

The Airport Airline Affairs Committee (AAAC) convened on October 26, 2020 to discuss the 2021 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 do not specifically approve the full Airport Budget, however they do provide input for consideration in development of rates and charges.

The amended continuing agreement, on which the 2021 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.

During discussions and consultations, it was agreed the Airport would continue 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.

In 2020, there were significant decreases in passenger activity and aircraft operations due to the actions of federal, state, and local governments in response to the global COVID-19 pandemic. Activity is slowly improving, with a projection to end 2020 at approximately 50% of 2019 levels. In developing the 2021 budget, the goal is to stabilize and position the Airport for a pandemic 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 works with a third party consultant to develop the 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 loaded 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 Airport Board.

The Capital Improvement Program is also evaluated 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 2021 Consolidated Spokane Airport Board Budget. Section X, beginning page 24, and various exhibits throughout this presentation will focus on the individual details of the summary shown.

SPOKANE AIRPORT BOARD 2021 BUDGET SUMMARY			
<u>2021</u>	<u>Operating</u>	<u>Capital</u>	<u>Total</u>
GEG	\$36,130,435	\$40,455,000	\$76,585,435
ABP	1,146,695	1,500,000	2,646,695
Felts Field	<u>1,743,892</u>	<u>490,000</u>	<u>2,233,892</u>
2021 Consolidated	<u>\$39,021,022</u>	<u>\$42,445,000</u>	<u>\$81,466,022</u>
% Change vs 2020	-15.7%	-0.9%	-8.5%

<u>2020</u>			
GEG	\$43,479,547	\$40,919,000	\$84,398,547
ABP	1,206,695	620,000	1,826,695
Felts Field	<u>1,577,180</u>	<u>1,278,000</u>	<u>2,855,180</u>
2020 Consolidated	<u>\$46,263,422</u>	<u>\$42,817,000</u>	<u>\$89,080,422</u>

The Total Spokane Airport Board 2021 Budget presented for approval is \$81,466,022 representing an 8.5% decrease from the 2020 Budget. This change is due to a 15.7% decrease in the Operating Budget and a 0.9% decrease in the Capital Budget. The decrease in the Operating Budget is directly related to the reduction in available revenues, and therefore expenses, due to the reduction in passenger activity in response to the global pandemic. Fluctuations in the Capital Budget occur due to the timing of Federal and Local funding streams and the timing of construction progress of individual projects.

Consolidated Operating Revenues are forecast to decrease by 15.7% from the 2020 budget to \$39.0 million. Included in operating revenues in all three areas are estimated reimbursements from the Coronavirus Aid, Relief, and Economic Security (CARES) Act. SIA operating revenues are forecast to decrease by 14.8% from the 2020 budget, due to a decrease in passenger activity which affects revenues from airline landing fees, concession and rental car activity. Included in the 2021 revenue decrease is an 8.6% decrease in rental rates for terminal tenants, and a 6.3% decrease in the 2021 landing fee rate. The fifth year of refining cost tracking and allocations of indirect costs across direct cost centers (see Section IV, page 9) is showing positive results in obtaining the proper inputs to the airline rate structure.

The **Parking / Ground Transportation** cost center has the largest impact due to the decline in passenger activity in 2020 and 2021. 2020 is forecast to decrease by 50% compared to budget, and will be followed by a 44% reduction in 2021 as compared to the 2020 budget.

Included in the 2021 Budget is a rate structure adjustment due to the temporary closing of certain surface parking lots. The per-hour rate remains the same at \$2 per hour up to the daily maximum for each available lot. Page 31 shows the 2021 vehicle parking lot rates.

An annual adjustment to the trip fee rate in Ground Transportation was memorialized in 2017 for the years 2018 – 2021. The rate for 2021 is set at \$1.75 per trip which is the same per trip rate of 2020.

Consolidated Operating Expenses, including depreciation and debt service, are projected to decrease 15.7% to \$39.0 million. Operating expenses, not including depreciation and debt service, are projected to decrease 21.9% over the 2020 budget to \$27.7 million. The budget model is forecasting passenger growth over projected 2020 levels, and utilizes a conservative increase of 3.2% in 2021 over the estimated total activity of 2020.

The 2021 **Capital Program** represents a 0.9% decrease from the 2020 budget. The total planned capital expenditures in 2021 are \$42.4 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 majority of the 2021 projects scheduled are funded for the upcoming year through AIP Grant applications, a DOT BUILD grant, pre-collected PFCs and Customer Facility Charges (CFCs) on approved projects. The Airport also uses funds from general operations to the extent expenditures do not reduce the reserve amount below a targeted level.

2021 capital projects at SIA include construction of a Transload rail-truck facility, Airport Drive Realignment (Phase 2), certain terminal rehabilitation projects which will enable future terminal projects, replacement of in-line Explosive Detection Screening (EDS) devices, construction of a non-leased aircraft parking ramp, passenger boarding bridge refurbishments, EV charging stations, public Wi-Fi rehabilitation, and Rental Car Facility improvements. Airport Business Park capital projects are planned to include rehabilitation of roadways. Felts Field planned projects include a continuing Master Plan update. As noted above, these projects are funded by DOT and AIP grants, PFCs, a Transportation Security Administration (TSA) agreement, CFCs, and Airport general, including CARES, funds. 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 2021.

CUSTOMER SERVICE INITIATIVES

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

Other terminal modifications have been enacted to enhance safe and sanitary conditions for travelers along with physical distancing markers and acrylic barriers throughout the facility.

Construction of a convenience store pad along with a return-to-terminal circulation roadway was completed in the fall of 2018. The convenience store pad is able to house a national branded convenience store and gas station.

A privately owned hotel near the terminal building opened in the spring of 2020 providing an additional lodging option on Airport property.

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. Through September 2020, enplanements are 52.7% below the same period in 2019. For budgetary purposes, 2020 enplaned passengers are projected to decrease 52.6% from 2019; and increase 3.2% over the projected 2020 total.

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

Traffic Activity

Spokane International Airport

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

	Actual 2019	Projected 2020	Budget 2021
Enplaned Passengers			
Alaska	706	332	343
Allegiant (non-sig)	0	-	-
Delta	501	214	221
Frontier (non-sig)	35	17	18
Southwest	464	255	263
American	123	68	70
United	229	91	94
Others	3	0	0
Total	2,061	978	1,009
Enplaned Passengers	2,061	978	1,009
% Change	3.1%	-52.6%	3.2%
By Terminal			
Terminal C	828	400	413
Terminal A&B	1,233	578	596
Total	2,061	978	1,009

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 Cost Centers, Allocations, Rate Making and CPE on page 9 examines the methodology of rate making under a Residual Airline Agreement such as the agreement at GEG. Simply stated, the higher the landed weight estimate, the lower the budgeted unit cost rate for the upcoming year.

The following table shows 2019 actual passenger and cargo landed weight along with 2020 and 2021 estimates incorporated into the 2021 Budget.

Traffic Activity

Spokane International Airport

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

	Actual 2019	Projected 2020	Budget 2021
Landed Weight			
Passenger Airlines			
Alaska	741	471	542
Allegiant (non-sig)	1	-	-
Delta	554	350	403
Frontier (non-sig)	33	24	23
Southwest	513	416	395
American	142	99	113
United	247	130	124
Others	7	2	2
Cargo			
Signatory	429	385	405
Non-signatory	66	123	48
Total	2,733	2,000	2,055
% Change	1.0%	-26.8%	2.7%



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 2020 and 2021 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.

