



Reno-Tahoe Airport Authority

Reno, NV

Annual Budget
Fiscal Year 2008-2009

2008-09
ANNUAL BUDGET
Table of Contents

SECTION 1 – Introduction and Summary

Introduction	1
Budget Document Structure.....	2
Background	2
At Your Service	2-3
Budget Objectives	3-4
Budget Summary.....	4-6
Budget Process	6-7
Revenue Bond Resolution.....	7
Airline Agreement.....	7-8
Competition Plans and Passenger Facility Charges	8-9
Planning for the Future	9-11
Acknowledgments.....	11
Distinguished Budget Presentation Award	12

SECTION 2 - Organization Guide

Board of Trustees	13
Additions or Changes.....	13-14
Vacant Positions.....	14
Organization Chart.....	15
Personnel Complement	16-20

SECTION 3 Financial Plan..... 21-25

Terminal Rental Rates Calculation	26
Landing Fee Rates Calculation	27
Allocation of Non Airline Revenues to Cost Centers	28
Budgeted Revenue Sharing	29
Summary of Sources and Uses of Funds.....	30
Revenues	31
Operating Revenue Pie Chart.....	32
Revenue Summary	33-39
Budgeted Revenues.....	40-42
Expenditures.....	43-55
O&M Expenditure Pie Chart.....	56
Summary of Budgeted Expenditures	57
Resources Applied by Organizational Unit	58

Board of Trustees Functions and Work Plans	59-60
Board of Trustees Department Summary	61
Board of Trustees	62
Internal Audit Division	63-64
General Counsel	65
President/CEO Department Functions and Work Plans	66-67
President/CEO Department Summary	68
President/CEO	69-70
Air Service Business Development	71-72
Marketing and Public Affairs	73-74
Deputy Executive Director Department Functions and Work Plans	75-76
Deputy Executive Director Department Summary	77
Deputy Executive Director	78-79
Technology and Information Systems	80-81
Reno-Stead Airport	82-84
Human Resources	85-85
Finance and Administration Department Functions and Work Plans	87-89
Finance and Administration Department Summary	90
Accounting and Administration	91-92
Finance and Budgeting	93-94
Purchasing and Materials Management	95-96
Property Administration	97-98
Non-Departmental	99-100
Operations and Public Safety Department Functions and Work Plans	101-104
Operations and Public Safety Department Summary	105
Senior Director of Operations and Public Safety	106-107
Airfield Operations	108-109
Landside Operations	110-111
Airport Rescue and Fire	112-113
Airport Police	114-115
Airport Communications	116-117
Planning and Engineering Department Functions and Work Plans	118
Planning and Engineering Department Summary	119
Planning and Environmental Services	120-121
Engineering and Construction	122-123

Facilities and Maintenance Department Functions and Work Plans ...	124-125
Facilities and Maintenance Department Summary	126
Director of Facilities and Maintenance	127-128
Airfield Maintenance	129-131
Building Maintenance and Services.....	132-134

Capital Budget

Property Plant & Equipment Summary.....	135
Property Plant & Equipment by Department/Division	136-138
Capital Projects Summary.....	139
Capital Projects	140
Capital Projects Detail	141-154

Trust Funds Summary.....	155-157
Projected Trust Funds Balances.....	158-159

Debt Summary.....	160-163
Debt Service Allocation	164
Summary of Bonded Indebtedness.....	165
Schedule of Debt Service	166
Net Pledged Revenues Test.....	167

SECTION 4 - Supplemental Data

Supplemental Data and Graphs.....	168-188
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SECTION 5 - State of Nevada Budget Format 189-197

SECTION 6 - Glossary 198-201

**2008-09
Annual Budget
Section 1 – Introduction and Summary**



**Board of Trustees
Reno-Tahoe Airport Authority
Reno, Nevada**

Introduction

The Reno-Tahoe Airport Authority (RTAA) operates Reno-Tahoe International Airport (RTIA) and Reno-Stead Airport. This 2008-09 Budget is the financial operation plan for both airports.

With passenger numbers dropping below post 9/11 levels, staff has created an austere budget in the current environment of continued airline industry losses. This year's budget was formulated during unprecedented price increases for oil and airline fuel. The airlines are increasing the use of smaller regional jets in place of full sized commercial jets. The change in aircraft size, and airline flight reductions, are reducing the number of available passenger seats resulting in fewer passengers using the airport. This reduction in air service capacity is the airlines' attempt to reduce the number of empty airline seats to increase the profitability of each flight.

Even in the face of these challenging economic conditions, RTIA is actively competing with airports across the country to maintain current air service and attract new flights. A key factor in that campaign is maintaining low airline landing fees and terminal building rents which result in a low airline cost per enplaned passenger. Staff has worked diligently to create a budget that minimizes airline costs and fees while striving to maintain the levels of customer service that passengers have come to expect to receive at RTIA.

Outstanding fiscal performance has been a hallmark of the RTAA. In June 2006, the Air Transport Research Society ranked RTIA fifth behind Atlanta, Tampa, Raleigh-Durham and Fort Lauderdale as the top five most efficient airports in North America. Canadian-based researchers gathered and analyzed information from sources such as airport financial statements and the Federal Aviation Administration (FAA). They also measured revenue streams from airport restaurants, stores and landing fees.

Staff is determined to continue this legacy of efficiency this year despite budget constraints. This budget reflects a dedicated effort to keep the cost per enplaned passenger low, while using staff innovation, technology and carefully targeted outsourcing to maintain RTAA's high standard of customer service.

Each year since 1997, the RTAA's budget document has won the Distinguished Budget Presentation Award from the Government Finance Officers Association. This year's budget maintains those same standards of excellence while setting the stage for future growth in services and facilities.

Budget Document Structure

The budget document is composed of six sections:

Section 1: Introduction and Summary - Describes the RTAA and summarizes key points of the budget

Section 2: Organization Guide - An operational guide detailing personnel and staff organizational structure

Section 3: Financial Plan - Financial narratives as well as explanations of revenue and expense budgets

Section 4: Supplemental Data - Narratives and charts of local economic activity, airport and airline activity and financial performance

Section 5: State of Nevada budget form

Section 6: Glossary of airport industry terms

Background

RTAA is a quasi-municipal corporation that was created by the Nevada State Legislature and began operation on July 1, 1978. The nine-member Board of Trustees that governs the RTAA is appointed by the City of Reno, City of Sparks, Washoe County and the Reno Sparks Convention and Visitors Authority. The RTAA is an independent entity that is not part of any other unit of local government and does not use local property or sales tax revenue to fund its operation.

The RTAA owns, and operates the RTIA and Reno- Stead Airport. According to the latest available Federal Aviation Administration (FAA) statistics, RTIA is the 62nd busiest airport in the nation. The Reno-Stead Airport is home to 225 based aircraft, and the famous Reno National Championship Air Races. Together, these airports have a \$3.25 billion annual economic impact on the local economy.

RTIA offers better air service than any other airport for a city of comparable size anywhere in the United States. Eight major/national, and two regional airlines serve RTIA offering 83 daily departures carrying 9,644 seats non-stop to 22 cities. RTIA is a medium hub airport projected to serve 5.06 million passengers in the 2007-08 fiscal-year, with passenger levels increasing less than 1 percent to 5.1 million in 2008-09.

Air cargo at RTIA increased 11.7 percent in 2006-07 compared to the previous fiscal year. Approximately 128.5 million pounds of cargo are projected to travel through RTIA in 2007-08. Air cargo activity is an indication of the role RTIA plays for the increasing number of distribution centers in the Reno-Tahoe area.

At Your Service

From award-winning welcoming events for conventions, to highly respected air service marketing—service is what the RTAA is all about. The Airport team is constantly striving to maintain and add new airline service. And when people arrive and depart, the airport is determined to make the all important positive first and last impression on them.

RTIA has earned a reputation for integrity and professionalism when approaching airlines. While Cooperative advertising programs and incentives help establish new airlines and service in our market, a spirit of partnership exists between the RTAA and the airlines that

helps maintain existing service while supporting the community. With the help of the RTAA, Southwest Airlines was named the official airline of Ski Lake Tahoe. During the holidays, RTAA worked closely with United Airlines to coordinate an event where Santa Claus flew in on a commercial jet to deliver toys to disabled children in the Reno-Tahoe region.

Reno-Tahoe International Airport serves as the gateway to our region. Operating the gateway brings a responsibility to provide a level of service representing the best in the community. Free WiFi service is a pleasant surprise for passengers looking to stay connected before and after they fly at RTAA. In addition to dedicated customer service personnel, such as our Passenger Aides and Security Specialists, the appearance of facilities, ease of vehicle parking, the security experience, infrastructure condition and tenants all strive to create a positive experience for our customers.

Customer service will be further enhanced by an Airport Baggage Check-in project (ABC) currently under construction. This project will relocate the large bag screening devices currently in the ticketing lobby. They will be moved behind the airline ticket counters, eliminating the need for passengers to carry their checked bags from the airline ticket counter to the bag screening devices. Moving these devices will also result in more passenger queuing and movement space in the ticketing lobby.

To facilitate the ABC project while maintaining a high level of service, the airport constructed a temporary ticket lobby along the front curb of the terminal. This unique approach accelerated the completion time for the project while minimizing the impact on customers. When the ABC Project is complete in December of 2009, it will offer a dramatically improved way for people and bags to depart the community.

Budget Objectives

While the airport staff is dedicated to achieving higher levels of air service, customer service, safety and security, these goals are pursued in a dated and challenging facility. The terminal building dates back to the 1960 Winter Olympics, and the last expansion took place in 1979. Today's security and customer service requirements must be accomplished in a building designed for a bygone era.

Airlines are continuing to look at ways to cut costs as oil prices soar to over \$130 a barrel. Skyrocketing fuel prices have put unprecedented pressure on all of the U.S. based airlines. Southwest Airlines, RTIA's largest carrier, the most consistently profitable U.S. airline, is facing the possibility of loss-producing quarters in 2008. No airline can be profitable with fuel at these price levels. While fares have gone up, some airlines are charging hefty fuel surcharges and are enacting other fees to increase the amount of revenue per passenger (i.e. charging for an exit row seat, a sandwich, or to check a piece of baggage.) The general downturn in the economy has resulted in decreased demand for air travel. Demand for air service for the tourism market of the Reno-Tahoe area could also be negatively affected by these trends. Airlines continue to reduce the number of seats in markets to increase their load factors and reduce costs. Fewer seats equates to a reduction in landed weights.

Currently, several airlines are discussing merger plans, most notably; Delta and Northwest Airlines. Consolidation will lessen competition and will enable the surviving carriers to fly fewer seats to fewer hubs and charge more for doing so. This is not good news for the

consumer, especially in the current economic environment. Further, it remains to be seen if a “compromise solution” can be developed that will work for the carriers that are considering merging. The carriers must balance the issues of labor, shareholders, the Department of Justice and the local politics of the cities whose air service is affected by the merger.

RTAA’s 2008-09 budget demonstrates a commitment to the financial goal of the lowest possible airline cost per enplanement despite the need to budget for modern security, service and maintenance in an aging terminal building. The RTAA’s cost per enplanement is driven by airline landing fees, rental rates, and the number of enplanements. Given the current state of the airline industry, staff is presenting a budget with little growth in Operations and Maintenance (O&M) costs in order to limit the growth in airline rates and the resulting cost per enplanement. This budget reflects a dedicated effort to keep the cost per enplaned passenger low, while using staff innovation, technology, and carefully targeted maintenance outsourcing to uphold RTAA’s standard of customer service. The following initiatives drove the budget development process:

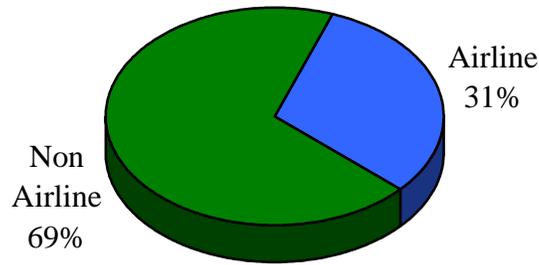
- Airline rate stability to maintain RTIA’s position as a low cost per enplanement airport for the airlines.
- Continue the efforts to increase the level of air cargo activity as another means of increasing landed weight at RTIA.
- Non-Airline Revenue is an area where staff is concentrating on increasing funds through additional land leases and new concessions in the terminal and on the concourses. RTAA’s non-airline revenue is nearly 70% of the overall revenue collected which is high for the industry.
- The Board recognizes that budget amounts will be needed to be proactive in environmental matters.

Budget Summary

This budget is for the RTAA’s 2008-09 fiscal-year, which begins on July 1, 2008, and ends June 30, 2009. A 0.9 percent increase in passenger enplanements (passengers boarding an airline) is projected for the 2008-09 Budget. The projected 2.53 million enplanements for 2007-08 are projected to grow to 2.55 million enplanements for 2008-09.

The proposed Total Operating Revenue budget for 2008-09 is \$49,611,198. This represents a 3.3 percent increase from the 2007-08 budget. Of the total operating revenues, \$15,424,715 or 31 percent are revenues attributed to the airlines such as landing fees and terminal building rents and \$34,186,483 or 69 percent are non-airline revenues. Maintaining a high proportion of non-airline revenue to airline revenue assures that the airlines’ costs to operate at RTIA remain low. The major non-airline revenues are Gaming Concession, Parking Revenue, Rental Car Concession, Food and Beverage and News and Gifts Concessions, and the terminal building Advertising Concession.

2008-09 Operating Revenue



Highlights of the increase in Total Operating Revenues are as follows:

- Budgeted aircraft fees are increasing 0.6 percent from the prior year budget due to a 13.3 percent higher landing fee rate, and an 11.1 percent decrease in budgeted aircraft landed weight.
- Concession Fee Revenues are increasing 14.2 percent from the prior year budget as a result of budgeted increases due to increased passenger activity, and higher minimum annual guarantee amounts from a new confections concession.
- Auto Parking and Ground Transportation revenues are also increasing 4.7 percent from the prior year budget. This increase is due to an estimated increase in parking due to the construction of the Airport Baggage Check-In project as well as an the increase in the parking rate for the long-term surface lot adopted by the Board during FY2007-08.
- Total Space Rents are increasing 1.1 percent. A 1.0 percent decrease in Signatory Airline Terminal Building Rents is partially offsetting increased land rents from land being rented to developers for construction of a hotel and buildings to house retail tenants.

In response to the airline's flight schedule consolidation, RTAA's operating expenses were limited in growth except for those items that required increases to maintain the facility such as insurance, utilities and security mandates. Several current customer service initiatives, and maintenance items are being deferred to the future to limit the budget's impact on the airline rates, and cost per enplanement. The total 2008-09 O&M budget is \$34.8 million which is 3.4 percent above the 2007-08 budget and 6.7 percent above 2007-08 projected expenditures. Increases in O&M Expenses are caused by the following:

- Personnel Services are increasing by only 0.9 percent over the prior year budget. This budget allows for merit salary increases, and negotiated wage increases but is growing at this low rate due to several vacant positions that will not be filled and are not budgeted, lay offs of some part time staff, and reductions in the RTAA's health benefit costs due to lower than expected utilization.
- Utilities and Communications is increasing 9.3 percent due to anticipated rate increases.
- Purchased Services are increasing 11.1 percent. This category's increase is due to maintenance and support costs for new technology or technology that was previously under warranty.
- Materials and Supplies are increasing 19.4 percent above the current year budget due mainly to increased costs for items that are affected by petroleum prices, such as trash can liners, pavement repair materials, and a major runway light replacement project.

- Administrative Expenses are increasing 0.3 percent due mainly to limiting travel, and off site professional and technical training.

The major Property, Plant, and Equipment (PPE) items for 2008-09 are equipment replacements. The largest of the equipment replacements is a ramp scrubber used to clean the aircraft parking areas of deicing chemicals. The Property Plant and Equipment section includes a schedule listing all of the requests.

Capital Project requests for 2008-09 total \$87.3 million. Of that amount, \$80.6 million are 10-Year Plan Projects that are dependent on the receipt of a FAA grant or are funded through another non-operating revenue source such as Passenger Facility Charges (PFC's) or fuel tax revenue. The 10-Year Plan capital projects are also listed to show the total volume of projects being contemplated. These projects range from continuation of the aircraft ramp reconstruction, construction of a central security area, and noise insulation programs. The new Air Cargo Ramp in the southwestern end of the airport is also part of this amount. The remaining \$6.8 million of capital projects are to be funded from RTAA revenues. The largest of these projects are to maintain the aging airport infra-structure:

- Maintenance of the airfield and landside pavements
- Sealing the parking structure roof
- Tenant employee parking lot
- Phase one of a new energy management control system.

However, given the challenging economic times, each individual project and PPE item will be re-evaluated in light of current airline activity even though it is in the budget.

Budget Process

The RTAA, a quasi-municipal corporation, must comply with the Local Government Budget Act, Nevada Revised Statute 354 as stipulated in Act that created the RTAA. The Local Government Budget Act defines the RTAA's fiscal year as July 1 through June 30, and also requires the following actions:

- A tentative budget must be filed with the Nevada Department of Taxation by April 15.
- Legal notice of a public hearing must be published no more than two weeks and no less than seven days prior to the date of the public hearing.
- A budget public hearing is held the third Thursday in May to accept public comment on the budget.
- The final budget must be adopted on or before June 1 and sent to the Nevada Department of Taxation for review and approval.

The statutory requirements are summarized on the table below. Subsequent changes to the budget are made through the adoption of a resolution, by the RTAA's Board of Trustees, which is then submitted to the Nevada Department of Taxation for approval.

Statutory Date	Calendar Date	Action
None	April 4, 2008, and April 24, 2008, and May 13, 2008	Public Budget Workshops with the RTAA Board of Trustees
April 15 th	April 15, 2008	Tentative budget filed with the

		Nevada Department of Taxation
Seven to 14 days before the Third Thursday in May	May 7, 2008	Notice of Budget Public Hearing published
Third Thursday in May	May 15, 2008	Hold Public Hearing on the budget
On or Before June 1st	May 15, 2008	Adopt Budget.

The President/CEO begins the budget process in early December with a statement of the goals and priorities for the next budget year. Staff begins the budget process by reviewing the expenditures of the first five months of the then current fiscal year. A budget packet is distributed which includes a budget calendar, forms and general directions for each department's budget submittal.

Revenue Bond Resolution

The RTAA's revenue bond resolutions contain provisions that also affect the annual budget with regards to the calculation of airline landing fees and rents. Net pledged revenues, gross revenues less operating expenses, must exceed the revenue bond debt service requirement for the fiscal year by 25 percent. The 2008-09 budgeted net pledged revenues are 48.3 percent above the debt service requirements for the fiscal year, far exceeding the 25 percent minimum required. This is further explained in the Debt Service Summary section of this document.

The bond resolution also prioritizes the flow and use of revenues through a series of accounts held by a trustee. This flow of revenues and their priority is explained in the Trust Funds Summary section of the budget. The "funds" mentioned in this document are not the funds used for governmental fund accounting purposes. They are trust accounts monitored and held by a trustee pursuant to the bond resolutions.

Airline Agreement

Airlines that have signed an agreement with the airport they serve are called signatory airlines. Airlines operating at an airport that have not signed an agreement are referred to as non-signatory airlines. The airline agreement establishes the airline rate setting formula, and the basis for sharing airport revenues with the airlines. Compensatory and Residual are the two main airline landing fee and rental rate calculation methods in airline agreements. The airline agreement plays an important role in the RTAA's budget process. The RTAA's airline agreement is a hybrid, with terminal building rents set on a compensatory basis, and the landing fee set on a more residual basis that involves a credit for a share of all airport revenues. The airline landing fee and rental rate calculations shown in this budget determine the landing fee and terminal building rental revenue budget amounts.

The current airline agreement also allows flexibility to meet the demands of the changing airline activity and passenger levels. Airline space in the current agreement is preferentially leased so that airline leaseholds can be jointly used if needed by new airlines.

The airline agreement requires that the RTAA review its operating budget with the airlines. The agreement does not provide for airline approval of the budget. The airlines may suggest changes to reduce their landing fee and rental rates. The agreement does specify a

procedure for the airlines to review and deny capital projects or a capital project's debt service in the airline cost centers that would be included in the airline rate calculations.

