

An aerial photograph of the Truckee Tahoe Airport District, showing a large runway, taxiway, and terminal building. The airport is surrounded by dense evergreen forests and a winding road. A white rectangular text box is centered over the image, containing the text "2024 BUDGET TRUCKEE TAHOE AIRPORT DISTRICT".

2024 BUDGET TRUCKEE TAHOE AIRPORT DISTRICT

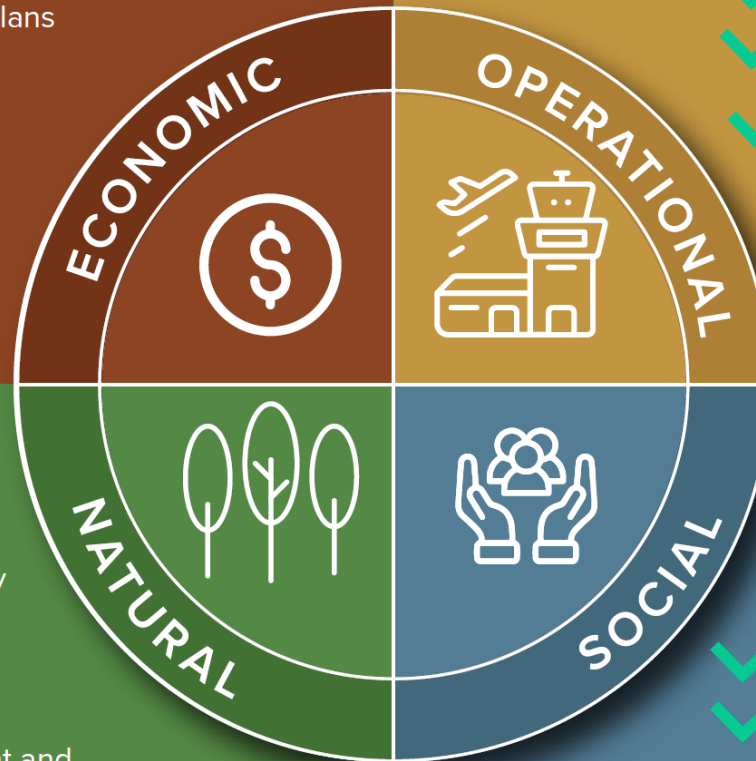


2024 BUDGET TIMELINE

2023 BUDGET DEMAND & PLANNING DRIVERS

- Develop Reserve Policy & Strategy
- New Strategic Plan
- Prioritize Future Airport Development Plans
- Invest in employee housing
- New Landing Fee
- Master Fee Schedule | Market Rates |
- Truckee Way

- Update Board Policy Instructions
- Transition to GoCivix Customer and Facility Management Software System
- Runway 2/20 Runway Reconstruction
- Fuel Farm Pump Upgrades
- Hangar turnover & availability
- New flight procedures development
- Master Plan & Airport Layout Plan Update
- Air traffic control tower siting study & BIL grant program opportunities



- Jet A Sustainable Aviation Fuel (SAF) allocation increase to 75%
- Continue to explore Bio Energy Facility with community partners
- Founding member Climate Transformation Alliance
- Continued priority of land management and fire prevention on TTAD property
- Shift to closed loop and local supply chain as much as possible

- Home basing program integrated into updated Fly Quiet Programs
- Review TTAD vacant land opportunities for community benefit
- Develop community benefit policy instruction
- Focus on community program support