Indirect Allocation Percentages Spokane Airport Board

	Airfield	Fuel	Terminal	Landside	OB & G	ABP	Felts
Indirect Allocations							
Airfield Maintenance	65.0%			20.0%	10.0%		5.0%
Terminal Maintenance	0.0%		80.0%	20.0%			
Operations	90.0%		2.5%	2.5%			5.0%
Fuel	100.0%						
Engineering	40.0%	1.0%	40.0%	10.0%	1.0%	1.0%	7.0%
IT	25.0%		25.0%	25.0%	18.0%	2.0%	5.0%
ARFF/Fire	73.3%	3.2%	15.9%	0.9%	4.6%	2.1%	
Police	1.0%		80.0%	15.0%	1.5%	2.5%	
Communications	1.0%		80.0%	15.0%	1.5%	2.5%	
Airport Business Park						100.0%	
Felts Field							100.0%



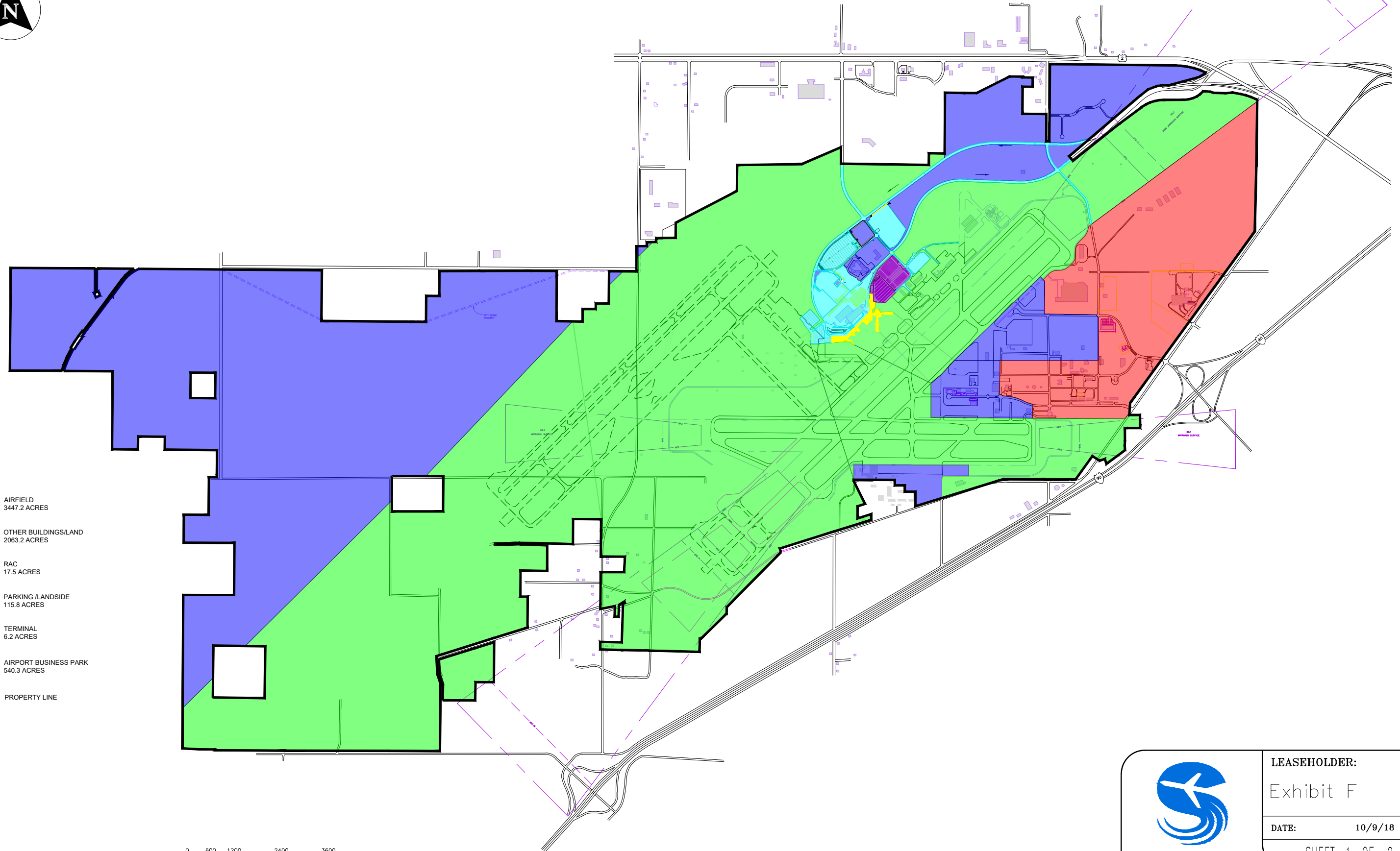
LEGEND:

- 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

0 600 1200 2400 3600

SCALE: 1" = 1200'

NOTE: SCALE SHOWN IS FOR 22 X 34 EXHIBITS, IF PLOTTED
ON 11 X 17 SCALE IS HALF SIZE.



LEASEHOLDER:

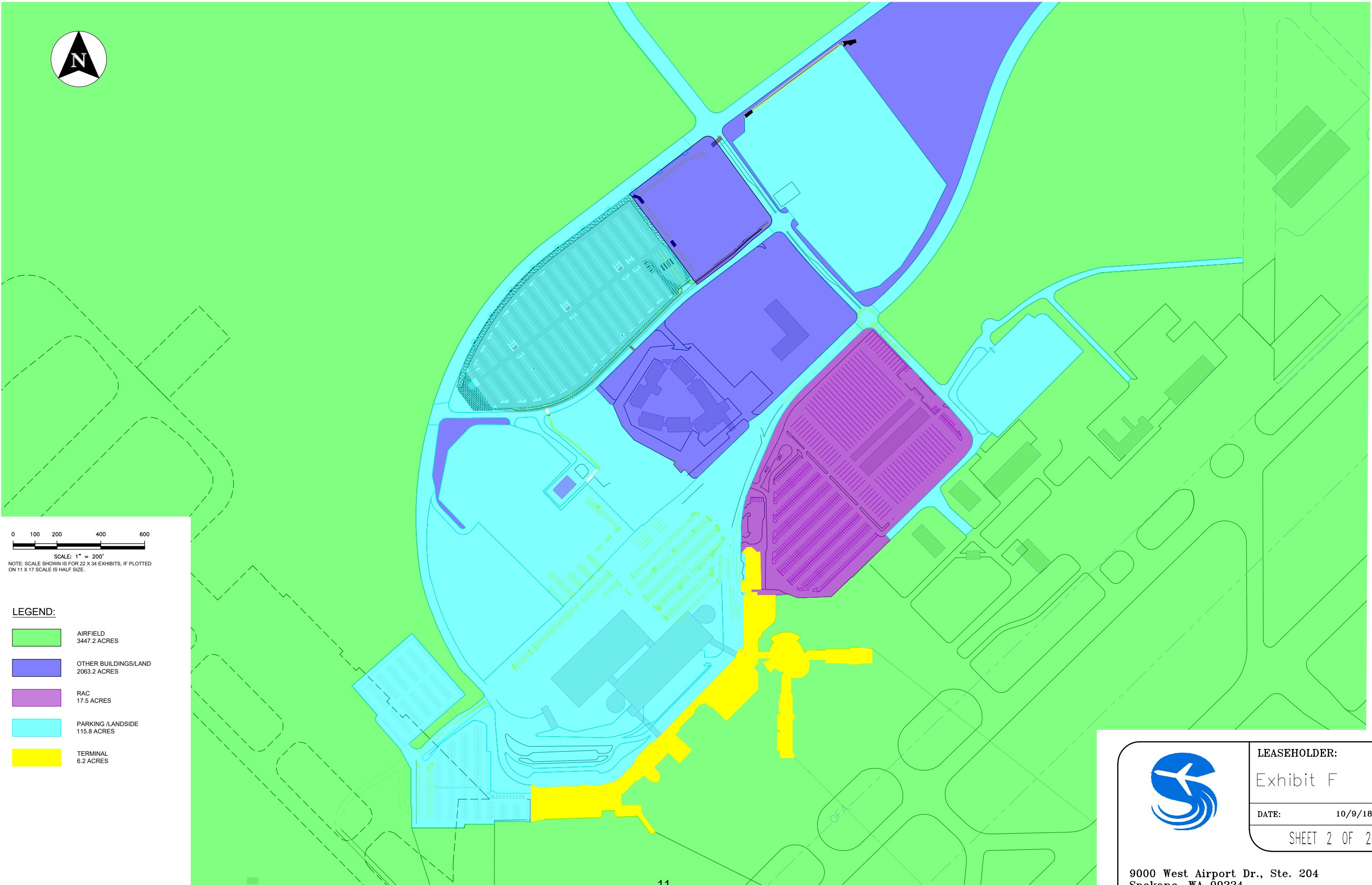
Exhibit F

DATE: 10/9/18

SHEET 1 OF 2

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

O:\0420-Spokane\DCI-Civil\ENGINEERING\2018\18-42-0007-SIA-TASK-ORDER-A-E-SERVICES\AE18-043 COST-CENTER-MAP-UPDATE\120125-C14-064_SIA.dwg, 10/9/2018 12:03:17 PM, David Landrus, None



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 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 current year terminal rental rate for Class 1 space (generally public areas) is \$59.19 per square foot per annum (sfpa), an decrease from \$64.73 (8.6%) sfpa in 2020. The calculation of the Terminal Rental Rate is displayed in Section V on page 15.

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 Landing Fee Requirement.

3. The 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 2021 landing fee rate is \$2.10 per 1,000 pounds of landed weight, reduced from \$2.24 / 1,000 pounds (-6.3%). The calculation of the Landing Fee Rate is displayed in Section V on page 15.

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 CPE 2019 along with estimates for 2020 and 2021. The 2020 estimated CPE is \$10.70 as compared to a budgeted CPE of \$6.32 which was presented in the 2020 Budget. Although passenger activity has declined by 50%, the efforts to contain costs and apply CARES funds has minimized the increase in the 2020 CPE. This CPE estimate remains lower than comparable sized airports. Section IX on page 22 shows comparisons of the Airport's CPE and other metrics with other airports of similar size and destination airports.

Airline Cost per Enplaned Passenger

Spokane International Airport

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

	Actual 2019	Projected 2020	Budget 2021
Passenger Airline Payments			
Passenger Airline Signatory Landing Fees	\$ 5,186	\$ 3,106	\$ 3,304
Terminal Building Rent	6,751	6,916	6,216
Loading Bridge Fees	247	260	262
RON and Airfield Fees	260	112	115
Subtotal	\$ 12,444	\$ 10,394	\$ 9,897
Nonsignatory Passenger Landing Fees	112	68	61
Total Airline Revenues	\$ 12,556	\$ 10,462	\$ 9,958
Enplaned Passengers	2,061	978	1,009
Airline Cost per Enplaned Passenger	\$ 6.09	\$ 10.70	\$ 9.87

Also shown is an estimated CPE of each individual air carrier. The estimates for 2020 and 2021 are based on presumed activity and costs. The actual 2020 CPE cannot be calculated until the final audit work is completed, or not until approximately June of 2021. The fluctuation between air carriers is related to both their incurred costs and their 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	Projected 2020	Budget 2021
Enplaned Passengers			
Alaska	706	332	343
Allegiant (non-sig)	0	-	-
Delta	501	214	221
Frontier (non-sig)	35	17	18
Southwest	464	255	263
American	123	68	70
United	229	91	94
Others	3	0	0
Total Airlines	2,061	977	1,009
Cost per Enplaned Passenger			
Alaska	\$ 6.09	\$ 11.03	\$ 9.85
Allegiant (non-sig)	8.01	-	-
Delta	5.58	10.24	10.03
Frontier (non-sig)	3.83	5.35	5.11
Southwest	5.46	8.92	8.19
American	8.07	11.69	12.37
United	7.38	14.61	12.79
Others	33.82	299.23	125.93
Average	\$ 6.09	\$ 10.70	\$ 9.87



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.

Calculation of Terminal Building Rental Rate

Spokane International Airport

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

	Actual 2019	Projected 2020	Budget 2021
TERMINAL BUILDING COST			
M&O Expenses	\$ 9,848	\$ 9,125	\$ 8,863
M&O Reserve Fund Requirement	653	-	-
Debt Service	-	-	-
Debt Service Coverage	-	-	-
Net Depreciation Charges	2,263	2,239	2,250
Terminal Building Cost	\$ 12,764	\$ 11,364	\$ 11,112
Less: Terminal Non-Airline Revenues Associated With Rented Space			
Terminal Concession Revenues	\$ (2,223)	\$ (1,291)	\$ (1,330)
Nonairline Terminal Rentals	(686)	(650)	(650)
Share of Parking Surplus @ 0% (2020 /2021)	(1,848)	-	-
Other Terminal Payments	(844)	(642)	(678)
TSA Security Reimbursement ²	-	-	-
CARES Reimbursement	-	(3,551)	(2,308)
Loading Bridge Fees	(247)	(260)	(262)
Net Terminal Building Cost	\$ 6,916	\$ 4,970	\$ 5,884
Weighted Rented Space	96	99	99
Charged Average Terminal Rental Rate (per sq ft per year)	\$ 61.44	\$ 64.73	
Calculated Average Terminal Rental Rate (per sq ft per year)	\$ 72.16	\$ 49.99	\$ 59.19
Rented Space	96	99	99
Subtotal	\$ 5,889	\$ 6,435	\$ 5,884
Other Airline Terminal Payments ¹	332	332	332
Airline Terminal Rentals	\$ 6,221	\$ 6,767	\$ 6,216

1. Storage – Outside, Janitorial, Boarding Areas Walkway, Ramp - Equipment Storage, and Glycol Pad.

Calculation of Landing Fee Spokane International Airport

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

	Actual 2019	Projected 2020	Budget 2021
Landing Fee Requirements			
M&O Expenses	\$ 28,796	\$ 26,886	\$ 25,810
COVID Reduction			
Net Depreciation			
Total SIA Depreciation - Existing Assets	23,806	26,751	26,143
Less Grant, PFC and Bond Funded Assets	(14,120)	(15,686)	(15,886)
Future SAB Funded Assets (Net of AIP/PFC)	-	-	339
Return on Investment in Land	1,282	1,282	1,282
Additional Discretionary Cash Flow (if Extension)	1,800	1,800	1,800
Debt Service			
Debt Service - Outstanding GARBs	-	-	-
Debt Service - Future GARBs	-	-	-
Debt Service - Outstanding Subordinate Lien	468	468	368
Required Debt Service Coverage	-	-	-
M&O Reserve Fund	1,910	-	-
Subtotal	\$ 43,942	\$ 41,501	\$ 39,856
Less:			
Airline Terminal Building Rent	(6,751)	(6,916)	(6,216)
Other Airline Revenues	(1,333)	(1,189)	(1,195)
Total Nonairline Revenues, incl CARES	(28,179)	(27,253)	(26,499)
Subtotal	\$ 7,680	\$ 6,142	\$ 5,946
Less Non-Operating Revenues Available for Debt Service			
Interest Income	\$ (661)	\$ (661)	\$ (661)
Air Service Expenses/Waivers	(122)	(350)	(50)
Transaction Fees ("CFC") Allocable to Debt Service/Coverage	-	-	-
TOTAL LANDING FEE REQUIREMENT	\$ 6,897	\$ 5,131	\$ 5,235
Prior Year Carry Over (Surplus)/Deficit	(1,985)	(1,613)	(828)
Net Landing Fee Requirement	\$ 4,911	\$ 3,518	\$ 4,407
Landing Fees Paid	\$ 6,524	\$ 4,346	\$ 4,407
 Signatory Landed Weight (millions/lbs)	2,198	1,466	1,577
Signatory Cargo Landed Weight (adjusted for premium) 105%	450	405	425
Non-Signatory Use Agmt Landed Weight (adjusted) 115%	47	30	29
Itinerant Landed Weight (adjusted) 150%	99	184	73
Adjusted Total Landed Weight	2,794	2,085	2,103
Calculated Signatory Airline Landing Fee Rated (per 1000 lbs)	\$ 1.76	\$ 1.69	\$ 2.10
 Charged Signatory Airline Landing Fee Rate	2.36	2.24	2.10
Charged Signatory Cargo Airline Landing Fee Rate 105%	2.48	2.35	2.20
Non-Signatory Use Agmt Landing Fee Rate 115%	2.71	2.58	2.41
Itinerant Landing Fee Rate 150%	3.54	3.36	3.14