Fiscal year 2008-09 is the second and final year of a mutually agreed upon two-year extension of the previous airline agreement that expired June 30, 2004. The RTAA has begun discussing with the airlines a further extension of the existing agreement. It is anticipated that the new agreement extension will be in place for the 2009-10 fiscal year. If not, the current agreement remains in effect until a new one is executed. Another agreement extension is preferred until the O&M budget impact of a new baggage handling system is known. This system is currently under construction and scheduled for completion in 2009-10. A new airline agreement provision will be negotiated to determine how the O&M costs of this new system will be passed on to the airlines.

Competition Plans and Passenger Facility Charges

The Airport Investment and Reform Act of the 21st Century (AIR 21) reauthorized the airports' federal grant process and also added a new requirement for airports to develop a competition plan. Medium or large hub airports with more than 50 percent of their passenger traffic handled by two or fewer airlines must prepare a competition plan. RTIA fell into this category. A competition plan dated December 7, 2000, was prepared and forwarded to the FAA. The plan was accepted by the FAA as was the 2003 update. Recent legislation removed the requirement to periodically update the competition plan until an airport has denied an airline access or the airport negotiates a new airline agreement.

The purpose of a competition plan is to demonstrate that an airport is not restricting competition among the airlines by creating barriers to air service. The RTAA's competition plan is available on the RTAA web site at renoairport.com. A competition plan is necessary before new Passenger Facility Charge programs will be approved and before any FAA grants will be awarded in the Federal fiscal year beginning each October.

A Passenger Facility Charge (PFC) is another source of funding for capital projects. PFC charges appear on an enplaning passenger's ticket for each airport at which the passenger enplanes up to a maximum of four PFC charges per ticket. The Federal legislation (AIR 21) also increased the maximum possible PFC collection rate from \$3.00 to \$4.50 for certain projects. The RTAA's current PFC 10 program collects at the \$4.50 level. Implementing a PFC requires consultation with the airlines and the FAA regarding a list of capital projects that meet the FAA's following project eligibility guidelines:

- Preserve or enhance safety, security or capacity of the national air transportation system
- Reduce noise or mitigate noise impacts resulting from an airport
- Furnish opportunities for enhanced competition among or between carriers

Federal law has strict guidelines for the use of any PFC or FAA grant funds, but all prevent the use of those funds for airport operating expenditures.

The FAA also requires airports to develop an Airfield Pavement Maintenance Plan to maximize the effective life of the pavement constructed with FAA grant funding. Airfield Pavements are obviously a key element in the operation of an airport and receive more

intense maintenance than roadway pavements. This Plan monitors the condition of the airfield's runway, taxiway, and aircraft parking apron pavements. The maintenance and replacement needs of the pavements are then monitored and planned. Pavement projects must be included in the Plan before the FAA will consider grant applications for the project.

Planning for the Future

The RTAA's future facility needs for both airports are projected in several documents, and are continually updated to reflect industry changes. These master plans include 20-year projections of passenger and aircraft activity, as well as the facilities needed to accommodate that activity. These plans address both airfield and terminal building needs. The terminal building needs are further refined in a Terminal Area Master Plan (TAMP) process.

Planning future expansion is performed to ensure phased development occurs in a coordinated fashion to maximize the limited resources available. The TAMP process provides guidance for the future expansion of the terminal building and changes to the surrounding facilities. The TAMP will also be useful in any future construction to meet the new airport security requirements. Estimates of the cost of new or upgraded terminal facilities will also be a useful benchmark in analyzing how much should be spent to modify the existing terminal.

An update of the RTIA TAMP is currently underway and includes alternative terminal building development plans. The progress of the TAMP update was reviewed with the RTAA Board of Trustees at a workshop in February 2008. The advantages and disadvantages of each alternative were reviewed, and one alternative was selected. That alternative was further refined in an effort to minimize its disadvantages, and incorporate the advantages of the other alternatives. A phased implementation plan is recommended to ensure terminal facilities are in balance with market demands. In phase 1, a new terminal concourse will be constructed, replacing the undersized existing Lear (south) concourse, and some minor expansions within the terminal building. As part of phase 2, a new two-level replacement terminal building and a new third concourse to the north is also proposed.

While current passenger levels are below the existing terminal building's capacity, the programming, design, bidding, and construction of a terminal building could take as long as five years.

A Strategic Financial Plan is currently being developed using the costs from the TAMP update to determine the amount of the funding needed for construction of these future facilities. The construction could be funded by a revenue bond, PFCs, FAA grants, or some combination of these alternatives. The Strategic Financial Plan will include estimates of the revenues generated by the new facilities constructed, such as airline rents and concession fees. The Strategic Financial Plan will also include estimates of all the future RTAA operating revenues and expenses. This will allow the RTAA to estimate its ability to service any new debt, and the impact on airline rates of the new debt service and the increased operating costs of the expanded facilities. The Strategic Financial Plan's future net revenues must also meet the debt service coverage requirements of the Revenue Bond Resolution discussed later in the Debt Summary section of this document. The

Strategic Financial Plan is a key document that will determine the financial feasibility of the TAMP projects in terms of debt service coverage, and the resulting airline rates.

Once the future terminal building improvement planning is complete, changes to the airport's layout plan (ALP) may be required. The ALP, a requirement of the FAA, is essentially a map of the airport's existing facilities and future land uses. Once the FAA approves an airport's ALP, projects to implement the plan are eligible for FAA grants.

While the terminal building will not be expanded in the short term, projects are continually being evaluated to improve the effectiveness of the existing facility. Projects to expand and modernize the terminal building restrooms, and expand the passenger circulation areas of the concourses were recently completed to enhance the level of customer service. This year the airport upgraded the terminal building paging system to improve the passengers' experience as they move through the airport.

As previously described on page 3, the airport is currently constructing a major project for the benefit of customers and the enhancement of safety and security. The Airport Baggage Check-In (ABC) Project will improve passenger flow while modernizing baggage screening. After the events of September 11th, numerous baggage screening devices were installed by the Transportation Security Administration (TSA) in the ticketing lobby. These devices are in front of the ticket counters, and take up 33 percent of the ticketing lobby, severely limiting the passenger queuing area as well as passenger flow.

The completed ABC Project will centralize the baggage security devices behind the ticket counter wall in space currently leased by the airlines. ABC is funded by \$48 million of RTAA PFC revenue and \$12 million from the TSA. The TSA has also agreed to supply the security equipment needed for the reconfiguration.

To mitigate the impact of aircraft noise on the local community, the RTAA updated its Federal Aviation Regulation (FAR) Part 150 Noise Compatibility Study in 2004. The FAR Part 150 program refers to a section of Federal regulations dealing with aircraft noise and an airport's plan for noise mitigation. This updated program, approved by the FAA, replaces an original 1991 study, and reflects current and future levels of aircraft noise. Much has changed since 1991 in the way of aircraft engine technology, as well as the aircraft fleet mix at RTIA.

With the FAA's approval of the Noise Compatibility Plan, projects to implement the Part 150 Study are eligible for Federal grants. One such project that has had tremendous success throughout the years is the RTAA sound insulation program, which is a component of the noise compatibility plan. The residential application of sound insulation generally consists of the installation of new acoustically rated doors, and windows in homes near the RTIA.

The completion of Phase 16, which is currently wrapping-up construction, will bring the total number of homes sound insulated by the RTAA to more than 1,750. Eligible homes in neighborhoods north and south of the airport, in Sparks, Reno, and Washoe County will continue to be insulated. In fiscal year 2007-08, the FAA committed \$5 million in grants to the RTAA for phase 17 of the Airport's sound insulation program; the RTAA's 6.25 percent financial share of the project is \$333,333. The Phase 17 project was split into two

groups for construction; group 17A consisting of 122 homes slated for construction in the fall of 2008 and groups 17B consisting of approximately 160 homes slated for construction in the summer of 2009.

The RTAA also received a \$2 million grant in 2005-06 for a permanent noise and operations monitoring system, which is another noise mitigation measure that is part of the Noise Compatibility Plan. Noise measurement equipment will be installed in locations around the community replacing the portable monitoring devices currently used. This permanent system will give the staff more accurate and timely noise measurements, allowing real-time computer tracking of noise generated as aircraft are flying above specific areas. The system is currently being installed and should be fully operational by the end of 2008.

Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) has presented a Distinguished Budget Presentation Award to the RTAA every year since 1997. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

While the Airport is planning significant construction projects to improve passenger service, we are just as dedicated to building on our tradition of excellence that has been established through our budget process. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award. This document will also be posted on the RTAA's website, www.renoairport.com.

The RTAA Board of Trustees adopted this budget on May 15, 2008. The production of this budget document then began. The preparation of this document would not be possible without the work, dedication to detail, and accuracy of the Finance and Budget Section staff.

Respectfully submitted,

Krys T. Bart, A.A.E.
President/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Reno-Tahoe International Airport
Nevada**

For the Fiscal Year Beginning

July 1, 2007

Oliver S. Cox

President

Jeffrey R. Emery

Executive Director

2008-2009

Annual Budget

Section 2 – Organization Guide

The Reno-Tahoe Airport Authority (RTAA) is governed by a nine member Board of Trustees. Each Board member is appointed by one of four entities which are served by the Reno-Tahoe International Airport. Listed below are the Board of Trustees and the entities they represent.

<u>TRUSTEE NAME</u>	<u>REPRESENTING</u>	<u>TERM EXPIRES</u>
Thomas J. Gribbin	City of Reno	June 2009
Bill Newberg	City of Reno	June 2009
Lynn S. Atcheson	City of Reno	June 2011
Brooks T. Mancini	City of Reno	June 2011
Larry V. Harvey	City of Sparks	June 2009
Joseph W. Mayer	City of Sparks	June 2011
Randi Thompson	Washoe County	June 2009
Mary Simmons	Washoe County	June 2011
John Wagon	Reno-Sparks Convention & Visitors Authority	June 2009

2008-09 PERSONNEL COMPLEMENT

The Personnel complement following this narrative shows the total approved staff complement. Listed below are the changes to the complement approved during the budget process. The organization chart in this section shows the departments, names of the department heads and the number of employees in the department.

ADDITIONS OR CHANGES

PRESIDENT/CEO

President/CEO

The Executive Director/CEO position has been reclassified as the President/CEO to more accurately reflect the duties and responsibilities of the position

Marketing and Public Affairs

An Administrative Assistant I/II position has been reclassified as a Program Technician to more accurately reflect the duties and responsibilities of the position.

FINANCE AND ADMINISTRATION

Finance and Budgeting

A Senior Financial Analyst position has been reclassified as a Financial Analyst to more accurately reflect the duties and responsibilities of the position and needs of the department.

OPERATIONS AND PUBLIC SAFETY

Landside Operations

A Parking Lot Attendant position has been reclassified as a Parking Shift Leader to more accurately reflect the duties and responsibilities of the position and needs of the department.

Airport Police

An Administrative Assistant I/II position has been reclassified as a Program Technician to more accurately reflect the duties and responsibilities of the position.

PLANNING AND ENGINEERING

Planning and Environmental Services

A Senior Planner position has been reclassified as a Airport Planner I/II to more accurately reflect the duties and responsibilities of the position and needs of the department.

FACILITIES AND MAINTENANCE

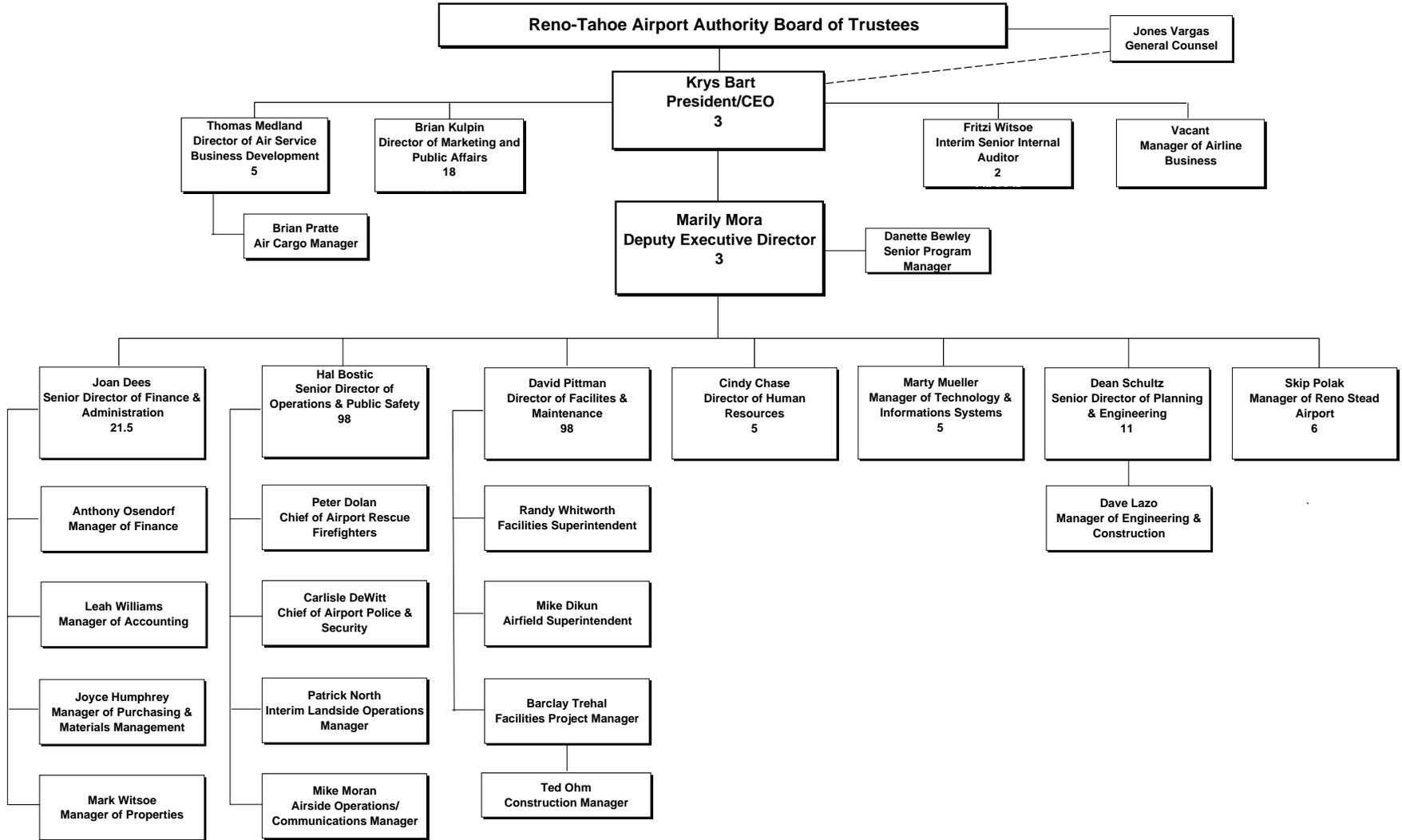
Building Maintenance

Six Facilities Custodians are shown as being added to the complement as they were not in the original 2007-08 personnel complement but were subsequently approved by the Board during the 2007-08 mid-year budget review. Also, a Senior Airport Facilities Custodian position has been reclassified to an Airport Facilities Custodian to more accurately reflect the duties and responsibilities of the positions necessary to operate the department.

VACANT POSITIONS

As part of the continuing effort to maintain low airline rates in the face of increasing expenses, 11 part-time Passenger Aide employees were laid off effective August 31, 2008 and the estimated related costs are only budgeted through that date. Also, various vacant positions that are shown in the personnel complement have been frozen by the President/CEO and are not budgeted in the personnel services section of the operations and maintenance expense budget. Positions that become vacant during the 2008/09 fiscal year will be reviewed on a case by case basis as to whether the position will be filled or frozen as part of the organizational savings effort. The President/CEO may unfreeze various positions throughout the fiscal year depending on workload factors and/or to optimize the skill mix of the Airport Authority as other positions become vacant or other budget saving mechanisms present themselves.

2008-09



**2008 - 2009
ANNUAL BUDGET**

Personnel Complement

	Budgeted and Authorized 2006-07	Budgeted and Authorized 2007-08	Budgeted and Authorized 2008-09
Board of Trustees Department			
Board of Trustees *	9.0	9.0	9.0
Internal Audit Section			
Senior Internal Auditor	1.0	1.0	1.0
Internal Auditor	1.0	1.0	1.0
Total Internal Audit Section	2.0	2.0	2.0
Total Board of Trustees Department	2.0	2.0	2.0
President/CEO Department			
Executive Director/CEO	1.0	1.0	0.0
President/CEO	0.0	0.0	1.0
Manager of Airline Business	0.0	1.0	1.0
Executive Assistant	1.0	1.0	1.0
Total Executive Director	2.0	3.0	3.0
Air Service Business Development Section			
Director of Air Service Business Development	0.0	1.0	1.0
Director of Marketing and Air Service Development	1.0	0.0	0.0
Air Cargo Manager	1.0	1.0	1.0
Marketing Coordinator	2.0	2.0	2.0
Executive Assistant	1.0	1.0	1.0
Total Air Service Business Development Section	5.0	5.0	5.0
Marketing and Public Affairs Section			
Director of Marketing and Public Affairs	0.0	1.0	1.0
Public Affairs Manager	1.0	0.0	0.0
Customer Service Supervisor	0.0	1.0	1.0
Marketing Coordinator	0.0	1.0	1.0
Public Affairs and Customer Service Coordinator	2.0	0.0	0.0
Public Affairs Coordinator	0.0	1.0	1.0
Lead Passenger Aide	1.0	1.0	1.0
Passenger Aide	11.0	11.0	11.0
Program Technician	0.0	0.0	1.0
Administrative Assistant I/II	1.0	1.0	0.0
Administrative Clerk	1.0	1.0	1.0
Total Marketing and Public Affairs Section	17.0	18.0	18.0
Total President/CEO Department	24.0	26.0	26.0
Deputy Executive Director Department			
Deputy Executive Director	1.0	1.0	1.0
Manager of Airline Airport Affairs	1.0	0.0	0.0
Senior Program Manager	0.0	1.0	1.0
Executive/Board Assistant	1.0	1.0	1.0
Total Deputy Executive Director	3.0	3.0	3.0

**2008 - 2009
ANNUAL BUDGET**

Personnel Complement

	Budgeted and Authorized 2006-07	Budgeted and Authorized 2007-08	Budgeted and Authorized 2008-09
Technology and Information Systems Section			
Manager of Technology and Information Systems	1.0	1.0	1.0
Telecommunications Technician	1.0	1.0	1.0
Network Administrator II	0.0	1.0	1.0
Network Administrator I	1.0	1.0	1.0
Database Administrator	1.0	1.0	1.0
Computer Support Technician	1.0	0.0	0.0
Total Technology and Information Systems Section	5.0	5.0	5.0
Reno-Stead Airport Section			
Manager of Reno-Stead Airport	1.0	1.0	1.0
Program Technician	0.0	1.0	1.0
Office Specialist	1.0	0.0	0.0
Airfield Maintenance Worker I/II	1.0	1.0	1.0
Equipment Mechanic	1.0	1.0	1.0
Airfield Maintenance Technician	2.0	2.0	2.0
Total Reno Stead Airport Section	6.0	6.0	6.0
Human Resources Section			
Director of Human Resources	0.0	1.0	1.0
Manager of Human Resources	1.0	0.0	0.0
Employee Relations & Recruitment Specialist	1.0	1.0	1.0
Benefits Coordinator	1.0	1.0	1.0
Training Coordinator	1.0	1.0	1.0
HR Administrative Assistant	1.0	1.0	1.0
Total Human Resources Section	5.0	5.0	5.0
Total Deputy Executive Director Department	19.0	19.0	19.0
Finance and Administration Department			
Accounting and Administration Section			
Senior Director of Finance and Administration	1.0	1.0	1.0
Manager of Accounting	1.0	1.0	1.0
Payroll Administrator	1.0	1.0	1.0
Accounting Specialist I/II	2.0	2.0	2.0
Administrative Assistant I/II	1.0	1.0	1.0
Total Finance and Accounting Section	6.0	6.0	6.0
Finance and Budgeting Section			
Manager of Finance and Budgeting	1.0	1.0	1.0
Financial Analyst	0.0	0.0	1.0
Senior Financial Analyst	1.0	1.0	0.0
Total Finance and Budgeting Section	2.0	2.0	2.0