2023 FORECASTED NET POSITION

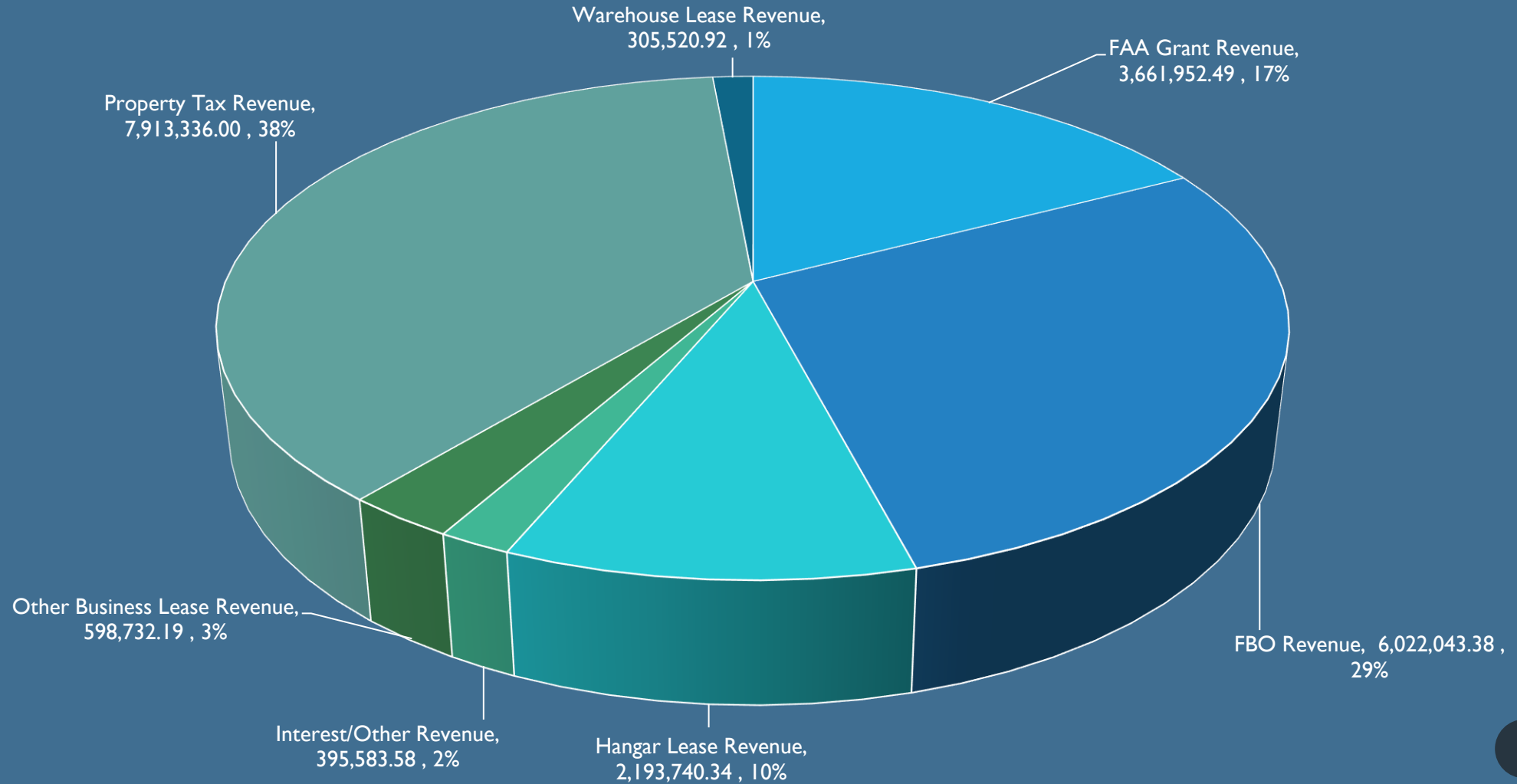
Forecasted
Revenues YTD
12/31/23:
\$21,090,909