Section VI. Operating Revenues and Expenses

OPERATING REVENUES

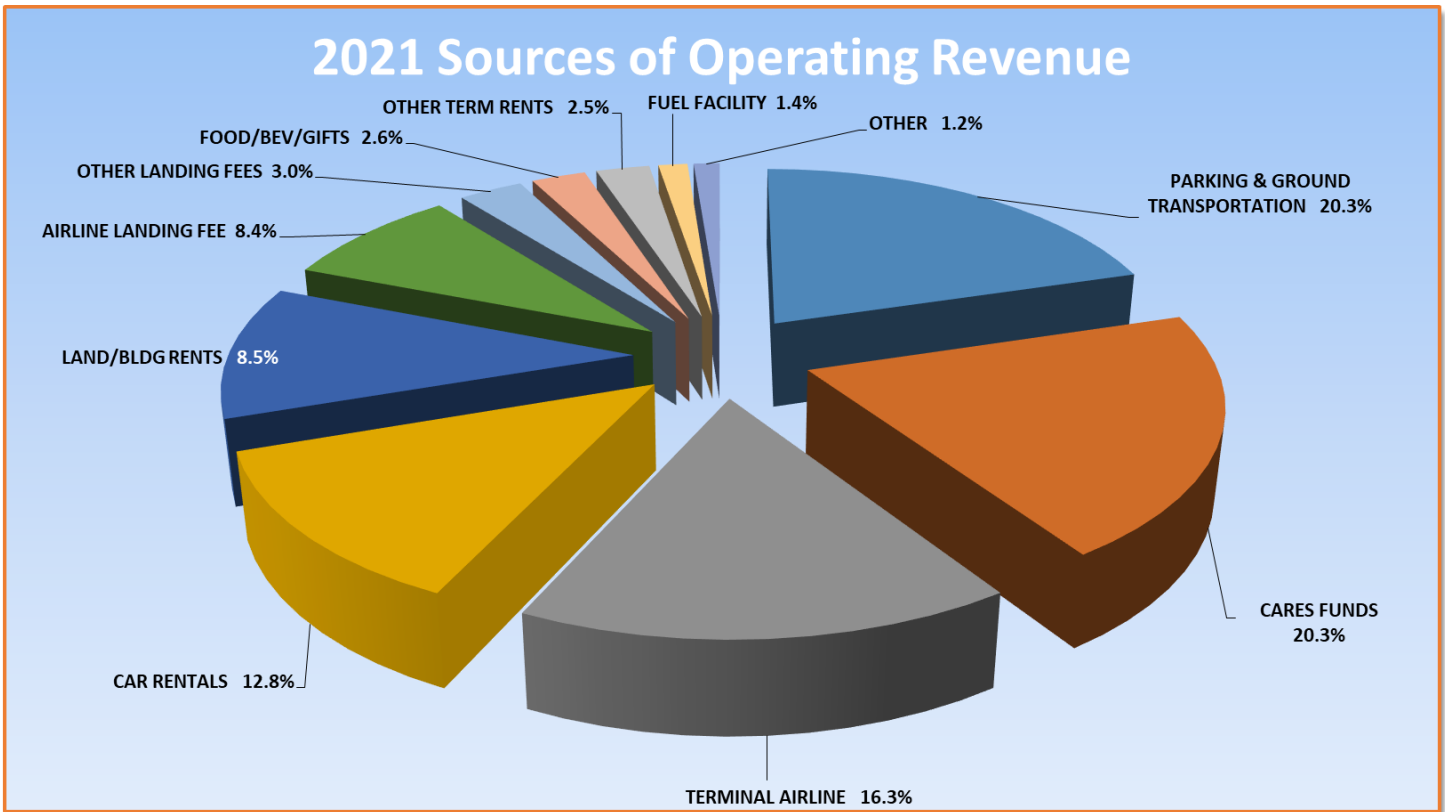
Operating revenues are revenues generated through the daily operations of the Airport. The cost centers outlined earlier, Airfield (including Fuel Facility), Parking and Ground Transportation, Other Buildings and Grounds, GEG Terminal, Rental Car Facilities, the ABP and Felts Field are broken down here 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 a decrease in revenue of 50.0% from the 2020 budget (14.4% over estimated 2020 results). Parking and Ground Transportation comprises 20.3% of all operating revenues, down from 2019's 35.2%.
- **Airline Terminal and Other Commercial Land / Building Rents** are more resilient to the decrease in activity as leased space is necessary to continue to provide services to the public.
- **Landing Fees Revenue** show decreases due to the decrease in takeoffs and landings, especially by passenger carriers. Cargo carrier activity has not shown much of a decrease.
- **Food, Beverage, Retail and Car Rental Revenues** show decreases as revenue is directly related to passenger decreases.

This table and the chart on the next page shows the main revenue sources for 2020 and 2021.

Sources of Operating Revenue									
<i>This table shows general categories of revenues as a percentage of total operating revenues</i>									
<u>Rank</u>	<u>Description</u>	<u>Budgeted 2020</u>	<u>FY 2020 % of Total Rev</u>	<u>Year End Estimate 2020</u>	<u>FY 2020 % of Total Rev</u>	<u>Budgeted 2021</u>	<u>FY 2021 % of Total Rev</u>	<u>\$ Change</u>	<u>% Change</u>
1	Parking / Landside / GTC	16,635,000	35.2%	7,269,149	17.3%	8,317,000	20.3%	(8,318,000)	-50.0%
2	CARES Funds	-	0.0%	9,721,859	23.2%	8,289,613	20.3%	8,289,613	
3	Terminal Rent (airline)	7,912,000	16.8%	7,175,796	17.1%	6,677,989	16.3%	(1,234,011)	-15.6%
4	Car Rentals	7,026,500	14.9%	5,662,372	13.5%	5,230,000	12.8%	(1,796,500)	-25.6%
5	Commercial Land / Bldg Rents	4,415,935	9.4%	4,604,819	11.0%	4,549,441	11.1%	133,506	3.0%
6	Airline Landing Fees	5,512,181	11.7%	3,278,683	7.8%	3,448,751	8.4%	(2,063,430)	-37.4%
7	Landing Fees (other)	1,328,292	2.8%	1,219,164	2.9%	1,229,923	3.0%	(98,369)	-7.4%
8	Food/Bevs/Gifts	1,929,600	4.1%	996,614	2.4%	1,043,100	2.6%	(886,500)	-45.9%
9	Terminal Rent (other)	1,177,700	2.5%	992,051	2.4%	1,028,150	2.5%	(149,550)	-12.7%
10	Fuel Facility	770,000	1.6%	531,612	1.3%	560,000	1.4%	(210,000)	-27.3%
	Other Revenue	<u>514,216</u>	<u>1.1%</u>	<u>518,720</u>	<u>1.2%</u>	<u>500,306</u>	<u>1.2%</u>	<u>(13,910)</u>	<u>-2.7%</u>
	Total Operating Revenues	\$ 47,221,424	100.0%	\$ 41,970,838	100.0%	\$ 40,874,273	100.0%	\$ (6,347,151)	-13.4%



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 components for analysis.