**2008 - 2009
ANNUAL BUDGET**

Personnel Complement

	Budgeted and Authorized 2006-07	Budgeted and Authorized 2007-08	Budgeted and Authorized 2008-09
Purchasing & Materials Management Section			
Manager of Purchasing & Materials Management	1.0	1.0	1.0
Senior Buyer	1.0	1.0	1.0
Materials Management Supervisor	1.0	1.0	1.0
Materials Control Technician	1.0	1.0	1.0
Warehouse Assistant/Driver	1.0	1.0	1.0
Total Purchasing & Materials Management Section	5.0	5.0	5.0
Property Administration Section			
Manager of Properties	1.0	1.0	1.0
Property Administrator I/II	3.0	4.0	4.0
Property Specialists	0.0	2.0	2.0
Administrative Assistant I/II	1.5	1.5	1.5
Total Property Administration Section	5.5	8.5	8.5
Total Finance and Administration Department	18.5	21.5	21.5
Operations and Public Safety Department			
Senior Director of Operations & Public Safety	1.0	1.0	1.0
Administrative Assistant I/II	1.0	1.0	1.0
Total Senior Director of Operations and Public Safety	2.0	2.0	2.0
Airfield Operations Section			
Airside Operations/Communications Manager	1.0	1.0	1.0
Airport Operations Officer	7.0	7.0	7.0
Total Airfield Operations Section	8.0	8.0	8.0
Landside Operations Section			
Landside Operations Manager	1.0	1.0	1.0
Administrative Assistant I/II	1.0	1.0	1.0
Parking Lot Attendant	10.0	9.0	8.0
Parking Shift Leader	4.0	4.0	5.0
Total Landside Operations Section	16.0	15.0	15.0
Airport Rescue and Fire Section			
Chief of Airport Firefighters	1.0	1.0	1.0
Deputy Chief of Airport Firefighters	1.0	1.0	1.0
Fire Captain	3.0	3.0	3.0
Driver/Operator	7.0	7.0	7.0
Fire Fighter	8.0	8.0	8.0
Total Airport Rescue and Fire Section	20.0	20.0	20.0

**2008 - 2009
ANNUAL BUDGET**

Personnel Complement

	Budgeted and Authorized 2006-07	Budgeted and Authorized 2007-08	Budgeted and Authorized 2008-09
Airport Police Section			
Chief of Airport Police and Security	1.0	1.0	1.0
Police Captain	1.0	1.0	1.0
Police Sergeant	4.0	4.0	4.0
Police Officer	17.0	17.0	17.0
Program Technician	0.0	0.0	1.0
Administrative Assistant I/II	2.0	2.0	1.0
Airport Security Manager	0.0	1.0	1.0
Airport Security Supervisor	1.0	1.0	1.0
Airport Security Specialist	12.0	16.0	16.0
Total Airport Police Section	38.0	43.0	43.0
Airport Communications Section			
Senior Communications Specialist	1.0	1.0	1.0
Airport Communications Specialist I/II	9.0	9.0	9.0
Total Airport Communications Section	10.0	10.0	10.0
Total Operations and Public Safety Department	94.0	98.0	98.0
Planning and Engineering Department			
Planning and Environmental Services Section			
Senior Director of Planning and Engineering	0.0	1.0	1.0
Director of Planning and Environmental Services	1.0	0.0	0.0
Environmental Compliance Coordinator	1.0	1.0	1.0
Noise Abatement Coordinator	1.0	1.0	1.0
Senior Planner	0.0	1.0	0.0
Airport Planner I/II	1.0	0.0	1.0
Noise Analyst	1.0	1.0	1.0
Program Technician	0.0	2.0	2.0
Office Specialist	1.0	0.0	0.0
Total Planning and Environmental Services Section	6.0	7.0	7.0
Engineering and Construction Section			
Manager of Engineering & Construction	1.0	1.0	1.0
Project Manager	2.0	2.0	2.0
Capital Improvements & Grant Coordinator	1.0	1.0	1.0
Administrative Assistant I/II	1.0	0.0	0.0
Total Engineering and Construction	5.0	4.0	4.0
Total Planning and Engineering Department	11.0	11.0	11.0

**2008 - 2009
ANNUAL BUDGET**

Personnel Complement

	Budgeted and Authorized 2006-07	Budgeted and Authorized 2007-08	Budgeted and Authorized 2008-09
Facilities and Maintenance Department			
Director of Facilities and Maintenance Section			
Senior Director of Facilities & Engineering	1.0	0.0	0.0
Director of Facilities and Maintenance	1.0	1.0	1.0
Facilities Project Manager	1.0	1.0	1.0
Construction Manager	1.0	1.0	1.0
Project Technician	0.0	1.0	1.0
Office Specialist	1.0	0.0	0.0
Total Director of Facilities and Maintenance Section	5.0	4.0	4.0
Airfield Maintenance Section			
Airfield Maintenance Superintendent	1.0	1.0	1.0
Airfield Maintenance Supervisor	2.0	2.0	2.0
Airfield Maintenance Technician	3.0	3.0	3.0
Equipment Mechanic	3.0	3.0	3.0
Equipment Operator	3.0	2.0	2.0
Senior Grounds Maintenance Worker	1.0	1.0	1.0
Grounds Maintenance Worker	1.0	1.0	1.0
Airfield Maintenance Electrician	3.0	3.0	3.0
Airfield Maintenance Worker I/II	7.0	8.0	8.0
Administrative Assistant I/II	1.0	1.0	1.0
Total Airfield Maintenance Section	25.0	25.0	25.0
Building Maintenance and Services Section			
Facilities Superintendent	1.0	1.0	1.0
Facilities Supervisor	6.0	6.0	6.0
Building Maintenance Technician	7.0	7.0	7.0
Building Maintenance Worker I/II	6.0	6.0	6.0
HVAC Technician	5.0	5.0	5.0
Building Maintenance Electrician	3.0	3.0	3.0
Maintenance Scheduler	1.0	1.0	1.0
Facilities & Maintenance Planner	1.0	1.0	1.0
Senior Airport Facilities Custodian	3.0	3.0	2.0
Airport Facilities Custodian	30.0	30.0	37.0
Total Building Maintenance and Services Section	63.0	63.0	69.0
Total Facilities and Maintenance Department	93.0	92.0	98.0
TOTAL AIRPORT (Does not include the appointed Board of Trustees)	261.5	269.5	275.5

* Appointed positions

2008-09
ANNUAL BUDGET
Section 3 – Financial Plan

As a quasi-municipal corporation, the RTAA was created by the Nevada Legislature to acquire, operate, and finance the airports and related facilities for a public and governmental purpose and a matter of public necessity. The RTAA operates financially as a proprietary enterprise fund, which means its method of accounting is similar to private business. An enterprise fund is an accounting method that utilizes a separate fund for a specific purpose, in this case operating an airport system. Enterprise funds are self sufficient, with the enterprise's revenues paying the enterprise's expenses. Under Generally Accepted Accounting Principles, the RTAA's annual audited financial statement is prepared on the accrual basis. The RTAA's budget is also presented on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The trust funds mentioned in this Section, and later in the document, are required by the RTAA's revenue bond resolutions. The bond resolutions prescribe the flow of the RTAA's revenues through the trust funds, and prioritize the revenues' use. These are not the funds used in fund accounting which is common in the public sector.

The enabling legislation, which created the RTAA, requires the RTAA's budget process comply with the Local Government Budget Act, and The Local Government Purchasing Act. The Local Government Budget Act budget calendar was mentioned previously in the Introduction Section. The Local Government Purchasing Act also affects the RTAA's financial operation. This Act controls all government purchasing in Nevada and requires that purchases exceeding \$25,000 must be formally bid with notices published in local newspapers. The Act also defines certain exceptions to the required bidding process such as professional services, data processing equipment, and insurance. Nevada's Local Government Securities Law defines the process to be used by Nevada governments, including the RTAA, when issuing short and long term debt. In addition to these state laws, other factors affecting the RTAA's budget process are the airline agreement and revenue bond resolutions.

The financial policies of the RTAA also affect the annual budget. The *Section 3 Trust Funds Summary* reviews the various revenue bond funds available to limit the impact of revenue shortfalls or unpredicted significant expenditures. The airline agreement, discussed later in this narrative section, establishes the important airline rate setting mechanism for the RTAA. Those formulae for the airline landing fee and rental rates are shown in the following pages. The cost center mechanism of the airline agreement also aids the RTAA in setting other non airline rates on a breakeven basis. Most of RTAA's concession agreements are awarded through a competitive proposal process. The non-airline concession revenues are also discussed in the Revenues section of the budget.

The debt policies of the RTAA are reviewed in *Section 3 Debt Summary*. This policy is fairly narrow since the RTAA has used primarily revenue bond debt to finance airport capital projects, and the debt limit is established by the revenue bond resolutions. The RTAA's bond resolutions establish various bond funds. The flow of revenues and expenses through these funds, and the

maintenance of the balances in the funds, can affect the rate setting process, and budget. The bond funds are described in the Trust Funds Summary section of the budget.

The airline agreement's rate setting process provides the RTAA with the flexibility, and the bond resolutions' funds provide the resources, to respond to unexpected events. A flood in 1997, and its four day closure of the RTIA, and the impact on air travel of the events of September 11, 2001, have both affected the finances of the RTAA. These events have also improved the RTAA's operational contingency plans, and the RTAA has responded financially by limiting or delaying operating or project expenditures. In the extreme case of the post September 11th downturn in air travel, the RTAA worked with the airlines serving RTIA to reduce near term debt payments by refinancing them to the future, fortunately at historically low interest rates. The RTAA's management of the financial effects on RTIA of the events of September 11th was rewarded with an affirmation by Fitch Ratings of its A- debt rating for RTAA. Meetings with Fitch Ratings in 2005 for the 2005 Revenue Refunding Bonds resulted in an upgrade of the RTAA's bond rating from A- to an A.

Impact of Mandated Increased Airport Security

Since the events of 9-11, and the creation of the Department of Homeland Security, and the Transportation Security Administration (TSA,) mandates increasing airport security have affected the operation and budget of the RTAA. Operational impacts include:

- Hiring Passenger Aides to organize passenger queues and direct passenger traffic in the ticketing lobby which passenger flow capacity reduced by TSA baggage screening devices. (Passenger Aides now being reduced)
- Participation in the TSA's Explosives Detection Canine Team Program with the training of three handler, and canine pairs for RTIA. This program includes special vehicles, on-airport kennels, training devices, and all the expenses of three large canines.
- Hiring Security Aides to control vehicle parking on the front curb of the terminal building, and most recently to increase airfield patrols.

Staffing, equipping, and operating these programs, which did not exist in 2000, increased the RTAA's O&M Budget. TSA grants are available for most of the Explosives Detection Canine Team Program. With no revenue sources available for the other security programs, airline landing fees, and rental rates must be increased to cover them. The RTAA will work to minimize the fiscal impact of these programs while remaining compliant with all the security directives.

Airline Agreement

Airline agreements are categorized by their airline rate setting methodology. Compensatory and Residual are the two common airline rate setting methods for airports. The RTAA's airline agreement's rate setting formula is a hybrid of a compensatory rate setting formula. In the compensatory formula, an airport is divided into cost centers. The RTAA's five cost centers are: Airfield, Terminal Building, Parking and Ground Transportation, Other, and Reno Stead Airport. The airline cost centers are the Airfield and Terminal Building. The operating and debt service expenditures in these two cost centers are used to set the RTIA's airline landing fee and terminal building rental rate respectively. The expenditures in the Airfield cost center are divided by estimated aircraft landed weight resulting in a landing fee rate. The expenditures in the Terminal

Building cost center are divided by the square footage of the terminal building resulting in an average rental rate. In a Residual rate setting formula, cost center expenditures are reduced by cost center revenues before the landing fee and rental rate are calculated.

In the RTAA's hybrid airline agreement, cost center revenues less expenses from all cost centers are called net revenues. The net revenues are split equally between the signatory airlines and the RTAA. The signatory airline's share is used to reduce their landing fee rate in the following year. This revenue sharing is a deviation from a strict compensatory formula and is known as a "hybrid" agreement in the airport industry. The agreement also provides for an airline review of the budget, and allows airlines to vote to deny inclusion in the airline rates of capital projects in the airline cost centers. In the RTAA airline agreement, the airline vote does not occur until the total capital projects costs exceed \$1 million in the two airline cost centers, Airfield and the Terminal Building.

An annual meeting is held with the signatory airlines to review the budget and further explain the capital projects. The airlines have 30 days after this budget review meeting to deny a capital project. A Majority In Interest (MII) must vote to deny a project based on the airline agreement. A Majority In Interest is 60 percent of the signatory airlines that landed at least 50 percent of the signatory airline landed weight or 50 percent of the signatory airlines that landed at least 60 percent of the signatory landed weight. This type of formula is common in the airport industry to foster a democratic process for the large and small airlines that may have different capital project goals at the airports they serve.

It is difficult to compare landing fees and rental rates at airports because of the variations in rate setting mechanisms contained in airline agreements. One financial indicator used to compare airports is cost per enplanement. This is the sum of the airline's costs to operate at RTIA (landing fees and rent) divided by the number of enplaning or departing passengers. A cost per enplanement survey of similar size airport authority operated airports is conducted each year by the RTAA. The average cost per enplanement from this 2007-08 survey is \$5.83. This is above the 2007-08 Budget cost per enplanement of \$5.57. Due to lower than budgeted expenditure amounts, the projected 2007-08 cost per enplanement is under budget at \$5.32. RTIA is still below this average cost per enplanement for 2008-09 at a budgeted \$5.53. Cost per enplanement is equivalent to a municipal or county government cost per capita as a means of comparing different governments' cost of operation. This average airline cost per enplanement survey is further discussed in the Supplemental Data section of the budget.

Budget Process

The RTAA operating budget is a major factor in the level of airline landing fee and rental rates. Non-airline revenues also affect airline rates, but not until the following fiscal year through the revenue sharing process contained in the airline agreement. Increasing non-airline revenues, such as new concession fees and the rents from the development of land and facilities, remains a budget goal for the RTAA staff.

Another component of airline rates is the debt service included in the airline landing fee and rental rates. Debt service determines when the RTAA's budget is "balanced." Operating Revenues less Operating Expenses, or Net Revenues, must equal or exceed 125 percent of annual

revenue bond debt service. For the RTAA's budget to be balanced, net revenues must not only equal expenses, but must also be at least 125 percent of debt service.

Refinancing some of the RTAA's outstanding debt, to defer principal payments to the future, was begun late in the 2001-02 fiscal year and was completed in 2002-03. The reduced debt service amounts helped offset lower airline activity levels during the worst of the post September 11th air travel industry recovery. Another refinancing, the 1996A Revenue Bonds, was completed early in the 2005-06 fiscal year. This July 2005 refinancing only took advantage of lower interest rates, no principal changes were made. The RTAA's revenue bonds, and debt service are discussed further in *Section 3 - Debt Summary*.

The President/CEO instructed the management staff to prepare departmental work plans to implement the Board of Trustees' goals as the basis for their budgets. Summaries of the Board goals, and department work plans are in *Section 3 – Expenditures*. The RTAA staff will continue to maintain an aging terminal building facility with increases to the overall operation and maintenance expense budget. Additional staff positions were added during the 2007-08 mid-year budget review. These positions are now shown in the 2008-09 Budget. All RTAA departments continue to look for ways to reduce or maintain the amount of the operating budget without sacrificing safety, security, or customer service.

Several studies were included in the previous fiscal years' budgets to evaluate the RTAA's buildings, and roadways to determine the necessary future repairs or maintenance. Several of the 2008-09 Capital Projects are a result of these studies. The financial uncertainty of the changing airline industry also continues to affect RTAA capital projects, and plans for future facilities.

Personnel, Property, Plant, and Equipment, and Capital Projects are proposed and reviewed. The requests are forwarded to Human Resources, Purchasing, and Engineering respectively for pricing. Meetings are then held with each department to review their operating budgets, requests for personnel, and capital budget items. The departmental work plans are the basis for the budget requests.

The Finance Department then incorporates the budget requests into the rate setting formula to determine the landing fee and rental rate. The Finance Department also prepares the revenue budget. Budget workshops are held during public Board of Trustees meetings to review the budget and receive direction from the Board. As required by the airline agreement, the staff also meets with the airlines to review the budget's landing fee, rental rate, and capital projects. The airlines must submit their ballots denying any of the proposed capital projects within 30 days of this meeting.

Section 3 is the financial details for the RTAA budget for the fiscal year beginning July 1, 2008. This section contains the following schedules:

- Detailed airline landing fee and rental rate calculations.
- An allocation of the non-airline revenues to the cost centers.
- A revenue sharing schedule showing the allocation of revenues, operating expenditures and debt service by cost center resulting in net revenues that will be shared with the signatory airlines.

More detailed revenue schedules and narratives follow this section.

The O&M expenditure budgets are also included in this section summarized by the major departments:

- Board of Trustees
- President/CEO
- Deputy Executive Director
- Finance and Administration
- Operations and Public Safety
- Facilities and Engineering
- Non-Departmental

The RTAA budgets in five O&M expenditure categories. Personnel Services is used for the salaries, wages, and benefits of RTAA employees. The Utilities and Communications category is for the airport system telephone, electricity, water, natural gas, and sewer expenditures. The Purchased Services category is used for professional consultants, equipment rental, and other non-professional services needed to augment the RTAA staff. Materials and Supplies are for the operating and office supplies used by the RTAA staff. Administrative Expense budgets are for Board, and employee travel, and training, air service development, and the largest component, insurance for the operation and property of the RTAA. An additional category on the expenditure detail budget pages is Property, Plant, and Equipment. This is the departmental budget for the assets needed to operate and maintain the airport system. The detail for these amounts is shown in the Property, Plant, and Equipment section of the Capital Budget. The general ledger account numbers are also shown on the expenditure detail budget pages so that departments' staff members may use the budget document to code their expenditures to the proper budget account.

Included within the major departments are the detailed budgets for the sections that make up the RTAA. The Non-Departmental section budget includes expenses not assigned to an individual section. The Non-Departmental expenses include the RTAA's property and liability insurance expense, debt interest expense, depreciation, and amortization. Section 3 also includes details of the Capital Projects, Trust Funds Summary, and Debt Summary.