Forecasted
Expenditures
YTD 12/31/23:
\$13,220,075

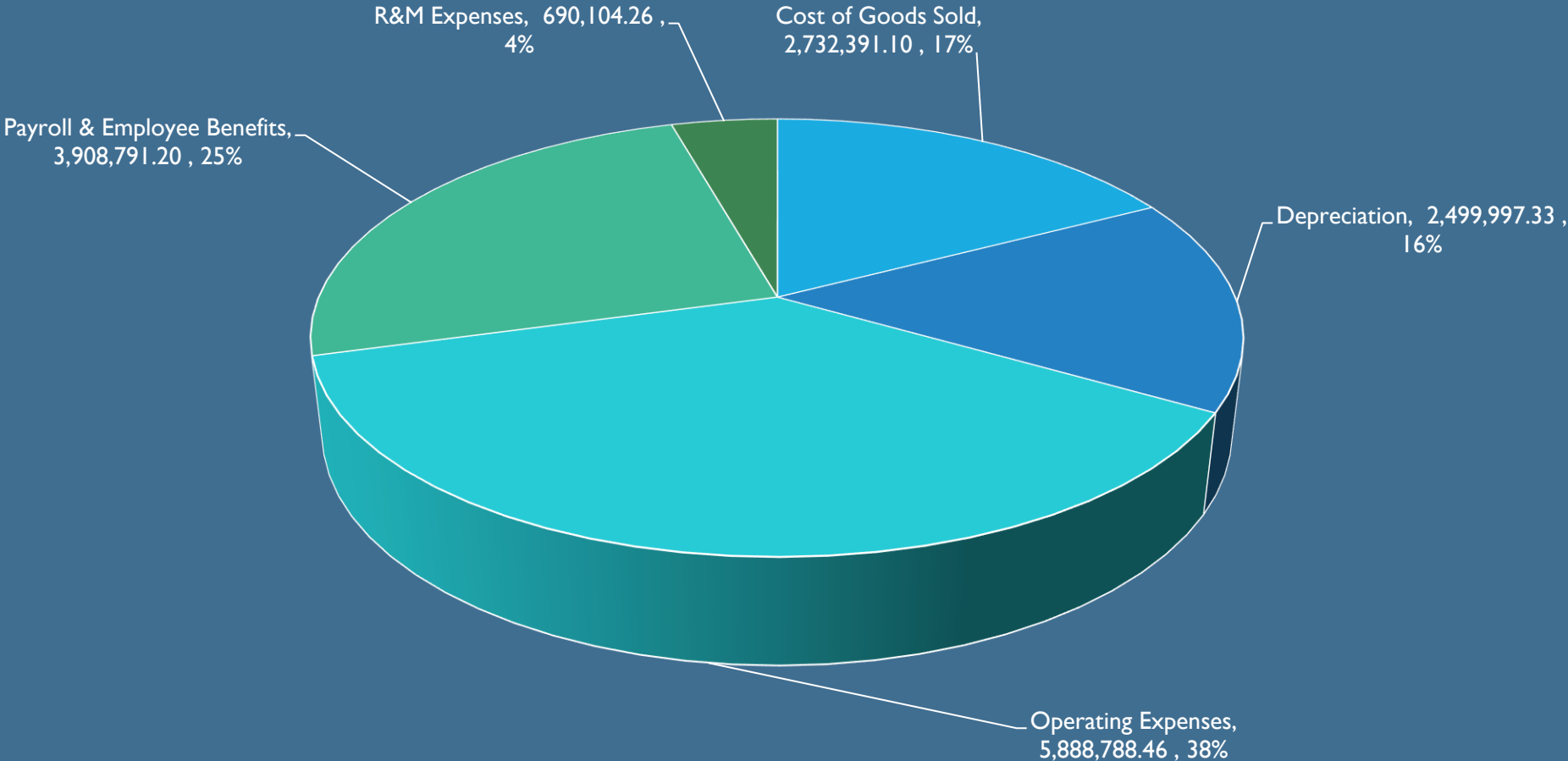
Forecasted Net
Income YTD
\$5,370,837

2023 Forecasted Net Position			
Operating Revenue Net of Property Taxes			13,177,572.90
Expenses including Depreciation			<u>(15,720,072.40)</u>
Net Income/Loss from Operations			\$ (2,542,499.50)
Property Tax Revenue			<u>7,913,336.00</u>
Net Income			\$ 5,370,836.50

2023 FORECASTED REVENUE



2023 FORECASTED EXPENSES



STRATEGIC PLAN 2024-2026

FOUNDATIONAL ELEMENTS

Vision

Defines where we want to be in the future—our horizon line.

A community-focused, sustainable, safe, and well-run airport district, respected locally and nationwide.

Mission

Defines what we do, where we serve and who we serve.

TTAD aims to provide safe, high-quality aviation services and facilities, reduce impact on our neighbors and the environment, invest in opportunities that increase community safety and provide sustained benefit to the entire Truckee Tahoe region.

Core Values

Defines and drives the culture of our organization and what we focus on daily.

- Safety for all
- Regionally focused
- Responsible
- Innovative

Guiding Principles

Expands on core values and describes a set of principles that guide priorities and decision-making for the District.