Highlights:

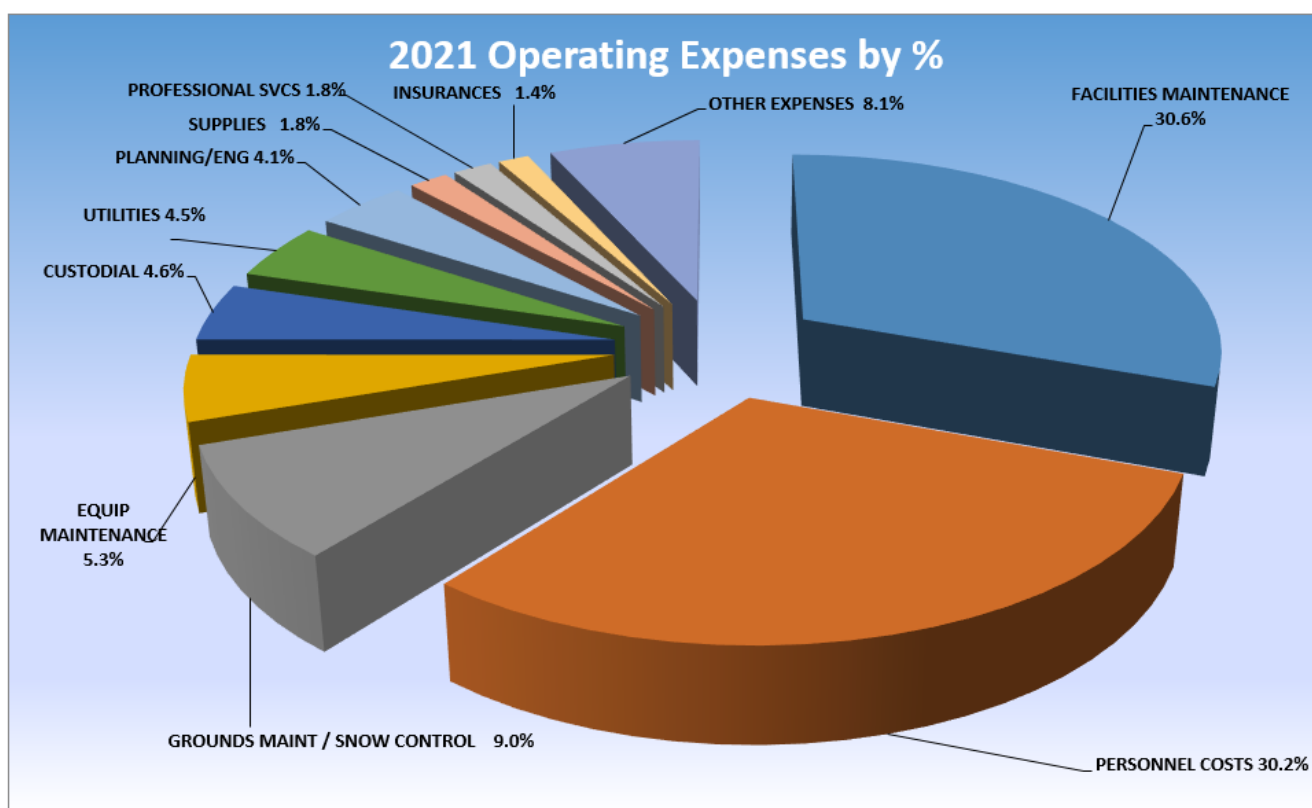
- Facilities and Grounds maintenance** is the largest estimated expense for 2021 at 30.6% of operating expenses. The Airport is an older facility (although significant rehabilitation has been accomplished in improvements with more to follow) and demands attention. Efforts were undertaken to reduce costs without affecting safety and security.
- Personnel Compensation and Benefits** is the second largest estimated area of expense totalling 30.2% of operating expenses. 2021 shows a decrease of 25.9% over the prior year and is related to decreases in staffing due to the decline in passenger activity.

Operating Expenditures by Rank

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

Rank	Description	Budgeted 2020	FY 2020 % of Total Exp	Year End Estimate 2020	FY 2020 % of Total Exp	Budgeted 2021	FY 2021 % of Total Exp	21 vs '20 Budget \$ Change	% Change
1	Facilities, Hangars, Bldgs, Depreciation	11,356,904	24.8%	13,517,525	32.9%	11,814,151	30.6%	457,247	4.0%
2	Personnel (Incl taxes / benefits)	15,741,929	34.4%	13,732,383	33.4%	11,670,001	30.2%	(4,071,928)	-25.9%
3	Grounds Maintenance / Snow Control	4,205,500	9.2%	2,818,950	6.9%	3,477,000	9.0%	(728,500)	-17.3%
4	Equipment Maintenance	2,127,450	4.6%	1,770,072	4.3%	2,039,869	5.3%	(87,581)	-4.1%
5	Custodial Services & Supplies	1,828,000	4.0%	1,728,681	4.2%	1,795,625	4.6%	(32,375)	-1.8%
6	Utilities (Power/Nat. Gas/Water/Sewer)	1,996,288	4.4%	1,692,668	4.1%	1,746,478	4.5%	(249,810)	-12.5%
7	Research / Planning / Engineering	2,205,000	4.8%	1,477,144	3.6%	1,592,738	4.1%	(612,262)	-27.8%
8	Other Supplies	1,002,400	2.2%	582,146	1.4%	679,660	1.8%	(322,740)	-32.2%
9	Professional Services	785,000	1.7%	652,180	1.6%	685,000	1.8%	(100,000)	-12.7%
10	Insurances	525,500	1.1%	539,882	1.3%	537,647	1.4%	12,147	2.3%
	Other Operating Expenses	4,034,815	8.8%	2,567,332	6.2%	2,620,110	6.8%	(1,414,705)	-35.1%
	Total Operating Expenses	\$ 45,808,786	100.0%	\$ 41,078,963	100.0%	\$ 38,658,279	100.0%	\$ (7,150,507)	-15.6%

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





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 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 2029-2021.