**Reno-Tahoe Aripport Authority
Airline-Airport Lease and Use Agreement**

Calculation of Fiscal Year 2008-09 Terminal Rental Rates

Airline Agreement Exhibit G Paragraph .06	Terminal Building Cost Center	
Section		
A	O&M Expense	\$18,230,085
B	Capital Charges	
	Debt Service	2,625,026
	Fixed Assets	74,420
C	Capital Charge Coverage	656,257
D	Prebond Loan	152,388
E	O&M Reserve Requirement	109,389
F	R&R Fund Requirement	-
G	Capital Expenditures	284,636
H	Amortization Requirements	501,147
I	Special Fund Requirement	1,305,500
J	TOTAL REQUIREMENT (A THROUGH I)	<u>\$23,938,848</u>
LESS		
K	Reimbursements	162,000
L	NET REQUIREMENT (J LESS K)	<u>\$23,776,848</u>
M	Useable Terminal Space	375,581
N	Average Terminal Rental Rate (L divided by M)	\$ 63.31
O	Signatory Airline Leased Terminal Space	109,324
P	Signatory Airline Share of Net Requirement (N times O)	6,921,302
Q	Airline Transfers	-
R	Adjusted Signatory Airline Net Requirement (P less Q)	<u>6,921,302</u>
S	Signatory Airline Average Terminal Rental Rate (R divided by O)	\$ 63.31

**Reno-Tahoe Airport Authority
Airline-Airport Lease and Use Agreement**

Calculation of Fiscal Year 2008-09 Landing Fee Rates

Airline Agreement Exhibit G Paragraph .07	Airfield Cost Center	
Section		
A	O&M Expense	\$ 6,713,586
B	Capital Charges	
	Debt Service	2,559,055
	Fixed Assets	116,826
C	Capital Charge Coverage	639,764
D	Prebond Loan	199,710
E	O&M Reserve Requirement	40,285
F	R&R Fund Requirement	-
G	Capital Expenditures	174,860
H	Amortization Requirements	311,117
I	TOTAL REQUIREMENT (A THROUGH I)	<u>\$10,755,203</u>
LESS		
J	LOI Proceeds Applied	<u>644,911</u>
K	NET REQUIREMENT (I LESS J)	<u>\$10,110,292</u>
L	Landed Weight (000 lbs)	3,581,197
M	Landing Fee Rate - Non Signatory (K divided by L)	\$ 2.82
N	Signatory Airline Landed Weight (000 lbs)	3,500,274
O	Signatory Airline Share of Net Requirement (M times N)	\$ 9,870,773
P	Airline Transfers / Revenue Sharing	\$ 1,600,000
Q	Non Signatory Landing Fees (L less N times M)	<u>228,203</u>
R	Adjusted Signatory Airline Net Requirement (O less P and Q)	<u>8,042,570</u>
S	Signatory Airline Landing Fee Rate (R divided by N)	\$ 2.30

2008-09
ANNUAL BUDGET
Non-Airline Revenues

	2006-07	2007-08	2007-08	2008-09	% Change 2009 Budget to		Airfield	Terminal	Ground Trans	Other	Reno Stead	Total
	Actual	Budget	Projected	Budget	08 Budget	08 Projected						
Aircraft Fees - Reno	\$917,033	\$895,000	\$888,351	\$896,000	0.1%	0.9%	\$896,000					\$896,000
Aircraft Fees - Stead	28,661	25,000	38,896	33,000	32.0%	-15.2%					33,000	\$33,000
Gaming Concession	3,699,474	3,575,000	3,711,600	3,730,000	4.3%	0.5%		3,730,000				\$3,730,000
Food & Beverage	972,536	1,000,000	1,004,000	1,013,000	1.3%	0.9%		1,013,000				\$1,013,000
Merchandising Revenue	1,321,059	1,323,000	1,361,785	1,384,889	4.7%	1.7%		1,384,889				1,384,889
Auto Rental	7,301,381	7,755,020	7,884,932	8,398,659	8.3%	6.5%			8,398,659			8,398,659
Ground Transportation	263,616	269,000	238,950	257,000	-4.5%	7.6%			257,000			257,000
Auto Parking	9,872,628	10,094,300	10,237,916	10,564,000	4.7%	3.2%			10,564,000			10,564,000
FBO/Ground Handling	547,502	519,000	652,148	659,300	27.0%	1.1%				627,800	31,500	659,300
Advertising	998,691	970,000	1,034,675	1,057,684	9.0%	2.2%		1,057,684				1,057,684
Stead Concessions	25,646	25,000	22,323	25,000	0.0%	12.0%					25,000	25,000
Other Concessions	230,474	191,500	203,325	206,300	7.7%	1.5%		206,300				206,300
Other Terminal Rents	619,254	643,428	671,187	680,151	5.7%	1.3%		680,151				680,151
Reno/Tahoe Rents	3,564,132	3,781,300	3,834,824	3,930,200	3.9%	2.5%			1,112,000	2,818,200		3,930,200
Reno Stead Rents	565,853	535,500	548,702	560,900	4.7%	2.2%					560,900	560,900
Reimbursed Services	959,299	972,900	775,258	790,400	-18.8%	2.0%		790,000			400	790,400
Total Operating Revenues	\$ 31,887,239	\$ 32,574,948	\$ 33,108,872	\$ 34,186,483	4.9%	3.3%	896,000	8,862,024	20,331,659	3,446,000	650,800	34,186,483
Non Operating Revenue	2,159,587	1,860,000	1,962,864	1,840,000	-1.1%	-6.3%	48,225	476,976	1,094,300	185,472	35,028	1,840,000
TOTAL REVENUES	\$ 34,046,826	\$ 34,434,948	\$ 35,071,736	\$ 36,026,483	4.6%	2.7%	944,225	9,339,000	21,425,959	3,631,472	685,828	36,026,483

**2008-09
ANNUAL BUDGET
Budgeted Revenue Sharing**

	Cost Centers					
	<u>Airfield</u>	<u>Terminal</u>	<u>Ground Trans</u>	<u>Other</u>	<u>Reno Stead</u>	<u>Total</u>
O&M Expense	\$ 6,713,586	\$ 18,230,085	\$ 4,804,887	\$ 3,595,219	\$ 1,138,628	\$ 34,482,405
Debt Service	2,559,055	2,625,026	2,845,027	2,689,205	50,313	10,768,625
Pre Bond Loan	199,710	152,388	81,469	129,778	48,811	612,156
O&M Reserve	40,285	109,389	28,832	21,573	6,832	206,911
Fixed Asset	116,826	74,420	42,720	80,034	11,200	325,200
Capital Project	174,860	284,636	240,967	162,500	299,776	1,162,739
Amort of Capital Items	156,118	1,093,327		259,756	14,458	1,523,659
Special Fund		1,305,500				1,305,500
LOI Transfer	(644,911)					(644,911)
Total Requirement	\$ 9,315,529	\$ 23,874,771	\$ 8,043,902	\$ 6,938,065	\$ 1,570,017	\$ 49,742,284
Revenue Sharing	1,600,000					1,600,000
Non Sig. Revenue	228,203	225,000				453,203
Signatory Revenue	8,050,631	6,920,881				14,971,512
Non Airline Revenue	944,225	9,339,000	21,425,959	3,631,472	685,828	36,026,483
Total Revenue	10,823,059	16,484,881	21,425,959	3,631,472	685,828	53,051,198
Net Revenues	\$ 1,507,530	\$ (7,389,890)	\$ 13,382,057	\$ (3,306,593)	\$ (884,190)	\$ 3,308,914
Airport Share						\$ 1,654,457
Airline Share						\$ 1,654,457

2008-09
ANNUAL BUDGET
Summary of Sources and Uses of Funds

	Actual 2006-07	Budget 2007-08	Budget 2008-09
SOURCES OF FUNDS			
Revenue Fund			
Landing and Aircraft Fees	\$7,142,939	\$ 9,153,540	\$ 9,207,834
Gaming Concession Fees	3,699,474	3,575,000	3,730,000
Food and Beverage Revenue	972,536	1,000,000	1,013,000
Merchandise Revenue	1,321,059	1,323,000	1,384,889
Auto Rental Concession Fees	7,301,381	7,755,020	8,398,659
Other Concession Fees	1,802,313	1,705,500	1,948,284
Auto Parking and Ground Transportation	10,136,244	10,363,300	10,821,000
Terminal Rents	7,135,709	7,217,135	7,145,881
Other Rents	4,749,239	4,960,228	5,171,251
Reimbursed Services & Miscellaneous	981,626	972,900	790,400
Non-Operating Pledged Revenue	2,159,587	1,860,000	1,840,000
Total Revenue Fund	<u>\$ 47,402,107</u>	<u>\$ 49,885,623</u>	<u>\$ 51,451,198</u>
Non Rate Base Revenue			
Fuel Tax Revenue	338,810	400,000	400,000
Prebond Fund Interest	16,872	17,000	16,000
Consent Decree Interest	3,442	-	-
Fifth Interim Agreement Interest	-	-	-
Flood Grant Interest	202,209	200,000	200,000
Acquisition Fund Interest	34,049	28,000	26,000
Flood Proceeds Interest	532,926	450,000	590,000
Fuel Tax Interest	64,866	40,000	50,000
PFC Interest	1,422,203	1,400,000	800,000
PFC Revenue	9,570,014	9,768,000	9,963,000
Other Revenue	509,478	-	-
Total Non Rate Base Revenue	<u>12,694,869</u>	<u>12,303,000</u>	<u>12,045,000</u>
TOTAL SOURCES OF FUNDS	<u>\$ 60,096,976</u>	<u>\$ 62,188,623</u>	<u>\$ 63,496,198</u>
USES OF FUNDS			
Operation and Maintenance Fund			
Personnel Services	\$ 20,900,778	\$ 23,612,300	\$ 23,814,090
Utilities	2,797,051	2,990,213	3,268,225
Purchased Services	2,913,032	3,144,893	3,526,157
Materials and Supplies	1,559,234	1,540,536	1,839,857
Administrative Expenses	2,063,368	1,977,344	2,034,077
Total Operation and Maintenance Fund	<u>\$ 30,233,463</u>	<u>\$ 33,265,286</u>	<u>\$ 34,482,406</u>
Bond Fund			
Interest Account	3,400,468	3,005,476	2,588,625
Principal Account	7,365,000	7,765,000	8,180,000
Total Bond Fund	<u>\$ 10,765,468</u>	<u>\$ 10,770,476</u>	<u>\$ 10,768,625</u>
Operation and Maintenance Reserve Fund			
To maintain reserve level at 2 months of the annual budget of operation and maintenance expenses of the airport system	\$ 352,705	\$ 174,697	\$ 206,911
Short Term Financing			
Prebond Loan	\$ 637,177	\$ 616,221	\$ 612,156
Property, Plant & Equipment			
Capital Projects	\$ 587,244	\$ 876,517	\$ 325,200
Current Year	771,236	1,686,904	1,162,739
Prior year project reimbursement	1,744,837	1,559,081	1,523,659
Total Capital Projects	<u>\$ 2,516,073</u>	<u>\$ 3,245,985</u>	<u>\$ 2,686,398</u>
Special Fund			
35 % of projected gaming revenue to Special Fund	\$ 1,294,816	\$ 1,251,250	\$ 1,305,500
General Purpose Fund			
Current Year Revenue Sharing Total	3,766,230	1,627,047	3,308,913
Prior Year Revenue Sharing Airline Share	(2,111,696)	(1,300,000)	(1,600,000)
LOI Transfer	(639,373)	(641,856)	(644,911)
Total General Purpose Fund	<u>\$ 1,015,161</u>	<u>\$ (314,809)</u>	<u>\$ 1,064,002</u>
Fuel Tax Revenue	338,810	400,000	400,000
Prebond Fund Interest	16,872	17,000	16,000
Consent Decree Interest	3,442	-	-
Fifth Interim Agreement Interest	-	-	-
Flood Grant Interest	202,209	200,000	200,000
Acquisition Fund Interest	34,049	28,000	26,000
Flood Proceeds Interest	532,926	450,000	590,000
Fuel Tax Interest	64,866	40,000	50,000
PFC Interest	1,422,203	1,400,000	800,000
PFC Revenue	9,570,014	9,768,000	9,963,000
Other Revenue	509,478	-	-
	<u>\$ 12,694,869</u>	<u>\$ 12,303,000</u>	<u>\$ 12,045,000</u>
TOTAL USES OF FUNDS	<u>\$ 60,096,976</u>	<u>\$ 62,188,623</u>	<u>\$ 63,496,198</u>

2008-09
ANNUAL BUDGET
Section 3 – Revenues

The Total Operating Revenue budget for 2008-09 is \$49,611,198. This is a 3% increase from the 2007-08 budget amount. Budgeted airline revenues are \$15,424,715 or 31% of total operating revenues. The total non-airline operating revenue budget is \$34,186,483 or 69% of the total operating revenue budget. A pie chart later in this section shows the relative size of general categories of airport revenue.

The RTAA's revenues are fairly predictable since they are based on long term agreements with airlines and non-airline tenants. Terms such as "rate base" and "non-rate base" that mentioned in this document refer to the application and adherence to the agreement with the airlines. The RTAA receives no local property or sales tax revenue, and is not affected by the variations or limitations in those revenues that other local agencies are facing. The RTAA budget is balanced each year through the airline rate setting, and revenue sharing mechanism of the airline agreement. The diversification of revenues, mentioned in this section provides the revenue sharing that assists in balancing the budget and keeping the RTIA airline rates competitive.

Late in fiscal year 2002-03, passenger numbers began to recover from the events of September 11, 2001, and this trend continued through the first two quarters of fiscal year 2007-08. With the slowdown in the economy and increased fuel cost, passenger growth is estimated to be 0.9% for 2008-09. This relatively low level of passenger growth is the product of airlines reducing their flights nationwide to regain profitability. The flight reductions result in fewer empty airline seats and also reduce the airlines' fuel bill in the face of higher oil prices. The affects on the finances of the RTAA are lower passenger airline landed weights, which affect the landing fee calculation and revenue. Lower passenger growth also affects the RTIA concession revenues. The reduction in passenger airline landed weights is being offset by the growth in air cargo related landed weight.

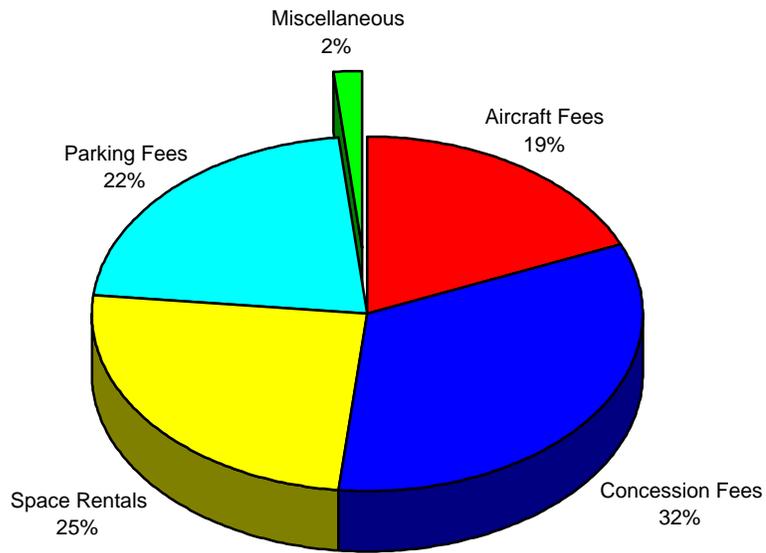
The estimated 2007-08 passenger enplanement amount of 2.52 million passenger enplanements for the fiscal year was used as the basis for the 2008-09 revenue projections. The historical revenue per enplaned passenger for each revenue area is applied to the estimate of passenger enplanements as well as evaluating changes in concession agreements, or construction schedules that might affect revenues to help estimate fiscal year revenue budgets. Non-airline operating revenues are expected to increase 5% above the 2007-08 budget, due primarily to an increase in auto rental, gaming revenues and land rents.

Food and beverage, merchandise, and auto parking revenue budgets are projected to increase slightly above the 2007-08 projected amounts, due primarily to the slight increase in passenger activity as mentioned above, and new concession agreements with increased Minimum Annual Guarantees (MAG). The RTIA Non-Terminal Building Rents are increasing due to building and land rentals on property recently purchased by the RTAA as well as annual Consumer Price Index adjustments to rental rates. A more detailed discussion of these revenue categories follows in this section.

**2008-09
ANNUAL BUDGET**

Operating Revenues

**2008-09
Operating Revenues**

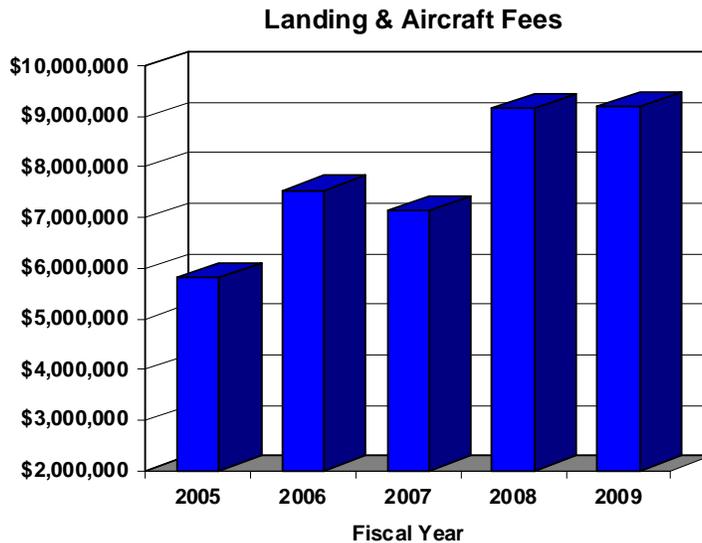


REVENUES	
Aircraft Fees	\$9,207,834
Concession Fees	16,474,832
Space Rentals	12,317,132
Parking Fees	10,821,000
Miscellaneous	790,400
Total	\$49,611,198

**2008-09
ANNUAL BUDGET
Section 3 – Revenues**

There are seven major sources of revenue received by the RTAA: landing and aircraft fees, concession revenue, auto parking and ground transportation revenue, space rentals, reimbursed services, non-operating revenues and non-rate base revenues. Overall, the RTAA is projecting a 3% increase in operating revenues for 2008-09 as compared to the 2007-08 budget amount. Basic assumptions that go into the budget process for revenues are the CPI (Consumer Price Index), the projected change in passenger and aircraft traffic, and economic indicators for the area. The charts presented in this section depict actual revenues for the first 3 years followed by 2 years of budgeted revenues.

LANDING AND AIRCRAFT FEES

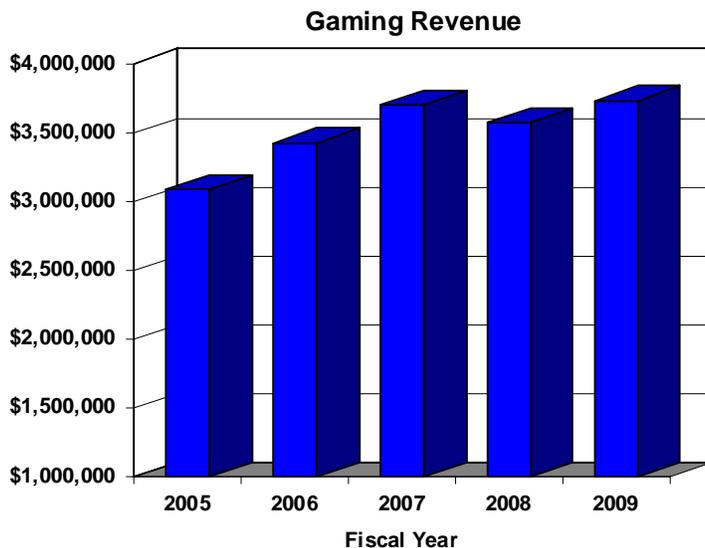


Landing and aircraft fees are anticipated to increase 1 percent as compared to the 2007-08 budget. The RTAA's five-year agreement with the airlines was executed October 1996 and extended for an additional three years effective July 1, 2001 with an additional three year extension effective July 1, 2004. An additional two year extension was executed effective July 1, 2007. The agreement is a hybrid compensatory/revenue sharing agreement with landing fees calculated based on the airfield cost center expenditures, and airline rents calculated based on the terminal building cost center expenditures. The non-airline cost centers are Ground Transportation, Reno Stead Airport, and Other. All revenues and expenses are assigned to a cost center with expenses netted against revenues for each cost center. At year-end, net revenues received from all cost centers are shared 50 percent with the Signatory Airlines to reduce the following year's landing fee rate and 50 percent to the RTAA. The 2007-08 landing fee rate was budgeted at \$2.03, while the 2008-09 landing fee rate will be \$2.30. The \$2.30 rate will be charged to all signatory airlines. The non-signatory airline rate was budgeted at \$2.45 for 2007-08, while the 2008-09 non-signatory landing fee rate will be \$2.82. Detailed landing fee and rental rate calculations were shown earlier in this section.

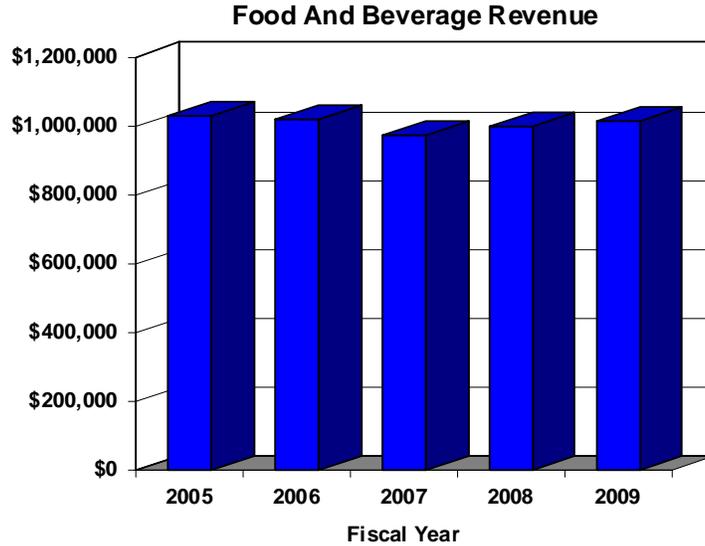
It would be an administrative burden to charge a landing fee to all the small private aircraft (general aviation) using the airports. Revenues are collected from the general aviation aircraft in the form of fuel flowage fees. This ensures that general aviation pays a share of the expenses of maintaining and developing the airfield area. These amounts appear in the aircraft fees' section of the revenue budget and are expected to remain constant as compared to the 2007-08 budget. The fuel farm rental amounts are also in this section of the budget. The RTAA owns the fuel facilities and leases them to operators. The fuel farm rental rates are based on the debt service to construct the facilities. The Landing Fees shown for the Reno-Stead Airport are for the fire fighting aircraft based there.