- We adhere to high standards of safety, accountability, equitability, and transparency.
- We care for and invest in our land, facilities, team, and community.
- We maintain exclusive rights of airport land and facilities in perpetuity.
- We strive to make fair and equitable decisions with property taxes and user fees.
- We listen to and learn from all our partners, neighbors, and constituencies.
- We are an industry leader in sustainable aviation innovation.

2024 Focus Areas

- Fund reserves
- Segregate funds
- Focus funds on purpose of airport
- Invest in employee housing
- Runway alternative feedback
- Master Plan phase II
- Infrastructure investment plan

- Recapitalize Aging Infrastructure
- Hangar Revitalization Program
- New flight procedures develop
- Fly Safe & Fly Quiet program update
- Update PMCDs
- Develop DEI Strategy

ECONOMIC VIABILITY

Operate a fiscally responsible District and contribute measurable community investments to the region.

NATURAL RESOURCE CONSERVATION

Commit to climate-resilient practices and act to preserve and enhance the natural environment.



OPERATIONAL EFFICIENCY

Effectively and safely operate the District.

SOCIAL RESPONSIBILITY

Work to be a good neighbor and community partner for District and community outcomes.

- 100% Blended Jet A/SAF
- Transition to Unleaded Avgas
- Climate Transformation Alliance focus
- Net Zero Goals

- Fly Safe/ Fly Quiet program engagement
- STEAM aviation investment focus
- Communication programs

2024
FORECASTED
NET POSITION

FBO Revenue	4,500,000.00
Hangar Lease Revenue	2,300,000.00
Interest/Other Revenue	400,000.00
Other Business Lease Revenue	600,000.00
FAA Grant Revenue	-
Property Tax Revenue	8,500,000.00
Warehouse Lease Revenue	320,000.00
Cost of Goods Sold	2,100,000.00
Operating Expenses	6,000,000.00
Payroll & Employee Benefits	4,300,000.00
R&M Expenses	700,000.00
Depreciation	2,500,000.00
Net Income	1,020,000.00

FEDERAL & STATE POLICY ON USE OF FUNDS

- Federal-FAA Policy 47107/47133 & Grant Assurance 25: “All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other facilities which are owned and operated by the owner or operator of the airport, and which are directly and substantially related to the actual air transportation of passengers or property. . . .”
- State-Gift of Public Funds Doctrine: “Article XVI, Section 6 of the California Constitution prohibits public entities from providing aid, pledging credit, or making a gift of public funds or anything else of value to an individual or other corporation.” “A valid public purpose is determined by the authority and jurisdiction of the agency. For special districts, the appropriation must specifically further the purpose for which the special district was established. All partnerships and related expenditures must serve a purpose of TTAD. TTAD’s purposes are set forth in the California Airport Districts Act (Public Utilities Code section 22001 *et seq.*). Under this law, the District’s primary purpose is to “...to facilitate the formation of intercity and county airport districts having responsibility for the development of airports, spaceports, and air navigation facilities, the objective being to encourage airport and spaceport development by communities and to distribute the cost uniformly among all who benefit.” (Pub. Util. Code, § 22002.)
- Consistent with applicable California law, all expenditures of TTAD funds under Policy Instruction 311 must serve a public purpose of the District, referred to as “public purpose” throughout the policy. Expenditures may be evaluated on a case-by-case basis to ensure compliance but below are examples of permissible TTAD public purposes as set forth in the California Airport District Act or other applicable law:
 - Aviation or other services provided by TTAD
 - Transportation related to use of TTAD property
 - Aviation-related noise mitigation and avoidance
 - Conservation and similar aviation buffer efforts
 - Aviation-related public safety efforts
 - Science Technology Engineering Arts and Math (STEAM) education
 - Workforce housing
 - Greenhouse gas emissions reductions and offsets
 - Natural Resource Management