2019 - 2020 CAPITAL IMPROVEMENT PROGRAM			
SPOKANE INTERNATIONAL AIRPORT	<u>Actual 2019</u>	<u>Projected 2020</u>	<u>2021 Budget</u>
Parking / Ground Transportation	\$3,742,347	\$563,428	\$625,000
Landside Roadways	985,259	1,792,997	2,405,000
Airfield / Ops / Fuel	4,503,841	95,942	9,000,000
Other Buildings & Grounds	2,322,115	1,655,197	22,350,000
Terminal	13,739,848	2,436,517	5,500,000
ARFF	56,079	762,052	-
I.T.	3,832,340	-	500,000
Police / Security	918,876	16,544	-
Admin	-	64,000	75,000
Land Acquisitions	<u>335,261</u>	<u>-</u>	<u>-</u>
Sub-Total	\$30,435,966	\$7,386,676	\$40,455,000
AIRPORT BUSINESS PARK	<u>36,290</u>	<u>52,870.00</u>	<u>\$1,500,000</u>
FELTS FIELD			
Airfield	52,226	268,046	440,000
Other Buildings / Grounds	4,096,106	119,912	50,000
Terminal	15,355	16,862	-
Land Acquisitions	79,507	-	-
Sub-Total	<u>\$4,243,194</u>	<u>\$404,820</u>	<u>\$490,000</u>
TOTAL CAPITAL IMPROVEMENTS	<u>\$34,715,450</u>	<u>\$7,844,366</u>	<u>\$42,445,000</u>



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, along with estimates for 2020 and 2021 is shown below. The Airport defeased a 2008 bond and redeemed a 2005 bond in 2017 leaving only four Washington State Community Economic Revitalization Board (CERB) loans as long term debt. These loans carry interest rates ranging from 0% - 1% and were utilized to complete projects housing tenants providing services for aeronautical clients of the Airport. The Airport is considering extinguishing the 2005 and 2006 loans in 2021, consequently there is no 2021 debt service requirement shown for them. 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.

The Airport has entered into an agreement with Spokane County to borrow, on a short term basis, up to \$7,200,000 in funds to be used for various purposes. As of November 2020, the Airport exercised this option to bridge the initial concerns related to passenger activity decline. The short term borrowing will be extinguished prior to year end and there is no effect on the 2021 Budget at this time.

The low level of debt carried currently favorably positions the Airport to be able to pursue funding needed for upcoming projects needing long-term bond financing.

Debt Service by Series and Cost Center

Spokane International Airport

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

	Actual 2019	Projected 2020	Budget 2021
By Series			
Subordinate Lien			
2005 CERB Loan	\$ 51	\$ 51	\$ -
2006 CERB Loan	48	48	-
2008 CERB Loan	118	118	118
2010 CERB Loan	<u>250</u>	<u>250</u>	<u>250</u>
Total Subordinate Debt Service	\$ 468	\$ 468	\$ 368
 TOTAL DEBT SERVICE	 <u>\$ 468</u>	 <u>\$ 468</u>	 <u>\$ 368</u>
By Cost Center			
Other Buildings & Grounds	468	468	368
Felts Field	-	-	-
Airport Business Park	<u>-</u>	<u>-</u>	<u>-</u>
Debt Service and Business Park	<u>\$ 468</u>	<u>\$ 468</u>	<u>\$ 368</u>



Section IX. Benchmark Table of Other Airports

This table compares Spokane International Airport's various statistics with airports of similar size. The table on the following page shows the same statistics for those airports that are direct connections. Comparing statistics from one airport to another can be problematic as each airport operates under differing conditions and corporate formation. Spokane's Landing Fee (LF) and Cost per Enplanement (CPE) numbers show results from the year 2019.

SIMILAR SIZE AIRPORT COMPARISONS

Hub Size	Airport Name	LOC_ID	Enplanements	Signatory Landing Fee	CPE	FTEs @ Year End
M	EPPLEY AIRFIELD	OMA	2,509,997	2.86	6.69	168
S	CHARLESTON	CHS	2,349,364	-	8.49	173
S	MEMPHIS	MEM	2,260,642	1.24	6.06	310
S	WILL ROGERS	OKC	2,204,113	3.00	5.24	125
S	RENO/TAHOE	RNO	2,149,759	3.14	6.80	278
S	RICHMOND	RIC	2,142,840	1.38	5.45	188
S	SPOKANE	GEG	2,061,144	2.36	6.09	107
S	LOUISVILLE	SDF	2,047,746	1.15	5.42	147
S	TED GREEN	PVD	2,046,399	4.50	9.63	141
S	BOISE	BOI	2,025,960	1.51	3.53	110
S	NORFOLK	ORF	1,928,129	3.01	4.73	204
S	TUCSON	TUS	1,897,590	1.32	7.54	215
S	GERALD R FORD	GRR	1,804,358	2.97	8.79	108
S	EL PASO	ELP	1,764,324	1.75	5.30	233
S	LONG BEACH	LGB	1,757,122	4.00	8.54	113
S	ORLANDO SANFORD	SFB	1,603,220	1.37	2.03	95
S	BIRMINGHAM	BHM	1,533,824	5.20	11.03	160
S	ALBANY	ALB	1,518,969	2.75	5.90	208
S	TULSA	TUL	1,509,453	3.62	5.83	148
S	SAVANNAH	SAV	1,502,974	3.10	8.26	218
S	DES MOINES	DSM	1,459,566	3.07	9.08	57
		AVERAGE	1,908,452	2.54	6.69	167

Charleston, Memphis, Richmond, Louisville, and Boise have significant non-passenger traffic influencing rates
(Source: 2019 FAA Form 127)

DIRECT CONNECTION AIRPORT COMPARISONS

Hub Size	Airport Name	LOC_ID	Enplanements	Signatory Landing Fee	CPE
S	SPOKANE	GEG	2,061,144	2.36	6.09
L	ATLANTA	ATL	54,531,948	0.76	2.90
L	LOS ANGELES	LAX	44,207,464	4.75	17.58
L	DALLAS/FORT WORTH	DFW	36,623,417	2.31	12.95
L	DENVER	DEN	34,512,954	4.70	10.26
L	SAN FRANCISCO	SFO	28,620,387	5.54	17.08
L	SEATAC	SEA	25,873,875	3.78	12.87
L	MC CARRAN	LAS	25,223,715	1.70	10.06
L	PHOENIX	PHX	22,831,945	1.86	6.37
L	MINNEAPOLIS	MSP	19,783,380	3.23	6.96
L	SALT LAKE CITY	SLC	13,090,133	2.29	4.28
L	SAN DIEGO	SAN	12,356,286	1.73	10.78
L	PORTLAND	PDX	9,966,798	3.00	9.53
M	SAN JOSE	SJC	7,462,126	2.18	9.33
M	OAKLAND	OAK	6,807,835	3.14	12.23
M	SACRAMENTO	SMF	6,298,447	3.51	11.17
S	BOISE	BOI	<u>2,025,960</u>	<u>1.51</u>	<u>3.53</u>
AVERAGE W/O GEG			21,888,542	2.87	9.87




Section X. Budget Summaries by Cost Center

TRAVELER


BUSINESS

FELTS FIELD

 Spokane International Airport

Spokane Airport
36°
29°
METEORED +info

About UsDoing BusinessAviation ServicesBusiness DevelopmentContact



Aerospace & Aviation Development


[Learn More >](#)

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

TRAVELER


BUSINESS

FELTS FIELD

 Spokane International Airport

Spokane Airport
36°
29°
METEORED +info

About UsDoing BusinessAviation ServicesBusiness DevelopmentContact



Construction and Development

[About >](#)