CONCESSION REVENUE

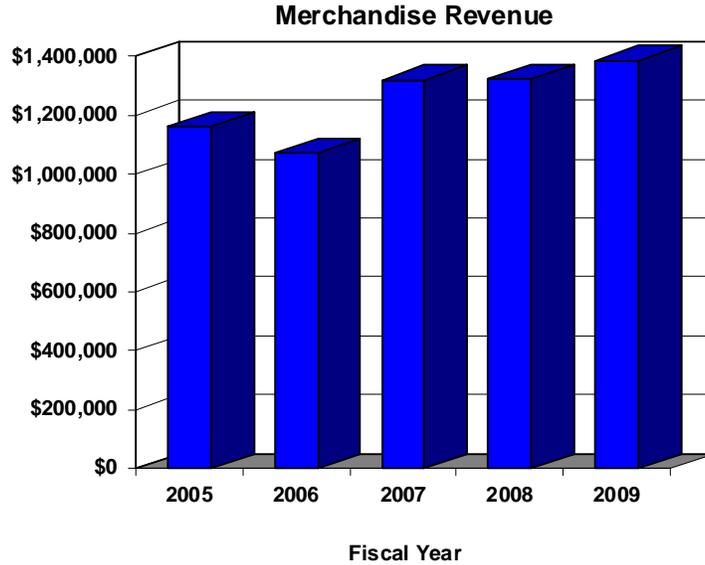
Concession revenues are predicted to increase seven percent for fiscal 2009. Concession revenue consists of the following: food and beverage, merchandise, gaming, rental cars, advertising, aircraft ground service providers and fixed base operators. There are also smaller concessions such as telephones, luggage carts and newspaper vending machines that contribute a percentage of their gross revenues to the RTAA. The concession agreements are usually based on the greater of a minimum annual guarantee (MAG) or percentage of gross revenues being paid to the RTAA.



Gaming revenue is a unique source of revenue for Nevada airports. International Game Technology (IGT) operates the gaming concession and their agreement expires November 30, 2008. Discussions are ongoing concerning a new agreement with IGT. The contract states that IGT must pay the RTAA a concession fee of 57 percent of Net Win the first year, 57.5 percent the second year, and 58 percent the third year or the MAG of \$2,400,000, whichever is greater. The fiscal 2008-09 budget is 4 percent more than the prior year budget. This increase is due to the slight increase anticipated in passenger activity for fiscal 2009, and actual 2007-08 revenues exceeding the budget amount. The graph depicts actual gaming concession revenues for 3 years and the budgeted amounts for 2007-08 and 2008-09.

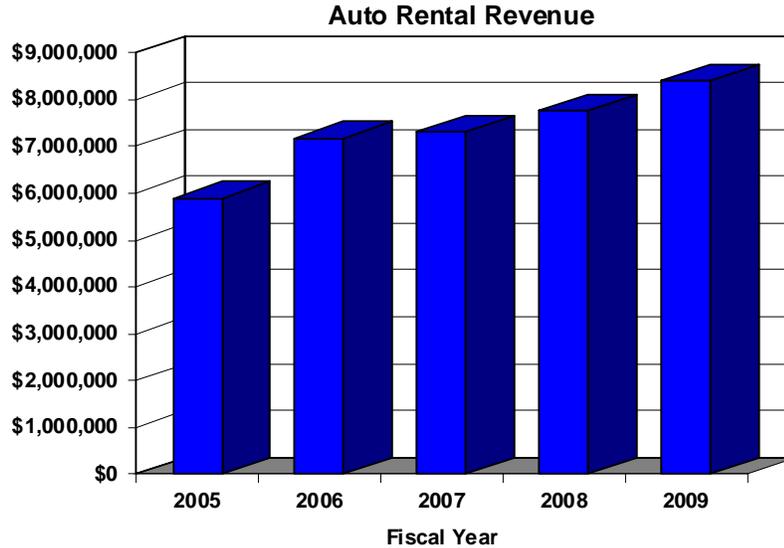


Creative Host Services, Inc. (CHS) was awarded the food and beverage concessions effective October 2001. The concession agreement calls for CHS to pay the RTAA a percentage of revenues ranging from 8 percent to 18 percent depending on product type, or a MAG which is 85 percent of previous year's payments but not less than \$800,000, whichever is greater. With the slight passenger growth, as mentioned earlier, revenues are budgeted to increase 1 percent over 2007-08 budget revenues. This percentage increase is in conjunction with the percentage increase anticipated in enplanements. The concessionaire offers branded foods, such as McDonald's in the lobby food court and Peet's specialty coffee in the main lobby, and local favorites such as The Brew Brothers restaurant and pub. They also operate the bars, snack bars, and coffee shops on the concourses as well as Quiznos Subs sandwich shops on each concourse that were opened during the first quarter of fiscal year 2006-07.



A 5 percent increase is projected over prior year budget and a 2 percent increase as compared to 2007-08 projected revenues in merchandising concessions. The concession agreement calls for Paradies to pay the RTAA a percentage of revenues ranging from 12 percent to 23 percent depending on product type, or a MAG which is 85 percent of previous years payments but not less than \$901,000, whichever is greater. Their stores include the Ponderosa Pines, which promotes the outdoor theme of the area, a PGA Golf Shop, Explore Reno/Tahoe, which promotes the activities that take place in the area and news and gift shops located in the main lobby and on the B and C concourses. Paradies completed a major renovation of their Adventure News store in the main lobby in June 2006 with a \$600,000 investment. Northwest Duty Free Shops has operated another merchandise alternative on the concourses for passengers since 1996.

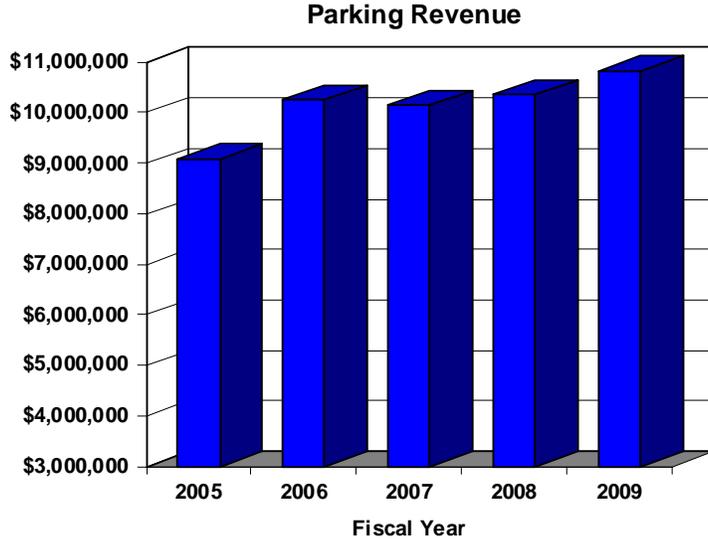
Advertising revenues are budgeted to increase 9 percent from the 2007-08 budget amount and 2 percent from the 2007-08 projected amount. The increase as compared to the 2007-08 budget is due to advertising performing above the 2007-08 budget amount and a slight increase anticipated in 2008-098. A three-year agreement was entered into with the Elizabeth Younger Agency that expires December 31, 2008 with one 2-year extension option.



Effective May 1, 2002 all of the auto rental concessionaires servicing the airport are located on the airport. “On airport” rental car companies have a check in counter on the airport versus “off airport” rental car companies that have only a shuttle bus on the airport to take their customers to an off airport site for the rental and return of their vehicles. Revenues are budgeted at \$8,398,659 for 2008-09. This amount is based on the concessionaires’ current year performance as well as the Minimum Annual Guarantees (MAG) of the various rental car companies and represents a 7 percent growth in projected revenues. This concession represents 25 percent of the Airport’s total budgeted non-airline operating revenues.

There are seven (7) on airport car rental agencies, Advantage, Cendant doing business as Avis and Budget, Dollar, Enterprise, Hertz, Thrifty, and Vanguard doing business as Alamo and National. This budget amount is 8 percent, or \$643,639 above the 2007-08 budget and 7 percent, or \$513,727 above the 2007-08 projected amount. This increase is primarily due to the rental car concessionaires entering into new 5-year agreements with the RTAA effective July 1, 2005 with increased MAG amounts. The agreements have an abatement clause which waives the MAG if certain criteria are met.

The abatement clause in the new agreements define an abatement month as occurring if deplanements fall below 75 percent of the deplanements for the corresponding month in the preceding year. The previous agreement used a base year of 1996 passenger levels for the abatement calculation. If abatement occurs, the rental car agencies do not have to pay the MAG for the month and are only obligated to pay rent on a percentage-of-sales basis. This change in the abatement calculation will greatly reduce the abatement risk to the RTAA and will ensure that the MAG will be paid to the RTAA except in a situation of extreme passenger decline.



Total auto parking and ground transportation revenues are budgeted to increase 5 percent from the prior year budget and 3 percent from the 2007-08 projected revenues. This increase as compared to the projected revenue is due primarily to a slight increase in parking rates. It is also assumed that more patrons will use the parking garage as a result of the continuing Transportation Security Administration restrictions regarding parking in front of the terminal building. Auto parking represents 31 percent of the Airport's total budgeted non-airline operating revenues

Ground transportation fees are paid by transportation operators such as limousines, shuttle buses, and taxicabs. It is projected this revenue budget will decrease 4 percent as compared to the prior year's budget but will increase 8 percent compared to the 2007-08 projected revenues.

SPACE RENTALS

Space rents are budgeted to increase 1 percent for fiscal 2009. As mentioned previously, the airlines pay for their space based on the airline agreement's rental rate calculation. For fiscal year 2008-09, the average rental rate is \$63.31 per square foot per annum. In comparison, the 2007-08 average rental rate was \$62.64.

RTIA non-terminal building rents and Reno Stead rents are from aviation related tenants at the airports. These rental rates are set based on market or appraised values. Many of these rental agreements specify annual rate increases based on the consumer price index or periodic reappraisals. The Reno-Tahoe non-terminal building rents will increase 4 percent for fiscal year 2008-09. The increase is primarily a result of increase land rents for a hotel being constructed by a third party on RTAA owned land. The increase is also due to building and land rents on property recently purchased by the RTAA having a history on which to base budget estimates, and the anticipated development of existing vacant airport property.

REIMBURSED SERVICES

Reimbursed services are budgeted to decrease 19 percent or \$182,500 for fiscal 2009. The security service reimbursement includes the anticipated amounts to be received from the Transportation Security Administration as a result of using RTAA police officers at the concourse checkpoints as well as for participation in the National Explosives Detection Canine Team Program. This category includes waste disposal services, and reimbursement for utilities. The disposal services fees are based on prior year actual numbers while the utilities are billed at actual costs.

NON-OPERATING REVENUE

Non-operating revenue consists of interest earnings on the surplus funds the RTAA has invested. A decrease is predicted for investment earnings for fiscal 2008-09 as compared to the 2007-08 projection. This is due to a decrease in the amount of investments the RTAA will hold in 2007-08 due to a large construction project taking place that will reduce investment interest income. The RTAA's bond resolution and state laws limit the types of investments the RTAA can use. The investments are typically very conservative federal government backed securities.

NON-RATE BASE REVENUE

Non-rate base revenue is a separate classification of non-operating revenue that does not go into the calculation of the landing fees and rental rates per the airline operating agreement. Passenger Facility Charges (PFC's) are the main source of non-rate base revenues. This PFC program is a Federal program that is overseen by the Federal Aviation Administration and these funds cannot be spent on operation and maintenance expenses of the airport. PFC's are collected by airlines on their passengers' tickets and remitted monthly to the RTAA. These funds are spent on a list of projects reviewed by the airlines in a process prescribed by the Federal Aviation Administration. This money must be segregated from all other airport revenues.

Also included in this category is investment interest earned on the revenue bond construction funds and PFC funds. The same investment restrictions apply and hence the same rate of return on investments is used for this calculation. These investment earnings must be returned to the construction or PFC fund pursuant to the bond resolution and the PFC rules. They cannot be used for the operation of the airports.

**2008-09
ANNUAL BUDGET**

Summary of Budgeted Revenues	Actual 2006-07	Budget 2007-08	Budget 2008-09	Percent Change
Landing Fees - Reno-Tahoe				
Signatory Airlines-Scheduled Carriers	\$4,469,169	\$6,951,709	\$6,986,037	
Signatory Airlines - Freight Carriers	755,751	934,154	1,064,594	
Non Signatory Airlines - Scheduled Carriers	814,143	289,938	168,010	
Charters, FBO's	0	0	0	
Non Signatory Airlines - Charters	121,525	24,360	16,768	
Non-Signatory Airlines - Air Freight Carriers	36,657	33,379	43,425	
	<u>6,197,245</u>	<u>8,233,540</u>	<u>8,278,834</u>	1%
Aircraft Fees - Reno-Tahoe				
Fuel Flowage	192,702	210,000	221,000	
Aircraft Parking	147,885	105,000	80,000	
Aviation Gas Tax Refunds	59	0	0	
Fuel Farm Use Fee - RFFC	514,860	515,000	515,000	
Fuel Farm Use Fee - Jet West	61,527	65,000	80,000	
	<u>917,033</u>	<u>895,000</u>	<u>896,000</u>	0%
Aircraft Fees - Reno-Stead				
Fuel Flowage	16,725	16,000	20,000	
Landing Fees	11,936	9,000	13,000	
	<u>28,661</u>	<u>25,000</u>	<u>33,000</u>	
TOTAL Aircraft Fees	<u>\$7,142,939</u>	<u>\$9,153,540</u>	<u>\$9,207,834</u>	1%
Concession Revenue				
Gaming Revenue	\$3,699,474	\$3,575,000	\$3,730,000	4%
Food and Beverage Revenue	972,536	1,000,000	1,013,000	1%
Merchandising Revenue				
Confection	100,000	100,000	111,889	
Newspaper vending machines	2,910	3,000	3,000	
Duty Free Shop	75,000	75,000	75,000	
Newsstand and Gift Shop	1,143,149	1,145,000	1,195,000	
	<u>1,321,059</u>	<u>1,323,000</u>	<u>1,384,889</u>	5%
Other Concession Revenue				
FBO's and Ground Handling				
Fixed Base Operators - Reno-Tahoe	139,811	143,000	145,000	
Fixed Base Operators - Reno-Stead	28,239	22,000	31,500	
Security Services	84,502	84,000	74,800	
Ground Handling/Support Services	294,950	270,000	408,000	
	<u>547,502</u>	<u>519,000</u>	<u>659,300</u>	27%
Stead Concession Revenue				
RARA Concession Revenue	24,128	25,000	25,000	
Other Concession Revenue	1,518	0	0	
	<u>25,646</u>	<u>25,000</u>	<u>25,000</u>	
Advertising Revenue	998,691	970,000	1,057,684	9%
Miscellaneous Concession Revenue				
Other Concessions	3,723	3,000	57,000	
Luggage Carts	83,133	83,000	45,000	
Pay Telephones	26,273	5,500	4,300	
Vending - Video Arcade	17,345	0	0	
ATM	100,000	100,000	100,000	
	<u>230,474</u>	<u>191,500</u>	<u>206,300</u>	8%
Total Other Concession Revenue	<u>1,802,313</u>	<u>1,705,500</u>	<u>1,948,284</u>	14%
Total Concession Revenue Excluding Auto Rental and Gaming	<u>4,095,908</u>	<u>4,028,500</u>	<u>4,346,173</u>	

**2008-09
ANNUAL BUDGET**

Summary of Budgeted Revenues	Actual 2006-07	Budget 2007-08	Budget 2008-09	Percent Change
On Airport Auto Rental	7,301,381	7,755,020	8,398,659	8%
TOTAL Concession Fees	\$15,096,763	\$15,358,520	\$16,474,832	7%
Auto Parking and Ground Transportation				
Auto Parking/Traffic Control				
Public Parking Lot	\$9,711,099	\$9,931,300	\$10,294,000	
Employee Parking	111,595	108,000	220,000	
Parking Fines	49,934	55,000	50,000	
	<u>9,872,628</u>	<u>10,094,300</u>	<u>10,564,000</u>	5%
Ground Transportation				
Taxi Loop	105,360	105,000	100,000	
Limousines	13,503	15,200	13,000	
Buses	142,128	144,800	138,000	
Permit Fees	2,625	4,000	6,000	
	<u>263,616</u>	<u>269,000</u>	<u>257,000</u>	-4%
TOTAL Auto Parking and Ground Transportation	\$10,136,244	\$10,363,300	\$10,821,000	4%
Space Rentals				
Terminal Rents, Signatory Airlines				
Ticket Counter	\$407,822	\$425,037	\$360,153	
Holding Room Rental	2,180,659	1,859,476	2,115,318	
Bag Makeup Area Rental	1,145,144	1,203,606	1,043,071	
Office Rental	875,799	948,450	806,735	
Bag Service Office Rental	162,314	163,388	165,745	
Common Use Tug Drives	385,095	389,432	394,984	
Operations Area Rental	829,930	791,454	802,873	
Outside Storage Area	67,507	67,964	68,933	
Common Bag Claim Rental	1,081,439	1,368,328	1,388,069	
	<u>7,135,709</u>	<u>7,217,135</u>	<u>7,145,881</u>	-1%
Terminal Rents, Other				
Concessionaires	5,384	0	33,400	
Government Agencies	187,038	204,100	154,500	
Car Rental Counters	325,500	327,728	332,451	
Other Terminal Rents	19,406	25,000	75,000	
Welcome Center	81,926	86,600	84,800	
	<u>619,254</u>	<u>643,428</u>	<u>680,151</u>	6%
Reno/Tahoe Non-Terminal Rents				
Building Rental	1,616,611	1,880,900	1,860,100	
Land Rental	1,944,161	1,895,400	2,067,100	
Sewer Use Fee	3,360	5,000	3,000	
	<u>3,564,132</u>	<u>3,781,300</u>	<u>3,930,200</u>	4%
Reno Stead Rents				
Building Rental	66,295	68,000	68,700	
Hangar Rental	236,591	241,000	246,000	
Airfield Rental	44,456	50,000	49,200	
Land Rental	172,846	135,000	143,000	
Sewer Use Fee	6,767	8,000	7,000	
Wash Rack	226	0	0	
Mini Warehouse Rent	10,216	10,500	12,000	
Other Rental	28,456	23,000	35,000	
	<u>565,853</u>	<u>535,500</u>	<u>560,900</u>	5%
TOTAL Space Rentals	\$11,884,948	\$12,177,363	\$12,317,132	1%

**2008-09
ANNUAL BUDGET**

Summary of Budgeted Revenues	Actual 2006-07	Budget 2007-08	Budget 2008-09	Percent Change
Reimbursed Services				
Security Services	\$740,822	\$720,000	\$526,500	
Utilities	40,019	40,100	40,100	
Maintenance	5,095	3,000	7,000	
Disposal Fees	149,563	155,000	162,000	
Passenger Aides	0	30,800	30,800	
Rental Car QTA Admin Costs	23,800	24,000	24,000	
TOTAL Reimbursed Services	<u>\$959,299</u>	<u>\$972,900</u>	<u>\$790,400</u>	-19%
Miscellaneous Revenue	<u>\$22,327</u>	<u>\$0</u>	<u>\$0</u>	
TOTAL OPERATING REVENUE	<u>\$45,242,520</u>	<u>\$48,025,623</u>	<u>\$49,611,198</u>	3%
Non-Operating Revenue				
Investment Interest	\$2,032,573	\$1,860,000	\$1,840,000	
Gain (Loss) on Sale of Fixed Assets	112,337	0	0	
Damage Claim Reimbursement	14,550	0	0	
Gain (Loss) on Sale of Investments	0	0	0	
Miscellaneous	127	0	0	
TOTAL Non-Operating Revenue	<u>2,159,587</u>	<u>1,860,000</u>	<u>1,840,000</u>	-1%
TOTAL Pledged Revenue	<u>\$47,402,107</u>	<u>\$49,885,623</u>	<u>\$51,451,198</u>	3%
Non-Rate Base Revenue				
Insurance Claim Reimbursement	\$13,853	\$0	\$0	
Aviation Gas Tax	338,810	400,000	400,000	
Investment Interest, Construction Fund	0	0	0	
Investment Interest, Non-Bond	16,872	17,000	16,000	
Investment Interest, Consent Decree	3,442	0	0	
Investment Interest, Fifth Interim Agreement	0	0	0	
Investment Interest, Flood Grant	202,209	200,000	200,000	
Investment Interest, Acquisition Fund	34,049	28,000	26,000	
Investment Interest, Flood Proceeds	532,926	450,000	590,000	
Investment Interest, Fuel Tax Fund	64,866	40,000	50,000	
Investment Interest, PFC	1,422,203	1,400,000	800,000	
PFC Revenue	9,570,014	9,768,000	9,963,000	
Gain (Loss) on Sale of Investments	495,625	0	0	
Miscellaneous	0	0	0	
TOTAL Non-Rate Base Revenue	<u>\$12,694,869</u>	<u>\$12,303,000</u>	<u>\$12,045,000</u>	-2%
TOTAL REVENUES	<u>\$60,096,976</u>	<u>\$62,188,623</u>	<u>\$63,496,198</u>	2%

2008-09
ANNUAL BUDGET
Section 3 – Expenditures

This budget reflects a dedicated effort to keep the cost per enplaned passenger low, while using staff innovation and technology to maintain the RTAA's standard of customer service. Due to the small increase in enplaned passengers, the original 2008-09 O&M budget requests from each section resulted in an unacceptably high cost per enplanement. To stay near the RTAA goal of a \$5.00 per enplanement cost, all of the RTAA sections were asked to reduce their budget requests. As a result the O&M budgets shown for Personnel Services, and Administrative Expenses are increasing less than one percent above the current year's budgeted amounts. The low budget amounts necessarily submitted by the staff will challenge their ability to maintain the current level of customer service.