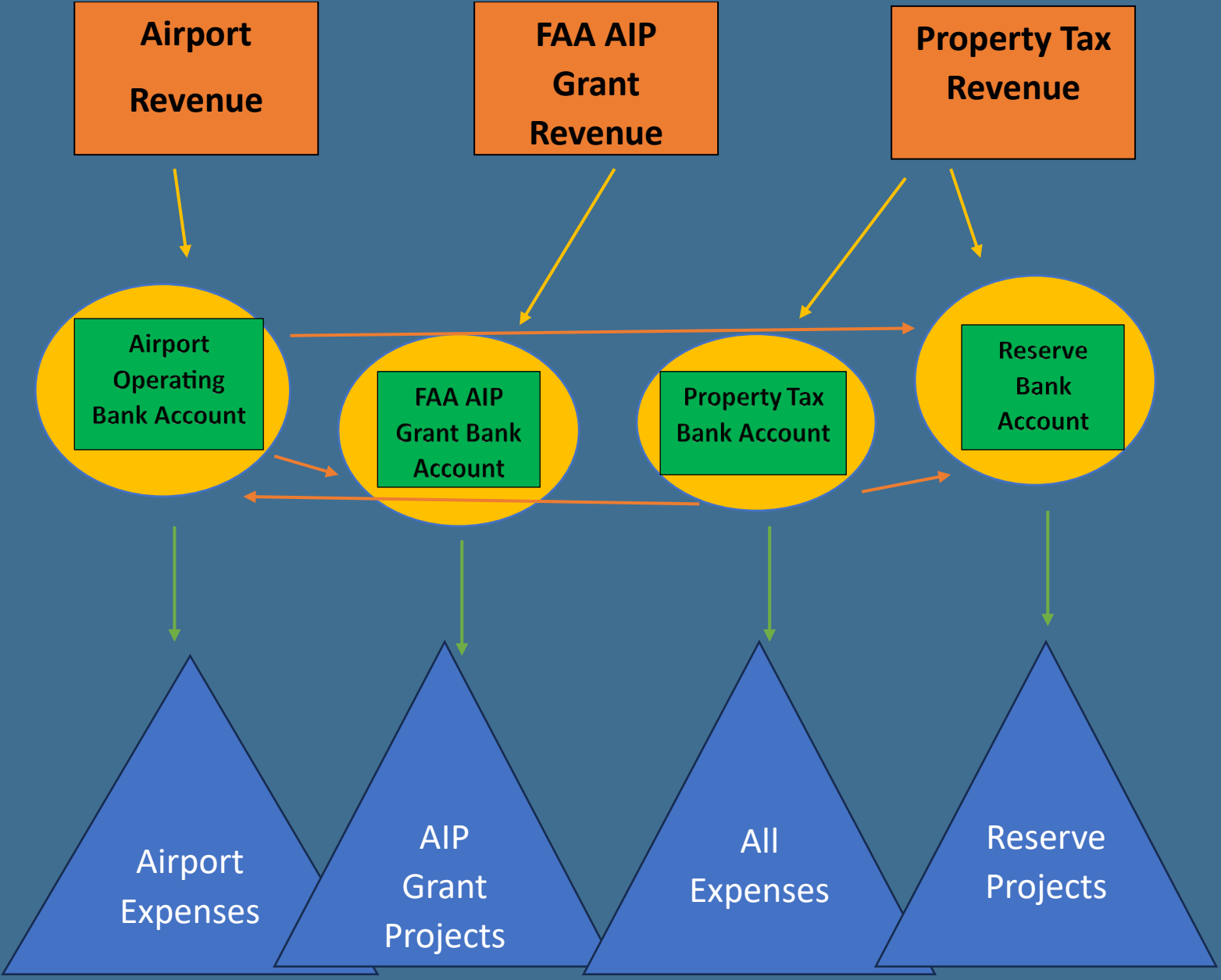
SOURCES AND USES OF FUNDS

There are three sources of funds for the District:

- Airport Revenue (FBO and Lease Revenue)
- FAA AIP Grant Revenue
- Property Tax Revenue

These revenues will be deposited into four new bank accounts:

- Airport Operating Account-pays for any airport expenses and will fund the reserve account as well as the FAA AIP Grant account for the non-matching %.
- FAA AIP Grant Account-pays for AIP Grant Projects and will also be funded by the Airport Operating Account for the non-matching %.
- Property Tax Account-pays for any expenses and will fund the Airport Operating Account and Reserve Account
- Reserve Account-pays for Reserve Projects and will be funded by the Property Tax Account and the Airport Operating Account.