SPOKANE AIRPORT BOARD

2021 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>2020 Budget</u>	<u>Projected 2020 Yr End</u>	<u>2021 Budget</u>	<u>% Change 21 vs 20</u>
Operations Revenues (with CARES)					
Spokane International	\$ 42,803,423	\$ 45,234,537	\$ 39,574,039	\$ 38,527,553	
Airport Business Park	1,410,347	1,372,707	1,556,894	1,531,327	
Felts Field	772,149	614,180	839,905	815,392	
	<u>44,985,919</u>	<u>47,221,424</u>	<u>41,970,839</u>	<u>40,874,272</u>	-13.4%
Other Sources					
Spokane International	646,765	566,138	629,877	566,138	
Airport Business Park	30,666	29,653	26,264	24,524	
Felts Field	(18,896)	-	-	-	
(To) / From Reserves	<u>(3,681,625)</u>	<u>(1,553,793)</u>	<u>(1,040,511)</u>	<u>(2,443,912)</u>	
	<u>(3,023,090)</u>	<u>(958,002)</u>	<u>(384,370)</u>	<u>(1,853,250)</u>	
Total Operations / Other Sources	<u>\$ 41,962,829</u>	<u>\$ 46,263,422</u>	<u>\$ 41,586,469</u>	<u>\$ 39,021,022</u>	-15.7%
Operations Expenses					
Spokane International	\$ 29,452,623	\$ 34,107,941	\$ 27,483,751	\$ 26,455,794	
Airport Business Park	708,449	678,856	555,079	630,510	
Felts Field	596,296	671,555	520,025	617,800	
	<u>30,757,368</u>	<u>35,458,352</u>	<u>28,558,855</u>	<u>27,704,104</u>	-21.9%
Debt Service					
Spokane International	451,701	454,636	454,636	362,743	
Airport Business Park	-	-	-	-	
Felts Field	-	-	-	-	
	<u>451,701</u>	<u>454,636</u>	<u>454,636</u>	<u>362,743</u>	
Operations & Debt Service	<u>31,209,069</u>	<u>35,912,988</u>	<u>29,013,491</u>	<u>28,066,847</u>	-21.8%
Non-Cash Depreciation					
Spokane International	9,325,477	8,916,970	10,865,645	9,311,898	
Airport Business Park	556,887	527,839	540,435	516,185	
Felts Field	871,395	905,625	1,114,027	1,126,092	
	<u>10,753,760</u>	<u>10,350,434</u>	<u>12,520,108</u>	<u>10,954,175</u>	
Total Operations/ Other Expenditures	<u>\$ 41,962,829</u>	<u>\$ 46,263,422</u>	<u>\$ 41,533,599</u>	<u>\$ 39,021,022</u>	-15.7%
Capital Sources					
Spokane International	30,435,966	40,919,000	7,386,676	40,455,000	
Airport Business Park	36,290	620,000	52,870	1,500,000	
Felts Field	4,243,194	1,278,000	404,820	490,000	
	<u>\$ 34,715,450</u>	<u>\$ 42,817,000</u>	<u>\$ 7,844,366</u>	<u>\$ 42,445,000</u>	-0.9%
Capital Expenditures					
Spokane International	30,435,966	40,919,000	7,386,676	40,455,000	
Airport Business Park	36,290	620,000	52,870	1,500,000	
Felts Field	4,243,194	1,278,000	404,820	490,000	
	<u>\$ 34,715,450</u>	<u>\$ 42,817,000</u>	<u>\$ 7,844,366</u>	<u>\$ 42,445,000</u>	-0.9%
Consolidated Sources	<u>\$ 76,678,279</u>	<u>\$ 89,080,422</u>	<u>\$ 49,430,835</u>	<u>\$ 81,466,022</u>	-8.5%
Consolidated Expenditures	<u>\$ 76,678,279</u>	<u>\$ 89,080,422</u>	<u>\$ 49,377,965</u>	<u>\$ 81,466,022</u>	-8.5%

SPOKANE INTERNATIONAL AIRPORT

2021 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>2020 Budget</u>	<u>Projected 2020 Yr End</u>	<u>2021 Budget</u>	<u>% Change 21 vs. 20</u>
Operations Revenues (with CARES)					
Parking / Ground Transportation	\$ 15,353,376	\$ 16,635,000	\$ 8,263,144	\$ 9,310,995	
Airfield	6,801,313	6,811,993	6,209,477	6,882,366	
Fuel Facility	825,519	770,000	674,687	703,075	
Other Buildings & Grounds	2,537,884	2,528,778	2,650,152	2,636,981	
Terminal	10,751,148	11,606,200	13,308,675	11,644,569	
Rental Car Facilities	6,328,214	6,726,500	5,362,372	4,930,000	
Other Revenues	205,969	156,066	164,484	155,367	
Indirect Cost Centers CARES Funds	-	-	2,941,047	2,264,200	
Total Operations Revenue	<u>\$ 42,803,423</u>	<u>\$ 45,234,537</u>	<u>\$ 39,574,039</u>	<u>\$ 38,527,553</u>	-14.8%
Operations Expenses					
Parking / GTC / Landside	5,556,086	6,759,300	4,412,654	4,609,250	
Airfield & Operations	5,873,452	6,937,110	5,698,713	5,776,310	
Fuel Facility	445,985	495,890	385,817	385,450	
Other Buildings & Grounds	483,123	471,113	421,749	360,983	
Terminal	5,666,229	5,655,785	4,954,130	4,893,098	
Rental Car Facilities	389,351	426,500	331,724	380,000	
Other Indirect Centers					
Engineering	527,494	677,126	457,551	343,783	
Fire	2,275,829	2,485,032	2,488,153	1,678,253	
Information Technology	590,495	882,656	637,294	634,160	
Police	1,989,129	2,376,864	1,947,560	1,563,625	
Communication	548,394	728,250	540,648	507,741	
General Administration	5,107,056	6,212,315	5,207,758	5,323,141	
Sub-Total Operations Expenses	<u>29,452,623</u>	<u>34,107,941</u>	<u>27,483,751</u>	<u>26,455,794</u>	-22.4%
Revenues over Expenses pre Deprec	<u>\$ 13,350,800</u>	<u>\$ 11,126,596</u>	<u>\$ 12,090,288</u>	<u>\$ 12,071,759</u>	
Net Depreciation	<u>(9,325,477)</u>	<u>(8,916,970)</u>	<u>(10,865,645)</u>	<u>(9,311,898)</u>	
Revenues over Expenses incl Deprec	<u>\$ 4,025,323</u>	<u>\$ 2,209,626</u>	<u>\$ 1,224,643</u>	<u>\$ 2,759,861</u>	
Other Sources Available / (Used)					
Interest Income	661,122	600,000	641,721	600,000	
Debt Interest	(14,357)	(33,862)	(11,844)	(33,862)	
Total Other Sources Available	<u>646,765</u>	<u>566,138</u>	<u>629,877</u>	<u>566,138</u>	0.0%
Available for Debt / Projects / Reserves	4,672,088	2,775,764	1,854,520	3,325,999	19.8%
Total Debt Principal	<u>(451,701)</u>	<u>(454,636)</u>	<u>(454,636)</u>	<u>(362,743)</u>	
Sources over (Expenses)	<u>\$ 4,220,387</u>	<u>\$ 2,321,128</u>	<u>\$ 1,399,884</u>	<u>\$ 2,963,256</u>	

AIRPORT BUSINESS PARK

2021 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>2020 Budget</u>	<u>Projected 2020 Yr End</u>	<u>2021 Budget</u>	<u>% Change 21 vs. 20</u>
Operations Revenues (with CARES)					
Building / Office Leases	\$ 1,148,272	\$ 1,126,652	\$ 1,140,768	\$ 1,129,485	
Land Leases	239,825	222,805	303,889	301,090	
Miscellaneous	22,250	23,250	112,237	100,752	
Total Operating Revenues	<u>\$1,410,347</u>	<u>\$1,372,707</u>	<u>\$1,556,894</u>	<u>\$1,531,327</u>	11.6%
Operating Expenses					
Buildings	\$ 367,357	\$ 423,500	\$299,360	\$ 324,560	
Grounds	205,081	84,150	90,019	137,050	
General Administration	136,011	171,206	165,700	168,900	
Total Operating Expenses	<u>708,449</u>	<u>678,856</u>	<u>555,079</u>	<u>630,510</u>	-7.1%
Revenues over Expenses (Pre Deprec)	\$ 701,898	\$ 693,851	\$ 1,001,815	\$ 900,817	
Depreciation	<u>(556,887)</u>	<u>(527,839)</u>	<u>(540,435)</u>	<u>(516,185)</u>	
Operating Revenue over (Expense)	<u>\$ 145,011</u>	<u>\$ 166,012</u>	<u>\$ 461,380</u>	<u>\$ 384,632</u>	
Other Sources Available / Used					
Interest Income	15,127	15,000	13,039	13,039	
Other Non-Operating Income (Expense)	<u>15,539</u>	<u>14,653</u>	<u>13,225</u>	<u>11,485</u>	
Total Other Sources Available	<u>30,666</u>	<u>29,653</u>	<u>26,264</u>	<u>24,524</u>	
Available for Debt / Projects / Reserves	175,677	195,665	487,644	409,156	
Total Debt Principal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Sources over Expenditures incl Deprec	<u>\$ 175,677</u>	<u>\$ 195,665</u>	<u>\$ 487,644</u>	<u>\$ 409,156</u>	