The total 2008-09 budget for O & M expenses is \$34,808,506. This is 3.4 percent above the 2007-08 budget and 6.7 percent above 2007-08 projected expenditures. This increase is made up of:

- Personnel Services budget is increasing by only 0.9 percent over the prior year budget. This relatively low increase is the result of a savings in employee medical insurance benefits, and the personnel reductions mentioned in the Organizational Guide.
- Utilities and Communications is increasing 9.3 percent due to anticipated utility rate increases.
- Purchased Services are increasing 11.0 percent. This main cause of this increase is maintenance and support costs for new technology or technology that was previously under warranty.
- Materials and Supplies are increasing 19.4 percent due mainly to increased costs for items with prices that are affected by petroleum prices, such as trash can liners, pavement repair materials and a major runway light replacement project.
- Administrative Expenses are increasing only 0.3 percent. This O&M category was reduced last year through reductions for travel, and off site professional and technical training. These reductions are continuing for 2008-09. As in the 2007-08 budget, reductions in property and liability insurance premiums, due to market conditions rather than coverage changes, are also resulting to this low increase for 2008-09 in this O&M category.

The core of the Terminal building was constructed in 1960. The current configuration of the ticketing lobby and concourses was built in 1979. A project currently in progress to relocate the baggage screening equipment behind the airline ticket counters will modernize the airline ticketing lobby and the areas behind the ticket counters. This project is funded by Passenger Facility Charges and is not a part of the projects funded by airline rates that are shown in the Capital Budget section of this document.

The \$34,808,506 O&M Budget amount shown on the following page is \$326,101 higher than the O&M Budget amount shown in the previous airline rate calculations due to expenditures funded by fuel tax revenues which are not part of the airline rate setting mechanism.

<u>Account Group</u>	<u>2006-07</u>	<u>2007-08</u>	<u>CURR. YR.</u>	<u>2008-09</u>	<u>PERCENT</u>	<u>PERCENT</u>
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>PROJECTED</u>	<u>BUDGET</u>	<u>CHANGE</u>	<u>CHANGE Actual</u>
Personnel Services	\$ 20,881,444	\$ 23,612,300	\$ 22,752,603	\$ 23,814,090	0.9%	4.7%
Utilities and Communications	2,797,056	2,990,213	2,965,617	3,268,225	9.3%	10.2%
Purchased Services	3,066,293	3,319,893	3,175,393	3,686,157	11.0%	16.1%
Materials and Supplies	1,546,911	1,540,536	1,659,975	1,839,857	19.4%	10.8%
Administrative Expenses	2,097,283	2,192,644	2,084,107	2,200,177	0.3%	5.6%
Total Operating Expenses	\$ 30,388,987	\$ 33,655,586	\$ 32,637,694	\$ 34,808,506	3.4%	6.7%

As with any organization providing service, most of the RTAA's O&M budget is for personnel costs. The pie chart in this section following the list of Board goals shows the relative sizes of the major expense categories of the annual O&M budget.

The following are the strategic goals adopted by the Board, the previous fiscal year 2007-08 accomplishments, and the new fiscal year 2008-09 key initiatives related to the Board goals.

1. Efficient Airport Operations

Ensure leadership and direction in managing, coordinating and integrating all aspects of landside, terminal, airside and general aviation operations in compliance with safety and security regulations for an efficient, safe and seamless experience for all Airport users.

2007-08 Accomplishments

- Implement a landside transportation program that considers current and future operational needs in public parking and ground transportation including fee structure and increased use of technology - The parking and ground transportation area's new computerized revenue control system is being installed and should be fully implemented early in 2008-09.
- Conduct a Wildlife Hazard Survey – The will be completed in 2007-08. The survey takes a year to complete so that the study can survey wildlife during all four seasons of the year.
- Construction of new Aircraft Rescue and Fire Fighting (ARFF) facility began and will be operational in August, 2008. The new Fire House will be able to house all the recently acquired Aircraft Rescue and Fire Fighting equipment.
- Terminal reconfiguration and Installation of In-Line Checked Baggage Screening System – In progress, to be completed by late 2009. •
- Master Plan Update for Reno-Stead Airport – In progress, to be completed by end of FY 2008-09. • Runway Safety Area Study for Reno-Stead Airport – In progress, to be completed before end of FY 2007-08. •
- FAA Certification Inspection was passed with no compliance issues in 2007. Conducted daily inspections to remain in compliance with Part 139.
- Reduction in number of bird strikes. 5 reported bird strikes during 2007 calendar year. Contracted with NWS for the services of a Wildlife Biologist to provide 139 mandated training and monitor and assist with wildlife hazard mitigation. Completed Wildlife Hazard Assessment. Created wildlife census for RTIA and surrounding environment. Participated in the annual Goose Roundup.
- Parked over 420 aircraft during 2007 Air Races. One Operations Officer attended the Runway Safety Workshop.

- The RTIA's triennial full scale disaster exercise was held May 15, 2008 with participation from many other local public safety agencies and the local hospitals.
- Updated Snow and Ice Control Plan. Held pre-season coordination meetings. Ensure snow is removed from runway and taxiway within 30- minutes of onset of event. Average of 6 events per year.
- 3,810 alarm calls in CY 2007. (5,995 alarm calls in CY 2006.)
- 3 Alert 1 emergencies and 29 Alert 2 emergencies and 5 Alert 3 emergencies with a total of 278 other Fire Department related calls for service. 14 Alert 1 emergencies and 39 Alert 2 emergencies with 398 total Fire Department calls for service in the prior year.
- 49 Fire alarm activations and 15 Airline Ring Down operations in CY 2007. (23 Fire alarm activations and 5 Airline Ring Down operations in the prior year.
- 3,258 National Crime Information Center (NCIC) inquiries made CY 2007. 4,862 NCIC inquiries made CY 2006.
- Computerized Maintenance Management System, MAXIMO software, updated to latest available package. Facility Assessment database updated.
- Replaced RTAA computer data Firewall
- Conducted annual software license audit
- Checked compliance & processed applications for 63 Ground Transportation Permits and issued permit decals. Tracked & maintained current status of 54 GT operator monthly trip fee payments. Monitored and enforced parking rules and regulation. Issued new parking cards and placards to all qualified Flight crew members. Issued and maintained 1,500 employee and Manager/VIP lot proximity cards and associated database.
- Maintained 20 second average parking toll plaza transaction time. Provided periodical preventive maintenance on all mechanical and electrical equipment. Provided emergency trouble shooting and repair of all equipment..
- Runway Reporter expanded and now used to communicate additional information, such as monthly airport stats, per the request of the Employee Response Team. The Runway Reporter won a third place ACI-NA Award for "Internal Newsletters" among North American airports.
- Maintained required State of Nevada, Nevada Department of Environmental Protection permits. Administered Underground Storage Tanks Management program. Administered Hazardous and solid Resource Conservation and Recovery Act waste management program. Monitored Reno Stead Airport Consent Decree remediation program. Prepared annual report of Water Rights.

2008-09 Key Initiatives

- Ensure airport is ready for Federal Aviation Administration (FAA) Regulation Part 139 Certification Inspection, and coordinate the inspection and post inspection review, and any corrective actions to insure airfield, airside, landside and public safety regulatory compliance.
- Implement the ground transportation phase of the comprehensive Landside Revenue Control program, which includes vehicle identification technology and a new fee structure.
- Successfully limit access to RTAA information technology resources to authorized users. This includes email, data storage areas, and Internet access.
- Efficient removal of snow and ice as needed from aircraft, vehicle, and passenger movement areas.

- Conduct daily airfield inspections to remain in compliance with Part 139, and remain in compliance with future FAA Certification Inspections.
- Keep 90 percent of all trees and plants in landscape healthy and disease free. Large area mowing of acquired properties. Weed abatement-airside/landside. Maintain all irrigation systems for peak performance and water conservation.
- Maintain airfield lighting system to 99 percent of operational requirements at all times, maintain airfield ramp and landside parking lighting to 95 percent operational requirements, maintain all eight airport emergency generators, service and maintain all electrically operated perimeter gates.
- Respond to airfield emergencies and/or requests for assistance within 15 minutes during regular work hours and 1 hour after hours.
- Fog seal 20 percent of Asphaltic Concrete pavement at RTIA and Reno-Stead airports. Repair cracks and spalls in pavement as required, replace joint sealants in areas of identified failure (16,000 linear feet of Taxiway A), and maintain Aircraft Operations Area markings to 100 percent compliance with Part 139. Perform rubber removal as needed per FAA Advisory Circulars, based on Runway Friction Test data.
- Maintain a high standard of cleanliness in the Terminal Building and other RTAA facilities.
- Inspect, and perform preventive maintenance or service on RTAA building systems, and operate the Terminal Building heating, ventilation, and air conditioning system.
- Use newly acquired equipment to remove runway rubber buildup when necessary to meet Federal Aviation Regulation Part 139 compliance.
- Maintain airside, and landside pavements and pavement markings.
- Manage RTAA 800 MHz radio system and Inter-local agreement with Washoe County Regional Communications System.
- Identify and monitor underground storage tanks for RTAA and tenants with tanks on RTAA property.
- Ensure that all currently owned water rights are maintained and when additional land is acquired have the associated water rights recognized.
- Provide specified fire inspections of all building, and hangars, as well as fueling, and other equipment.
- Complete the design of the access control system. This system includes terminal building and airfield perimeter entrances to the secure portions of RTIA.
- Patch and seal cracks in 5 percent of roadways and parking lots annually. Seal coat 5 percent of Asphaltic Concrete pavement annually. Maintain roadway and crosswalk markings as required, including the new long term parking walkway.
- Coordinate the management of the Storm Water Pollution Plan (SWPPP) Permits and Compliance for both RTIA and RSD
- Conduct quarterly fire and safety inspections on airport property including
- Reno Stead Airport and tenants. Provide fire/safety standbys as requested for welding, fuel spills, fuel transport, medical transport using aircraft, engine starts, etc.
- Provide fire extinguisher training to all airport employees and tenants at their request.
- Provide for the safety and security of the traveling public through Airport Police Officer vehicle and foot patrols and police presence. Provide physical security for the aircraft. Meet requirements of TSR Part 1542 and assist air carriers with requirements for TSR Part 1542 and 154
- Participate in the Transportation Security Administration National Explosive Detection Canine Team Program.

2. Passenger Services and Experience

Ensure timely and efficient customer flow and high quality customer services. Take the lead in identifying, monitoring, implementing and measuring ongoing improvements for a first-class and convenient experience for customers.

2007-08 Accomplishments

- Completed passenger service and access improvement projects in the terminal building including: remodeled food and beverage concession areas, and remodeled baggage claim area restrooms.
- Free Wi Fi service is available in the terminal building giving computer users wireless internet access.
- Restrooms were cleaned prior to each day's peak usage time, supplemented with a mid-peak inspection. The restroom facilities were monitored and additional cleaning was provided during the remodeling project.
- Monitor maximum wait times to exit parking and utilize this input to adjust staffing within budget capabilities – The staffing levels were increased and adjusted.
- The food concession areas are monitored daily for hours of operation and staff on duty to ensure food is available for the passengers, and others using the building.
- New solar powered flashing LED stop signs were installed.
- 101,572 page and information calls handled in CY 2007.
- 17,122 Law Enforcement calls for service were processed through the new computer aided dispatch system.
- Facilitated Fire Alarm and Public Address System construction project.
- Completed installation and transition to Free Public Phones in the terminal building
- Established a monthly E-Newsletter for external distribution, Revamped the existing RTAA Website. Administer Community Outreach Committee (COC) Quarterly Meetings. Maintain and enhance Partner in Education partnership with Swope Middle School (The Education Collaborative gave RTAA and Swope a 1st place award in the Best School to Careers Direction Business Category. The airport received a first place ACI-NA award for its Career Event with Swope Middle School. RTAA raised \$12,048 for Swope from Golf Tournament, Employee donations and Shakespeare Festival. Also RTAA employees donated and distributed various materials such as school supplies and canned food.) Art Program (three Art Shows, including RTIA employee Art Show this fiscal year.) RTAA Community Access Show "Plane Talk" (Reno/Sparks/Washoe Co. approved local cable access channel to increase from 60 airings per month to 140. "Ask the Airport" current YTD completed answering 206 questions. Anticipate 400 by end of fiscal year.
- Passenger Aide Program and Front Desk Reception (Including Airport Lost & Found.) Convention Welcomes (Included Volleyball, Hearth Patio and BBQ, Supercomputing, Safari Club International, and Cattle Industry Convention.) Holiday Greetings & Events to include visits by Santa in the Airport Terminal, Snowball Express, UA Fantasy Flight. Customer Crisis Assistance (Includes water for passengers during delayed & cancelled flights, as well as "311" baggies purchased for RTIA passengers distributed at security check-points.) JD Powers Survey measurements completed.
- The 2006/07 Annual Report won first place at the local ADDY Awards and went on to win a silver award at the Bay Area Regional ADDY's. Advertising Campaigns & Publication Ads (Advertising changes San Diego flight from low 60 percent load factor

to high 90percent. This campaign took first place in the ACE Awards for best overall campaign in the region. Also, advertising changes Chicago Midway flight from low 60s load factor to high 80s. This campaign took second place in the ACE Awards for best campaign as well as an ACI-NA award for third place among North American airports..

- Press Conferences included Volleyball Tournament, Hearth Patio & BBQ trade show, Blues Festival, Express Jet start of service, and Medal of Honor recipient New FAA Tower Groundbreaking and Fire House Groundbreaking. Newspaper Coverage YTD is 2,539 inches of columnar type OR 211.6 feet. TV Coverage YTD is 366 minutes or 6.1 hours.

2008-09 Key Initiatives

- Continue the passenger service improvement projects in terminal building, and concourses including: Airport Baggage Check-In system, and the fire alarm and public address and system.
- Develop customer service standards with tenants.
- Insure that restrooms are cleaned hourly, and prior to each day's peak usage time, supplemented with a mid-peak inspection.
- Provide and maintain all aspects of Ground Transportation to provide services and maintain compliance with all regulations.
- Provide the traveling public with highest quality of parking services while maintaining a safe, secure environment by monitoring parking exit times and adjusting staffing within budgeted capabilities.
- Provide for the safety and security of the traveling public. Provide physical security for the aircraft. Meet requirements of Transportation Security Regulation (TSR) Part 1542 and assist air carriers with requirements for TSR Part 1542 and 1544.
- Maintain all signs so they are 100 percent functional and visible.
- Sweep all landside roads and parking areas as needed. Keep airport storm drain system free of debris for proper drainage. Sweep ramps and perimeter roads as needed. Pick up and dispose of pallets daily. Empty trash dumpsters twice daily every day.
- Send Holiday cards to RTIA's vendors.
- Respond to emergencies on RTIA and Reno Stead Airports (RSD) properties to provide protection of life, property and the environment.
- Maintain accurate Facility Assessment Condition and Maintenance reports.
- Input, modify and assist in entering accurate and timely information in the Flight Information Display System.

3. Maximize Staff Effectiveness

Create a work environment that is conducive to maximum growth and development and enhance each employee's opportunity to achieve the highest level of performance.

2007-08 Accomplishments

- Provided at least 20 hours of training per employee – 254 employees (94 percent not including newly hired employees) met the goal of at least 20 hours of training.
- Conducted disaster training as required by the FAA, and provided required OSHA safety training.

- The management staff participated in the “Walk a mile in my shoes” program to learn the activities of the airport passenger aides, and to be able to assist them as needed in the event of an emergency.
- No Equal Employment Opportunity Commission/Nevada Equal Rights Commission complaints filed in 2007–08.
- Over 30 positions filled
- Completed over 10 surveys for local agencies and benchmark airports
- 2008 Insurance Renewal completed with decrease in costs; 2008 employee health benefits Open Enrollment completed;
- 25 on the job injury claims coordinated; 25 employees returned to light or regular duty; 4 open claim status reviews held with AIG
- Two agility tests completed; Over 30 new employee drug screens; four quarterly CDL random draws completed; annual hearing exam conducted; four Hepatitis B vaccinations coordinated
- 10 Wellness Classes held; two Wellness Fairs conducted; 70 Participation Incentives provided to qualifying employees
- 30 new hires processed on first day of employment; documentation completed with 100% accuracy rate
- Held classes on: The Role of the Supervisor, Performance Management, The Recruiting Process, Motivation, The Ethics of Leadership, Situational Leadership, The Financial Big Picture, Preparing to Lead, Time Management, Coaching and Leading from the Heart, and A Leader’s View of Service.
- 12 Questions of the Month surveys conducted; 8 focus group meetings held; Employee Survey Response Group formed and working on new programs and initiatives
- Conducted 12 HR "Road Shows"

2008-09 Key Initiatives

- Support professional development through membership and involvement in industry associations and training opportunities.
- Provide recurrent training in accordance with Nevada Peace Officer Standards and Training (P.O.S.T.) requirements. Continue professional development training. Field Training Officer Program for new officer(s).
- Provide meaningful training for all employees to enable successful performance of their jobs.
- Provide at least 20 hours of training per employee.
- Complete the RTAA’s on line application system to increase the system’s accessibility and the resulting applicant pool.
- Produce 12 editions of the employee newsletter, the Runway Reporter.
- Conduct disaster training as required by the FAA, and provide required OSHA safety training.

4. Financial Stability

Ensure financial growth and stability of Reno-Tahoe Airport Authority as a self-sustaining entity by maximizing revenue and controlling operating costs. Maintain a long-range financial forecasting and planning process designed to respond to market conditions.

2007-08 Accomplishments

- Maintained a low cost per enplaned passenger at \$5.32.
- Continue to aggressively apply for federal, and passenger facility charge capital project funding - \$15.2 million in FAA grants was received in 2007-08.
- Obtained both the Government Finance Officer's Budget and Financial Statement Awards.
- Prepared a monthly financial operating report to inform the Board and Management of the RTAA financial condition, and the status of the airline landing fee and rental rate.
- Reduce the accounts receivable sub ledgers' outstanding balance- The balance for accounts receivable over 60 days was reduced from \$68,000 to \$36,479.
- Surplus property was disposed of at public auctions pursuant to the requirements contained in Nevada law.
- Monthly Operating Statements prepared and presented at monthly Finance Committee meetings
- FAA Grants status reports updated and assisted auditors with annual Single Audit. First three RTAA completed PFC applications were closed out. PFC 8 was amended for additional Airport Baggage Check project costs.
- Mini Warehouse facility management transitioned from consultant to staff.
- Completed insurance applications with updated vehicle and equipment schedules, coordinated FM Global annual inspections, administered RTAA liability claims including a mediation, and reviewed ABC project, and Reno Air Race Association insurance requirements.
- Selected system and began implementation of a new computerized Financial Information System
- 80 % of Monthly Accounts Payable vouchers audited.
- Audited all days receipts of Parking Revenue
- Audit of general aviation tenant Mercury Air completed.
- Zoom, Advertising, and News and Gift concessions audits completed
- Secured a lease agreement with FAA for the new tower facility
- Request for Proposal (RFP) for Confectionary awarded to Caterina's. Facilitated the development of the Hyatt Place Hotel. Sold space on the new advertising billboard after its construction.
- Developed free Wi-Fi in the Terminal Building with advertising by local newspaper Reno Gazette Journal.
- Conducted RFP for corporate aviation development of vacant land at RTIA

2008-09 Key Initiatives

- Perform Purchase Card Audits for four departments
- Annual audit of airline reported enplanements versus report from FAA
- Verify Internal Controls minimize risk and maximize oversight of new ground transportation revenue control system
- Assure that cash flows meet RTAA needs while maximizing investment opportunities
- Maintain cost per enplaned passenger as close to \$5.00 as possible given the current passenger activity levels.
- Maximize concession revenue.
- Continue to aggressively apply for federal, and passenger facility charge capital project funding.
- Update airside and landside pavement evaluations to determine future maintenance needs.