RESERVE POLICY CATEGORIES

- **Cash/Operating Contingency** (Six months operating capital)
- **New Machinery & Equipment** (Cost of more than \$2000 and a useful life of more than 2 years and does not exist at TTAD currently)
- **Replacement Reserve** (Replace existing capital assets/components with a cost of more than \$2000 and a useful life of more than 2 years-includes the pavement maintenance plan)
- **Development** (Ideas of new facilities or replacing existing facilities-hangar rows, parking lots, community facility, etc.)

RESERVE POLICY METHODOLOGY

Overall Reserves will be made up of the following items:

- Cash/Operating Contingency-determined each year during the budget process (not a part of the Replacement Reserve Study).
- New Machinery & Equipment-determined each year during the budget process (not a part of the Replacement Reserve Study).
- Replacement Reserves-calculated directly by the Replacement Reserve Study and updated every 5 years. Annual total is added to the capital project listing during the budget process.
- Development-determined each year during the budget process. (Not a part of the Replacement Reserve Study).

The overall savings plan for paying for each of these items is the updated Replacement Reserve Study to be approved at the October board meeting. This policy refers to the Replacement Reserve Study to dictate the calculated amount of overall savings necessary for our replacement reserve items. Staff will recommend the amount of overall savings necessary for our cash/operating contingency, new machinery & equipment, and development fund categories during the annual budget process.

2024 CAPITAL PROJECTS

Capital Projections 2024		
Directed from Strategic Plan And Reserve Study		
Asset Description	Asset Category	2024
Warehouse roof planning/engineering-2023 Carryover	Development *	20,000.00
Air Traffic Control Tower Sighting Study (mandatory to build a permanent tower)-2023 Carryover	Development *	100,000.00
Housing Development (Purchase housing or fund JPA to do so)-2023 Carryover	Development *	250,000.00
Ground Support Equipment (GSE) Hangar Design Work	Development *	50,000.00
Warehouse Trash Receptacle Enclosure	Development *	100,000.00
Terminal Building indoor security cameras-2023 Carryover	New Machinery & Equipment	12,000.00
12,000 Jet A/SAF Fuel Tank in fuel farm	New Machinery & Equipment	300,000.00
Maintenance Shop Generator	New Machinery & Equipment	90,000.00
IT-Board Meeting AV Services Upgrade-2023 Carryover	Replacement Reserve	3,000.00
Microsoft Dynamics Accounting Software-2023 Carryover	Replacement Reserve	40,000.00
Replacement Reserve Study Projects	Replacement Reserve	1,302,100.00
		2,267,100.00

* Development projects and priority are placeholders before a formal review and approval process.

CASH BALANCE ALLOCATION

2023 Year Ending Cash Balance Allocation	
Cash/Operating Contingency	\$ 6,000,000.00
Operating Cash	\$ 1,000,000.00
Development TBD	\$0.00
New Machinery & Equipment	\$ 500,000.00
Replacement Reserve	\$ 2,500,000.00
Total	\$ 10,000,000.00

2024 Cash Reserve Methodology

- Beginning reserve balance \$2.5M
- Monthly Funding
- Fund Specific bank accounts based on category

FUTURE RESERVE PLAN

Reserve Category	2024	2025 – 2030	2031 - 2050
Cash/Operating Contingency	6,000,000.00	7,000,000.00	8,000,000.00
Development	585,000.00		
New Machinery & Equipment	402,000.00	685,000.00	500,000.00
Replacement Reserve	1,354,100.00	3,939,495.00	16,279,650.00
Grand Total	8,332,100.00	11,624,495.00	24,779,650.00

DEVELOPMENT / REDEVELOPMENT

Strategic Plan, Focus Area 1: Economic Viability

Goal - I.B. Future: Prioritize investments in airport safety, infrastructure, and operations on both airside and landside.

Strategy: I.B.3. Create an Infrastructure Investment Plan and Development Fund strategy to define a roadmap for future opportunities.

Airside	Landside

POLICY
INSTRUCTION
UPDATES



Investment Policy
Instruction



Reserve Policy Instruction



Questions