FELTS FIELD

2021 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>2020 Budget</u>	<u>Projected 2020 Yr End</u>	<u>2021 Budget</u>	<u>% Change 21 vs. 20</u>
Operating Revenues (with CARES)					
Airfield	\$ 47,608	\$ 46,980	\$ 40,445	\$ 46,980	
Hangars/ Bldgs / Land	688,152	534,200	681,786	653,750	
Terminal	26,534	26,600	26,684	26,600	
Miscellaneous	9,855	6,400	90,990	88,062	
Total Revenues	\$ 772,149	\$ 614,180	\$ 839,905	\$ 815,392	32.8%
Operating Expenses					
Airfield	\$ 129,004	\$ 217,500	\$ 143,850	\$ 174,000	
Hangars/ Bldgs / Land	84,597	58,375	64,300	105,200	
Terminal	61,147	86,750	59,525	71,850	
General Admin	321,548	308,930	252,350	266,750	
Total Expenses	596,296	671,555	520,025	617,800	-8.0%
Revenue / (Expense) Pre Depreciation	\$ 175,853	\$ (57,375)	\$ 319,880	\$ 197,592	-444.4%
Depreciation	(1,742,876)	(1,777,106)	(1,985,508)	(1,997,573)	
Credit for Funded Assets	871,481	871,481	871,481	871,481	
Net Depreciation	(871,395)	(905,625)	(1,114,027)	(1,126,092)	
Revenue / (Expense) incl Depreciation	\$ (695,542)	\$ (963,000)	\$ (794,147)	\$ (928,500)	
Cash Available for Debt Service	\$ 175,853	\$ (57,375)	\$ 319,880	\$ 197,592	
Interest and Other Income	(18,896)	-	-	-	
Available for Debt / Projects / Reserves	156,957	(57,375)	319,880	197,592	
Debt Service	-	-	-	-	
Expenses over Sources	\$ 156,957	\$ (57,375)	\$ 319,880	\$ 197,592	

SPOKANE AIRPORT BOARD				
2021 CAPITAL SUMMARY				
<i>Note: reclassifications have been made to prior years to conform with 2021 presentation and some totals or % may not add exactly due to rounding</i>				
SPOKANE INTERNATIONAL AIRPORT	2019 Actual	2020 Budget	Projected 2020 Yr End	2021 Budget
SOURCES OF FUNDS				
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
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
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
	30,435,966	40,919,000	7,386,676	40,455,000
EXPENDITURE OF FUNDS				
Parking / Ground Transportation	3,742,347	15,445,000	563,428	625,000
Landside Roadways	985,259	-	1,792,997	2,405,000
Airfield / Ops / Fuel	4,503,841	2,015,000	95,942	9,000,000
Other Buildings & Grounds	2,322,115	7,100,000	1,655,197	22,350,000
Terminal	13,739,848	15,060,000	2,436,517	5,500,000
ARFF	56,079	729,000	762,052	-
I.T.	3,832,340	120,000	-	500,000
Police / Security	918,876	300,000	16,544	-
Admin	-	150,000	64,000	75,000
Land Acquisitions	335,261	-	-	-
Total Expenditures	30,435,966	40,919,000	7,386,676	40,455,000
AIRPORT BUSINESS PARK	2019 Actual	2020 Budget	Projected 2020 Yr End	2021 Budget
SOURCES OF FUNDS				
Funds From Operations & Unrestricted Cash	36,290	620,000	52,870	1,500,000
Total Sources	36,290	620,000	52,870	1,500,000
EXPENDITURE OF FUNDS				
Total Capital Projects	838,943	620,000	52,870	1,500,000
Total Expenditures	\$ 36,290	\$ 620,000	\$ 52,870	\$ 1,500,000
FELTS FIELD	2019 Actual	2020 Budget	Projected 2020 Yr End	2021 Budget
SOURCES OF FUNDS				
Federal & AIP Grants	147,478	300,000		330,000
Other Grants		98,000		
Debt or Other Funds				-
Funds From Operations & Unrestricted Cash	4,095,716	880,000	404,820	160,000
Total Sources	4,243,194	1,278,000	404,820	490,000
EXPENDITURE OF FUNDS				
Airfield	52,226	630,000	268,046	440,000
Other Buildings / Grounds	4,096,106	50,000	119,912	50,000
Terminal	15,355	598,000	16,862	-
Land Acquisitions	79,507	-	-	-
Total Expenditures	4,243,194	1,278,000	404,820	490,000
<i>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.</i>				



Selected 2021 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 2020

Spokane International Airport	Signatory	Cargo Exempt*	w/ Use Agreement	Itinerant
Class 1 Space				
Airline Ticket Counters	\$ 59.19			
Airline Ticket Office (ATO)	59.19			
Queuing Areas	59.19			
Instant Travel Machines	59.19			
Concourse Hold Areas	59.19			
Baggage Claim	59.19			
Class 2 Space				
Baggage Service (BOS)	\$ 44.39			
Upper Concourse Office	44.39			
Ops Office	44.39			
Communications Office	44.39			
Baggage Make-Up	44.39			
Baggage Delivery	44.39			
Lower Concourse Office	44.39			
Storage Room	44.39			
Maintenance Office	44.39			
Baggage Cabinet	44.39			
Triturator Building	44.39			
Loading Bridge / mo	\$ 1,970.83			
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	\$ 2.10	\$ 2.20	\$ 2.41	\$ 3.14
Non Leased Loading Bridge / full turn	281.00		281.00	281.00
{Includes NON Leased Loading Bridge, A/C Parking, Concourse holding area}				
Non Leased Baggage System / turn	115.00		115.00	115.00
{Includes both baggage make-up for outbound AND baggage claim for inbound}				
Non Leased Ticketing / use	38.00		38.00	38.00
{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



Selected 2021 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 2020

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	\$56.00
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	Temporarily Closed		
Length of Stay	Garage	Surface	C-Lot	Economy	Hourly
0 - 2 HR	\$ 4.00	\$ 4.00			\$ 2.00 / HR
2 - 3 HRS	6.00	6.00			
3 - 4 HRS	8.00				
4 - 5 HRS	10.00				
5-24 HRS	11.00				
DAILY MAX.	\$ 11.00	\$ 6.00			

Miscellaneous Vehicle Parking	
Tenant Employee Lots / mo	\$ 20.00
Tenant Employee Surface Lot / mo	40.00
Garage Employee Parking / mo	100.00
Commuter Employee Lot / mo	30.00
Commuter Surface Lot / mo	50.00
Commuter Garage / mo	100.00
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 2021 Budget

Spokane International Airport / Airport Business Park/ Felts Field



www.spokaneairports.net

Approved:

Spokane Airport Board, November 19, 2020