- Audit 300 days of parking revenues, concessionaires and tenants.
- Aggressively develop vacant lands not needed for Airport operations. Take advantage of land development opportunities to generate new sources of revenue.
- Obtain the Government Finance Officer's Budget and Financial Statement Awards.
- Implement a new computerized financial accounting system to improve management's access to financial information.
- Negotiate a lease with a developer for an office building, and retail sites on the Airport West property near the entrance to RTIA.
- Maximize investment income within parameters established by RTAA Investment Policy and Bond Resolutions.
- Provide a comprehensive and informative Comprehensive Annual Financial Report.
- Prepare a monthly financial operating report to inform the Board and Management of the RTAA's financial condition.
- Obtain RTAA Insurance Coverage for property, liability, and employee benefits.
- All procurements in excess of \$25,000 are formally, and competitively bid within 60 days of receipt of specifications.
- Ensure surplus property is disposed of in accordance with the requirements contained in NRS 332.
- Receive and issue materials and supplies for work order-based purchases in less than 4 hours. Stock inventory received in less than 2 days. Maintain and operate storeroom, stock locations and bins on a daily on-going basis.
- Ensure that tenants are in compliance with their leases, revenue opportunities are aggressively pursued, tenant issues responded to in a timely manner.
- Review all employee issued purchasing cards, and credit cards to assure compliance with RTAA policies.

5. Air Service Development

Increase the level of passenger and cargo air service at the Reno-Tahoe International Airport by collaborating with community stakeholders to define critical markets and together aggressively pursue them.

2007-08 Accomplishments

- Sponsored approximately 20 organizations that contribute to and support air travel to and/or from RTIA: such as Regional Marketing Committee, Sierra Ski Marketing Council, Air Races, LUV Classic, Reno-Sparks Convention and Visitors Authority Summer Golf Adventure, EDawn
- Developed and presented five air passenger business market plans to low cost airlines, such as Southwest, JetBlue, Frontier, Spirit and WestJet.
- Developed and presented eight air passenger business market plans to at least two airlines to increase frequency to Atlanta, new service to Baltimore/Washington, New York City and Detroit.
- Developed and presented approximately 10 air passenger business market plans to applicable airlines to in order to gain air service to Guadalajara and Vancouver.
- Periodically meet with airline managers to discuss their needs and how RTIA can help them. Conduct site meetings with airline executive decision makers. Completed 12 meetings.

- Conducted quarterly meetings of Air Service Task Force to communicate RTIA's air service status and to receive input from task force.
- Attended monthly Regional Marketing Counsel meetings and service as a consultant to help achieve RMC's mission to increase quality air service to and from RTIA.
- Developed and presented three air cargo business market plans to carriers such as UPS, FedEx or DHL.
- Completed air cargo development plan in order to present air cargo business market plans to carriers such as Air China, Jade and Lufthansa

2008-09 Key Initiatives

- Develop a local marketing campaign to promote the air carriers serving RTIA, destinations served and the quality of air service available at RTIA.
- Prepare and present RTIA updates to various groups (RTIA employees, ASTF, COC, Chambers of Commerce, Regional Marketing Committee, etc.). Over a dozen updates were provided to various groups.
- Provide monthly Passenger and Cargo Statistics report community and air service industry leaders; Perform regular analyses of RTIA activity and airline performance
- Develop and present business market plans to air passenger and/or air cargo carriers as opportunities arise.
- Identify and evaluate potential new air service markets.
- Pursue international air service as a secondary priority by developing and presenting and air service development business plans to applicable airlines.
- Develop and present air cargo business plans to domestic, and international cargo carriers as appropriate.
- Continue the partnership with community agencies to support new air service.

6. Master Development Planning

Develop and implement financially sound capital improvement programs and land development processes for both airports that are appropriately timed to satisfy the aviation demands of the region as part of an evolving master development planning process.

2007-08 Accomplishments

- Began the Airport Baggage Check-In project to reconfigure the ticketing lobby for improved passenger flow and queuing areas. The configuration of the new system was finalized with the airlines and the TSA, including a \$12 million TSA contribution to the project.
- Airport Zoning Ordinance Modifications completed.
- Annual RTAA staff environmental awareness training conducted.
- Complete the Nevada Air National Guard (NANG) Land Exchange if initiated by NANG – This project was delayed waiting for the decision of the Base Realignment and Closure Committee to continue operations at the NANG base.
- A conceptual analysis of the future terminal building expansion, and a debt capacity analysis were completed, and presented to the RTAA Board.
- Develop the annual Airport Capital Improvement Program (ACIP) for the FAA – The annual Plan was updated for the FAA.

2008-09 Key Initiatives

- Phase 17 Residential Sound Insulation to be completed by end of CY 2009.
- Monitor FAA Air Traffic Control Tower design/construction
- Coordinate an industry general session peer review regarding RTIA terminal development (May be suspended pending RTAA financial outlook)
- Visit other airports to view how RTIA terminal development issues have been solved by others.
- Develop the annual Airport Capital Improvement Program (ACIP) for the FAA.
- Coordinate the completion of the Airport Baggage Check system project.
- Complete the completion of the new Aircraft Rescue and Fire Fighting (ARFF) fire house.
- Coordinate Phases 15, 16, and 17 of the Sound Insulation Program. Phase 15 will insulate another 210 homes, and Phase 16 covers 90 homes. The number of Phase 17 participants has not yet been determined.
- Complete the projects indicated by the airside and landside pavement evaluations.

7. Stead Airport Operations

Lead all aspects of Stead operations to ensure a safe, secure and compliant airport. Monitor, advocate and take advantage of potential infrastructure initiatives in the North Valleys recognizing the intrinsic value of the asset, and position the Airport land development for the long term benefit of the region.

2007-08 Accomplishments

- Completed Projects: West Flight Line Taxiway, Runway 8/26 Edge Lights Taxiway “B” Overlay, Runway 32 Instrument Landing System, and Runway Safety Area Study
- All of the tenant hangars were inspected by the RTAA’s fire inspectors.
- Maintained an ongoing assessment and response to tenant needs with a maximum 24-hour response time
- Attended and participated in the Reno Stead Users group meetings.
- Continued the ongoing airfield/asphalt maintenance program of pavement and crack sealing.

2008-09 Key Initiatives

- Random Inspection of Airfield and Tenant and Public areas with sweeping as necessary
- Daily Airfield Inspections in summer
- Snow to be removed promptly
- Runway and Lighting Systems Inspected Daily
- Landscaping Random Inspection
- Emergency generator, hangar fire suppressions system pump inspected randomly and tested monthly.
- Fence and graded Fire breaks randomly inspected
- Maintain ongoing assessment and response to tenant needs with a maximum 24-hour response time
- Continue the ongoing airfield/asphalt maintenance program
- Maintain ongoing relationship with surrounding neighborhood associations.
- Assist in the success of the Reno Air Races by providing airport facilities that are ready for the event.

- Complete the budgeted Modernization of Fire Suppression System capital project.
- Coordinate the FAA's installation of the instrument landing system.
- Begin using the maintenance management system used by the RTIA Airfield and Building Maintenance staff.
- Assist the Planning staff and consultants in updating the Reno Stead master plan.

8. Community Relations

Establish the Reno-Tahoe Airport Authority as a respected regional business leader and the Reno-Tahoe International Airport as the Airport of choice by building trust and credibility.

2007-08 Accomplishments

- Noise abatement Land Acquisition AIP 62 finished; AIP 66 acquired and inhabitants relocated
- Prepare video public information campaigns for local broadcast - Video newsletters were broadcast bi-monthly on the local cable public access channel.
- The "Ask the Airport" page of the RTAA web site was monitored daily and responses were emailed.
- Produced an Annual Report for RTIA – An annual report was prepared and distributed to the community.
- Produced award winning local airport television shows, volley ball festival welcome, and restroom remodeling project communications program.
- A community "welcome" for large conference attendees was accomplished with events held in the Terminal Building to announce and celebrate the Women's Volleyball Tournament, and the new Reno Jazz Festival.
- An airport employee night was coordinated for a performance of the Lake Tahoe Shakespeare Festival.

2008-09 Key Initiatives

- Develop Communication Plan for External and Internal Customers. During the first six months of Airport Baggage Check-In project construction, will quantify customer/guest complaints received via website, comment cards, "Ask the Airport" and Passenger Aide observations.
- Maintain airport concession disadvantaged business enterprise (DBE) paperwork, enroll certified applicants, and attend conferences and certification meetings as necessary
- Facilitate Airport Noise Advisory Panel, monitor Noise Complaints, conduct Quarterly Noise Monitoring, and respond to requests for acoustical analyses.
- Provide airport information and community outreach through various forms of media and programs such as a monthly broadcast of the "Plane Talk" airport television show on Sierra Nevada Cable Access Television.
- Maintain and enhance customer service and community outreach by hosting staff and community meetings, as well as press conferences.
- Complete the installation of a permanent noise monitoring system.
- Conduct and analyze a survey on passenger satisfaction with resident and non-resident customers.
- Represent the RTAA with community groups and for speeches.
- Identify new and creative ways of bringing a community "welcome" to large conference attendees.

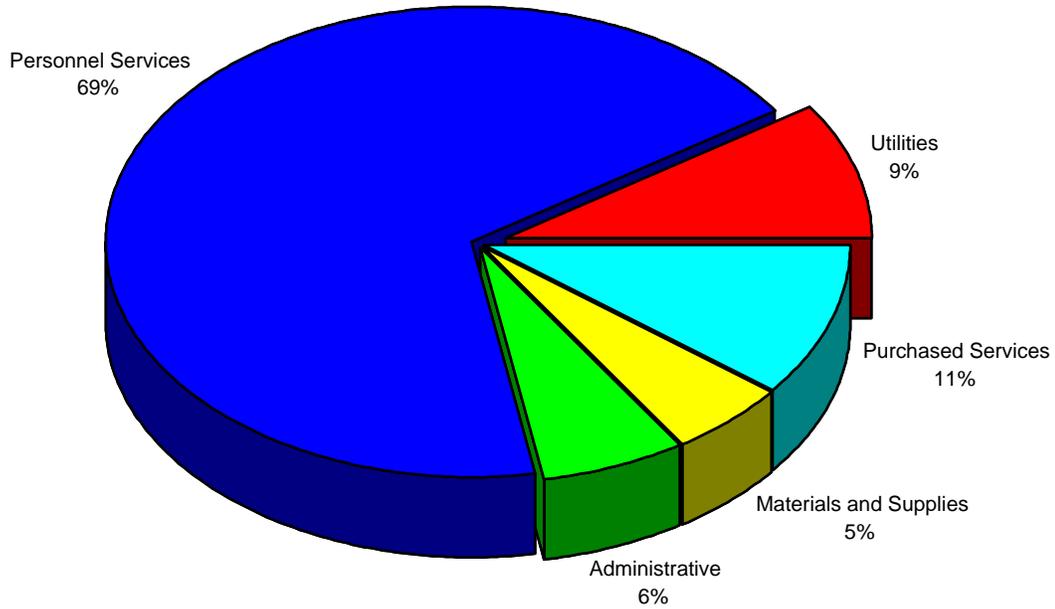
- Continue the RTAA's art program, and music events in the terminal building.
- Continue the RTAA's sponsorship of community events such as Artown.

The individual departmental budgets following this narrative are organized in the following manner. The department or section mission statement is followed by the department or section work plan summaries. The work plans are detailed lists of the activities performed by each department that will accomplish the goals established by the Board. The 2008-09 O&M expense budget is based on the financial resources requested by departments to accomplish their work plans. The detailed line item budget for each section and the total Personnel Complement for that department or section are then shown.

**2008-09
ANNUAL BUDGET**

Operation & Maintenance Expenditures

2008-09 O&M Expenditures



EXPENDITURES	
Personnel Services	\$ 23,814,090
Utilities	3,268,225
Purchased Services	3,686,157
Materials and Supplies	1,839,857
Administrative	2,200,177
Total	\$ 34,808,506

2008-09
ANNUAL BUDGET
Summary of Budgeted Expenditures

<u>Account Group</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 20,881,444	\$ 23,612,300	\$ 23,814,090	0.9%
Utilities and Communications	2,797,056	2,990,213	3,268,225	9.3%
Purchased Services	3,066,293	3,319,893	3,686,157	11.0%
Materials and Supplies	1,546,911	1,540,536	1,839,857	19.4%
Administrative Expenses	2,097,283	2,192,644	2,200,177	0.3%
Total Operating Expenses	\$ 30,388,987	\$ 33,655,586	\$ 34,808,506	3.4%
Property, Plant and Equipment	981,005	595,965	325,200	-45.4%
TOTAL	<u>\$ 31,369,992</u>	<u>\$ 34,251,551</u>	<u>\$ 35,133,706</u>	<u>2.6%</u>

**2008-09
ANNUAL BUDGET**

Resources Applied by Organizational Unit

	2006-07 ACTUAL	2007-08 BUDGETED	2008-09 BUDGETED
Board of Trustees Department			
Board of Trustees	\$ 144,549	\$ 143,130	\$ 137,480
Internal Audit	175,504	178,575	185,565
Legal Counsel	404,344	492,790	623,461
TOTAL	<u>724,397</u>	<u>814,495</u>	<u>946,506</u>
Executive Director/CEO Department			
Executive Director/CEO	565,072	754,000	765,930
Air Service and Business Development Section	1,016,395	730,405	662,485
Marketing and Public Affairs Section	1,017,747	1,205,420	933,015
TOTAL	<u>2,599,214</u>	<u>2,689,825</u>	<u>2,361,430</u>
Deputy Executive Director Department			
Deputy Executive Director	580,392	438,175	434,275
Technology and Information Systems Section	711,596	833,508	1,068,530
Reno-Stead Airport Section	675,445	734,000	713,375
Human Resources Section	781,231	894,770	1,011,970
TOTAL	<u>2,748,664</u>	<u>2,900,453</u>	<u>3,228,150</u>
Finance and Administration Department			
Accounting and Administration	662,974	722,100	731,290
Finance and Budgeting Section	327,851	304,780	316,600
Purchasing and Materials Management Section	403,870	447,775	458,385
Property Administration Section	581,146	943,605	955,515
TOTAL	<u>1,975,841</u>	<u>2,418,260</u>	<u>2,461,790</u>
Operations and Public Safety Department			
Senior Director of Operations and Public Safety	230,745	246,145	265,525
Airfield Operations Section	907,789	956,065	980,270
Landside Operations Section	1,175,145	1,075,415	1,162,240
Airport Rescue and Fire Section	2,541,281	2,773,663	2,801,451
Airport Police Section	3,344,203	3,931,205	3,933,015
Airport Communications Section	755,478	857,354	899,850
TOTAL	<u>8,954,641</u>	<u>9,839,847</u>	<u>10,042,351</u>
Planning and Engineering Department			
Planning and Environmental Services Section	607,299	883,565	834,680
Engineering and Construction Section	641,074	641,300	672,850
TOTAL	<u>1,248,373</u>	<u>1,524,865</u>	<u>1,507,530</u>
Facilities and Maintenance Department			
Director of Facilities and Maintenance	551,817	609,360	837,220
Airfield Maintenance Section	2,883,497	3,042,250	3,173,685
Building Maintenance and Services Section	7,382,526	8,033,431	8,460,611
TOTAL	<u>10,817,840</u>	<u>11,685,041</u>	<u>12,471,516</u>
Nondepartmental Operation and Maintenance Expenses	1,087,798	1,392,500	1,463,133
Nondepartmental Non Rate Base Expenses	<u>232,219</u>	<u>390,300</u>	<u>326,100</u>
Total Operations and Maintenance Expense	30,388,987	33,655,586	34,808,506
Property, Plant & Equipment	<u>981,005</u>	<u>595,965</u>	<u>325,200</u>
TOTAL	<u>\$ 31,369,992</u>	<u>\$ 34,251,551</u>	<u>\$ 35,133,706</u>

2008-09

Annual budget

Functions and Work Plans

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

Board of Trustees – Mission Statement: Responsible for setting policies that govern the operation of the airport through the adoption of resolutions and awarding of contracts.

General Counsel – Mission Statement: Provide legal services to the Board of Trustees and staff, including advice, litigation, and document review, coordinate use of other outside counsel, attend Board meetings and other meetings where required, consult with Board and staff on Open Meeting Law, perform other duties as required.

Board Goal: Financial Stability and Maximize Staff Effectiveness

Work Plans:

- Attend Board meetings.
- Answer questions asked by the Board members.
- Review all documents as requested by Staff,
- Answer all questions asked by staff.
- Provide resolution dispute services.
- Coordinate the services of outside legal firms used for the following Specialty Areas: labor issues, environmental, condemnation, and bankruptcies. Review all outside counsel invoices.

Internal Audit – Mission Statement: To provide an independent, objective assurance and consulting activity designed to add values and improve the organization's operation. To help the organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management and the governance process.

Board Goal: Financial Stability and Maximize Staff Effectiveness

Work Plans:

- Review 25 percent of Accounts Payable vouchers
- Audit all executive management Expense Reports
- Audit four department Purchasing Card Reports
- Carry out action plan for Policy and Procedure update
- Audit 300 Days of Parking revenue per year and quarterly Automated Vehicle Identification system transactions
- Produce minutes, reports, and facilitate the Board's Finance and Development Committee meetings
- Process payments for Parking Citations and Vending machine payments as necessary
- Attend Association of Airport Internal Auditors conference for continued airport specific professional development

- Perform audits according to audit plan
- Prepare department budget
- Maintain airport concession Disadvantaged Business Enterprise (DBE) paperwork, enroll certified applicants, and attend conferences and certification meetings as necessary

2008-09
ANNUAL BUDGET
Board of Trustees
 Department Summary

<u>Account Group</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 230,361	\$ 241,605	\$ 246,005	2%
Utilities and Communications	2,650	-	-	0%
Purchased Services	409,420	496,950	630,166	27%
Materials and Supplies	5,925	5,900	5,650	-4%
Administrative Expenses	76,041	70,040	64,685	-8%
 Total Operating Expenses	 \$ 724,397	 \$ 814,495	 \$ 946,506	 16%
Property, Plant and Equipment	0	0	0	0%
 TOTAL	 \$ 724,397	 \$ 814,495	 \$ 946,506	 16%

**2008-09
ANNUAL BUDGET**

BOARD OF TRUSTEES

Department 10

	<u>ACCOUNT NO.</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
PERSONNEL SERVICES					
Trustee Stipend	4119	\$60,480	\$60,480	\$60,480	0%
Physical Exam Exp.	4131	6,633	7,500	3,750	-50%
TOTAL PERSONNEL SERVICES		67,113	67,980	64,230	-6%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	2,650	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		2,650	0	0	0%
PURCHASED SERVICES					
Other Professional Services	4319	0	5,000	5,000	0%
Office Machine Rental	4322	2,701	2,300	2,300	0%
Freight Expense	4343	237	100	300	200%
Other Purchased Services	4349	2,049	3,000	3,000	0%
TOTAL PURCHASED SERVICES		4,987	10,400	10,600	2%
MATERIALS & SUPPLIES					
Paper	4411	349	300	300	0%
Postage	4412	370	150	150	0%
Printing & Forms	4413	2,173	2,500	2,500	0%
Other Office Supplies	4419	2,534	2,000	2,000	0%
TOTAL MATERIALS & SUPPLIES		5,426	4,950	4,950	0%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	4,416	2,000	2,000	0%
Books & Subscriptions	4512	1,917	0	0	0%
Conference Registration	4513	3,875	6,800	7,100	4%
Training Expense	4514	0	2,500	2,500	0%
Meeting Expenses	4515	10,430	12,500	20,100	61%
Travel & Reimbursed Exp.	4521	43,735	36,000	26,000	-28%
TOTAL ADMINISTRATIVE EXPENSES		64,373	59,800	57,700	-4%
TOTAL EXPENSES BEFORE FIXED ASSETS		144,549	143,130	137,480	-4%
FIXED ASSET ACQUISITION					
Machinery & Equipment	4815	0	0	0	0%
TOTAL DEPARTMENT EXPENSES		<u>\$144,549</u>	<u>\$143,130</u>	<u>\$137,480</u>	<u>-4%</u>

**2008-09
ANNUAL BUDGET**

**INTERNAL AUDIT
Executive Section 11**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$111,936	\$128,925	\$136,900	6%
Vacation Pay	4113	7,646	0	0	0%
Sick Leave Pay	4114	2,577	0	0	0%
Medicare	4132	1,728	1,875	2,000	7%
Medical Insurance	4134	11,482	12,250	10,650	-13%
Disability Insurance	413402	695	750	800	7%
Vision Service Plan	413404	317	350	350	0%
Life Insurance	413406	552	550	575	5%
Dental Insurance	413410	1,595	1,650	1,650	0%
Self Funded Rx	413412	2,362	2,300	2,050	-11%
Workers Comp	4135	312	575	600	4%
Retirement	4136	22,046	24,400	26,200	7%
TOTAL PERSONNEL SERVICES		163,248	173,625	181,775	5%
PURCHASED SERVICES					
Office Machine Rental	4322	0	100	100	0%
Freight Expense	4343	89	30	30	0%
Other Purchased Services	4349	0	1,300	0	-100%
TOTAL PURCHASED SERVICES		89	1,430	130	-91%
MATERIALS & SUPPLIES					
Paper	4411	242	200	200	0%
Postage	4412	74	140	140	0%
Printing and Forms	4413	32	60	60	0%
Other Office Supplies	4419	151	300	300	0%
TOTAL MATERIALS & SUPPLIES		499	700	700	0%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	846	475	275	-42%
Books & Subscriptions	4512	778	660	250	-62%
Conference Registrations	4513	2,195	0	550	%
Training Expense	4514	180	1,685	260	-85%
Meeting Expense	4515	100	0	25	%
Travel & Reimbursed Expense	4521	7,569	0	1,600	%
TOTAL ADMINISTRATIVE EXPENSES		11,668	2,820	2,960	5%
TOTAL EXPENSES BEFORE FIXED ASSETS		175,504	178,575	185,565	4%
FIXED ASSET ACQUISITION					
Machinery & Equipment	4815	0	0	0	0%
TOTAL SECTION EXPENSES		\$175,504	\$178,575	\$185,565	4%

**2008-09
ANNUAL BUDGET**

**GENERAL COUNSEL
Executive Section 12**

	<u>ACCOUNT NO.</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
PURCHASED SERVICES					
Legal Contracted Services	4311	394,814	470,000	603,836	28%
Other Professional Services	4319	9,423	15,000	15,000	0%
Other Purchased Services	4349	107	120	600	400%
TOTAL PURCHASED SERVICES		404,344	485,120	619,436	28%
MATERIALS & SUPPLIES					
Paper	4411	0	50	0	-100%
Postage	4412	0	100	0	-100%
Other Office Supplies	4419	0	100	0	-100%
TOTAL MATERIALS & SUPPLIES		0	250	0	-100%
ADMINISTRATIVE EXPENSE					
Books & Subscriptions	4512	0	420	525	25%
Conference Registration	4513	0	1,900	1,900	0%
Travel & Reimbursed Exp.	4521	0	5,100	1,600	-69%
TOTAL ADMINISTRATIVE EXPENSES		0	7,420	4,025	-46%
TOTAL EXPENSES BEFORE FIXED ASSETS		404,344	492,790	623,461	27%
FIXED ASSETS					
Machinery & Equipment	4815	0	0	0	0%
TOTAL SECTION EXPENSES		<u>\$404,344</u>	<u>\$492,790</u>	<u>\$623,461</u>	<u>27%</u>

2008-09

Annual budget

Functions and Work Plans

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

President/Chief Executive Officer (CEO) – Mission Statement: Implements Board policy to ensure the operation and maintenance of a high quality, customer service oriented, financially self-sufficient airport system. The system must be safe, efficient, and cost effectively developed.

Air Service Business Development - Mission Statement: Increase the level of passenger and cargo air service at the Reno-Tahoe International Airport by collaborating with community stakeholders to define critical markets and together aggressively pursue them

Board Goals: Air Service Development, Maximize Staff Effectiveness, and Passenger Services and Experience

Work Plans:

- Communicate current airport status (such as security measures) and promote air carriers and their destinations serving RTIA to regional customers.
- Determine level of customer service satisfaction with RTIA, airlines and vendors.
- Determine level of air carrier activity at RTIA on a monthly and annual basis.
- Support business and professional organizations that are related to the travel industry.
- Support community organizations that contribute to the welfare of RTIA.
- Provide Holiday activities
- Marketing & Air Service Team to increase knowledge of air passenger, air cargo and travel industry by participating in professional training.
- Determine Economic Impact of RTAA on the northern Nevada community.
- Focus marketing and air service strategy to concentrate on low cost, growing airlines that fit RTIA's market.
- Continue the existing focus on increasing air passenger service frequency in the Western markets (including Las Vegas) and increase non-stop frequency to "core markets" in the Pacific Northwest: Seattle and Portland.
- Proactively seek unexpected ad hoc opportunities or emergencies dealing with maintaining or increasing air passenger and/or cargo service.
- Secure non-stop service to a major eastern U.S. market.
- Secure additional frequency to Atlanta.
- Pursue international air service as secondary priority.
- Conduct relationship building with RTIA airline managers and RTIA airline executive decision makers.
- Manage a community Air Service Task Force (ASTF)
- Participate in Regional Marketing Committee (RMC) as RTAA representative.
- Maintain or increase domestic air cargo service with existing or new carriers.
- Maintain or increase international air cargo service with existing or new carriers.
- Develop international air cargo carriers at RTIA.

Marketing and Public Affairs - Mission Statement: Provide Public Information to the news media 24/7 and support RTAA efforts in striving as a forward thinking, community minded airport, continually improving the image of the airport through public awareness activities and services .

Board Goal: Passenger Services and Experience Maximize Staff Effectiveness, and Community Relations

Work Plans:

- To provide airport information and community outreach through various forms of media & programs, including convention welcomes.
- Maintain and enhance customer service and community outreach by hosting staff and community meetings and attending membership luncheons.
- Optimize communication of airport activities, events and services.
- Emergency contingency and crisis response.
- Obtain the proper equipment to provide a high level of service to internal/external customers for public affairs office and passenger aide staff. Provide supplies for showcasing honors, awards & airport milestones.
- Equipment for the day-to-day operation and documentation of public relations, marketing and customer service programs.
- Enhance service through customer service feedback program.
- Plan to provide a high level of Customer Service.
- Maintain membership and attendance at monthly community meetings to extend community outreach and continue professional development.
- Remain informed on media issues, record news stories and provide service through periodicals in the administrative lobby.
- Attend industry related conference and educational seminars to enhance professional development and reimburse work related mileage for four staff members.
- Improve organizational communication by publishing a monthly newsletter, which will also inform and educate RTAA employees.
- Represent the interests of the RTAA in Washington D.C.
- Advertise convenience and ease of using RTIA and the destinations served to potential regional and national passengers.
- Communicate financial status and organizational effectiveness of RITA and Reno Stead Airport to interested stakeholders.
- Provide for an RTIA Art Plan.

2008-09
ANNUAL BUDGET
President/CEO
 Department Summary

<u>Account Group</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 1,836,099	\$ 2,093,325	\$ 1,815,925	-13%
Utilities and Communications	13,858	225	225	0%
Purchased Services	169,732	147,775	130,375	-12%
Materials and Supplies	46,028	50,250	40,750	-19%
Administrative Expenses	533,497	398,250	374,155	-6%
Total Operating Expenses	\$ 2,599,214	\$ 2,689,825	\$ 2,361,430	-12%
Property, Plant and Equipment	0	5,000	0	-100%
TOTAL	\$ 2,599,214	\$ 2,694,825	\$ 2,361,430	-12%

**2008-09
ANNUAL BUDGET**

**PRESIDENT/CEO
Department 21**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$296,502	\$460,200	\$478,900	4%
Vacation Pay	4113	29,905	0	0	0%
Sick Leave Pay	4114	11,156	0	0	0%
Overtime 1.5	4121	1,443	0	0	0%
Automobile Allowance	4125	12,033	12,000	12,000	0%
Medicare	4132	4,138	5,700	6,000	5%
Medical Insurance	4134	16,314	22,000	19,100	-13%
Disability Insurance	413402	1,222	1,700	1,750	3%
Vision Service Plan	413404	432	600	550	-8%
Life Insurance	413406	12,469	8,700	8,700	0%
Dental Insurance	413410	1,844	2,700	2,700	0%
Self Funded Rx	413412	2,378	4,100	3,700	-10%
Workers Comp	4135	312	900	1,000	11%
Retirement	4136	55,349	90,000	85,500	-5%
TOTAL PERSONNEL SERVICES		445,497	608,600	619,900	2%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	3,174	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		3,174	0	0	0%
PURCHASED SERVICES					
Office Machine Rental	4322	1,927	300	300	0%
Freight Expense	4343	1,200	200	300	50%
TOTAL PURCHASED SERVICES		3,127	500	600	20%
MATERIALS & SUPPLIES					
Paper	4411	243	400	400	0%
Postage	4412	305	400	400	0%
Printing and Forms	4413	132	400	400	0%
Other Office Supplies	4419	2,552	2,200	2,200	0%
Small Office Equipment	4441	449	0	0	0%
TOTAL MATERIALS & SUPPLIES		3,681	3,400	3,400	0%
ADMINISTRATION EXPENSES					
Membership Dues	4511	59,703	60,500	60,430	0%
Books and Subscriptions	4512	1,101	3,700	4,200	14%
Conference Registration	4513	5,568	5,800	6,700	16%

**2008-09
ANNUAL BUDGET**

**PRESIDENT/CEO
Department 21**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Meeting Expenses	4515	8,086	8,200	9,500	16%
Travel and Reimbursed Exp.	4521	35,135	63,300	61,200	-3%
TOTAL ADMINISTRATIVE EXPENSES		<u>109,593</u>	<u>141,500</u>	<u>142,030</u>	<u>0%</u>
TOTAL EXPENSES BEFORE FIXED ASSETS		565,072	754,000	765,930	2%
FIXED ASSETS					
Machinery & Equipment	4815	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
TOTAL DEPARTMENT EXPENSES		<u><u>\$565,072</u></u>	<u><u>\$754,000</u></u>	<u><u>\$765,930</u></u>	<u><u>2%</u></u>

**2008-09
ANNUAL BUDGET**

**AIR SERVICE BUSINESS DEVELOPMENT
Executive Section 23**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$350,595	\$394,575	\$365,200	-7%
Temporary Employees	4112	0	1,000	0	-100%
Vacation Pay	4113	28,199	0	0	0%
Sick Leave Pay	4114	10,688	0	0	0%
Overtime 1.5	4121	1,443	1,000	0	-100%
Medicare	4132	5,681	5,725	5,300	-7%
Medical Insurance	4134	40,594	38,450	26,400	-31%
Disability Insurance	413402	2,137	2,250	2,000	-11%
Vision Service Plan	413404	954	850	700	-18%
Life Insurance	413406	1,440	1,450	1,300	-10%
Dental Insurance	413410	4,810	4,200	3,400	-19%
Self Funded Rx	413412	6,671	7,200	5,100	-29%
Workers Comp	4135	936	1,450	1,400	-3%
Retirement	4136	72,885	78,200	72,450	-7%
TOTAL PERSONNEL SERVICES		527,033	536,350	483,250	-10%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	6,242	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		6,242	0	0	0%
PURCHASED SERVICES					
Data Services	4313	30,996	0	0	0%
Consultants - General	4314	22,338	8,000	0	-100%
Office Machine Rental	4322	1,727	2,400	2,400	0%
Vehicles	4331	64	500	500	0%
Furniture & Fixtures	4332	203	3,500	0	-100%
Office Equipment	4335	256	500	500	0%
Freight Expense	4343	979	2,000	2,000	0%
Other Purchased Services	4349	157	25	25	0%
TOTAL PURCHASED SERVICES		56,720	16,925	5,425	-68%
MATERIALS & SUPPLIES					
Paper	4411	545	500	500	0%
Postage	4412	1,987	2,000	2,000	0%
Printing & Forms	4413	2,335	2,000	2,000	0%
Other Office Supplies	4419	4,948	3,000	3,000	0%
Other Operating Supplies	4429	1,209	500	500	0%
Sm. Tools & Minor Equip-Office	4441	0	1,000	1,000	0%

**2008-09
ANNUAL BUDGET**

**AIR SERVICE BUSINESS DEVELOPMENT
Executive Section 23**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Signs & Sign Maintenance	4443	14,948	17,400	7,600	-56%
TOTAL MATERIALS & SUPPLIES		25,972	26,400	16,600	-37%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	5,491	2,780	1,560	-44%
Books & Subscriptions	4512	635	790	0	-100%
Conference Registrations	4513	9,415	0	6,200	%
Training Expenses	4514	150	2,000	2,000	0%
Meeting Expenses	4515	5,387	4,000	4,000	0%
Meeting Exp.-Air Svc Task Force	451501	221	500	500	0%
Disaster Exercise Expense	4517	0	3,000	0	-100%
Travel & Reimbursed Expense	4521	39,947	25,700	39,050	52%
Travel Exp.-Air Svc Task Force	452101	0	20,560	21,500	5%
Employee Reimbursed Mileage	4524	264	500	500	0%
Publications	4532	73,500	1,000	0	-100%
Annual Report	453202	17,351	0	0	0%
Newspapers	4534	0	9,000	0	-100%
Air Service & Cargo Development	4535	177,199	0	0	0%
Other Advertising & Promotion	4539	59,434	38,500	33,500	-13%
Conference Sponsorship	453901	9,266	6,000	6,000	0%
Art Program	453903	2,168	0	0	0%
Public Affairs	453908	0	36,400	42,400	16%
TOTAL ADMINISTRATIVE EXPENSES		400,428	150,730	157,210	4%
TOTAL EXPENSES BEFORE FIXED ASSETS		1,016,395	730,405	662,485	-9%
FIXED ASSETS					
Machinery & Equipment	4815	0	0	0	0%
TOTAL SECTION EXPENSES		<u>\$1,016,395</u>	<u>\$730,405</u>	<u>\$662,485</u>	<u>-9%</u>

**2008-09
ANNUAL BUDGET**

**MARKETING AND PUBLIC AFFAIRS
Executive Section 24**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$515,157	\$611,600	\$466,600	-24%
Temporary Employees	4112	20,484	20,000	0	-100%
Vacation Pay	4113	42,085	0	8,400	%
Sick Leave Pay	4114	14,450	0	12,700	%
Overtime 1.5	4121	5,634	5,500	1,100	-80%
Non-Day Shift Differential	412105	4,587	5,600	4,000	-29%
Weekend Differential	412108	6,401	7,000	2,600	-63%
Holiday Worked Pay	4128	22,288	13,000	4,100	-68%
Medicare	4132	8,732	9,375	6,600	-30%
FICA	413201	1,263	2,000	0	-100%
Medical Insurance	4134	61,545	84,250	72,500	-14%
Disability Insurance	413402	2,068	2,700	2,500	-7%
Vision Service Plan	413404	1,662	2,050	2,125	4%
Life Insurance	413406	1,476	1,900	1,850	-3%
Dental Insurance	413410	8,457	10,100	10,600	5%
Self Funded Rx	413412	15,966	15,850	14,200	-10%
Workers Comp	4135	13,002	28,700	9,300	-68%
Retirement	4136	112,074	124,250	91,600	-26%
Uniform Allowance	4138	6,238	4,500	2,000	-56%
TOTAL PERSONNEL SERVICES		863,569	948,375	712,775	-25%
UTILITIES AND COMMUNICATIONS					
Water	4213	240	225	225	0%
Telephone	4221	3,903	0	0	0%
Other Communications	4229	299	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		4,442	225	225	0%
PURCHASED SERVICES					
Consultants - General	4314	0	56,000	56,000	0%
Other Professional Services	4319	45,473	62,200	62,200	0%
Office Machine Rental	4322	1,164	1,550	1,550	0%
Freight Expense	4343	315	400	400	0%
Other Purchased Services	4349	62,933	10,200	4,200	-59%
TOTAL PURCHASED SERVICES		109,885	130,350	124,350	-5%
MATERIALS & SUPPLIES					
Paper	4411	3,168	350	350	0%
Postage	4412	410	2,000	1,000	-50%

**2008-09
ANNUAL BUDGET**

**MARKETING AND PUBLIC AFFAIRS
Executive Section 24**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Printing & Forms	4413	565	750	1,200	60%
Office Supplies	4419	4,918	2,000	4,400	120%
Other Operating Supplies	4429	100	3,000	4,500	50%
Small Office Equipment	4441	5,728	4,350	1,300	-70%
Signs & Sign Maintenance	4443	1,375	8,000	8,000	0%
Telephone Equipment	4446	111	0	0	0%
TOTAL MATERIALS & SUPPLIES		16,375	20,450	20,750	1%
ADMINISTRATIVE EXPENSES					
Membership Dues	4511	1,460	1,150	2,965	158%
Books and Subscriptions	4512	965	780	500	-36%
Confrence Registration	4513	1,621	0	850	%
Training Expense	4514	384	1,680	1,000	-40%
Meetings Expense	4515	4,214	4,400	4,300	-2%
Travel and Reimbursed Exp.	4521	5,904	2,410	2,700	12%
Employee Reimbursed Mileage	4524	186	600	600	0%
Publications	4532	0	78,000	50,000	-36%
Other Advertising & Promotion	4539	0	2,000	2,000	0%
Art Program	453903	0	4,000	4,000	0%
Public Affairs	453908	8,742	11,000	6,000	-45%
TOTAL ADMINISTRATIVE EXPENSES		23,476	106,020	74,915	-29%
TOTAL EXPENSES BEFORE FIXED ASSETS		1,017,747	1,205,420	933,015	-23%
FIXED ASSETS					
Machinery & Equipment	4815	0	5,000	0	-100%
TOTAL SECTION EXPENSES		\$1,017,747	\$1,210,420	\$933,015	-23%

2008-09

Annual budget

Functions and Work Plans

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

Deputy Executive Director – Mission Statement: To support the mission of the Airport and the goals and objectives of the RTAA Board. The Deputy Executive Director oversees the daily operations of the Airport and coordinates the best possible resources for managers to do their job.

Board Goals: Efficient Airport Operations, Passenger Services and Experience, Maximize Staff Effectiveness, Financial Stability, Air Service Development, Master Development Planning, Stead Airport Operations, and Community Relations.

Work Plans:

- Safe and secure operation of the Airport with timely resolution of issues/ actions.
- Coordinate with airline partners and tenants.
- Enhance the passenger experience by monitoring daily operations and condition of terminal.
- Provide administrative support for passenger and tenant issues.
- Timely resolution of issues/actions.
- Coordinate staff activities and participate in weekly management meetings.
- Provide Thanksgiving employee meal vouchers.
- Professional development of staff.
- Maintain involvement in American Association Airport Executives functions
- Adoption of budget by Board. Support staff to integrate Board goals and work plans.
- Facilitator to improve work plan and strategic planning.
- Ensure compliance with Disadvantaged Business Enterprise Program.
- Participate and assist in air service development.
- Participate in long- and short-range planning efforts.
- Safe and secure operation of Reno Stead Airport with timely resolution of issues. Participate in long- and short-range planning efforts.
- Provide Board with timely and accurate information. Participate in Board meetings. Provide Board administrative support.
- Represent the RTAA with community groups and for speeches.

Technology and Information Systems – Mission Statement: To facilitate the implementation, proper use, security, and convenience of information technologies at the RTAA.

Board Goals: Efficient Airport Operations, Maximize Staff Effectiveness, and Passenger Services and Experience

Work Plans:

- System implementation or assist with the implementation of the following technologies
 - New Financial Information System (FIS)
 - New Aircraft Noise and Operations Monitoring System (ANOMS)
 - Inline Explosive Detection System
 - Building Management System (BMS)

- System Support & Administration-maintain existing systems
 - Replace flooded telecommunications cabling north of terminal building
 - Perform preventative maintenance on PC workstations and peripherals
 - Perform preventative maintenance on telecommunications systems
 - Organize and implement scheduled preventative maintenance on all server systems
- System auditing and control to further improve system security
 - Review and administer Computer Use Policy
 - Conduct annual software license audit

Reno-Stead Airport – Mission Statement: A well-trained Reno-Stead staff will provide a safe, well maintained, presentable and efficiently run airport that specializes in superior customer service.

Board Goals: Stead Airport Operations and Maximize Staff Effectiveness

Work Plans:

- Airfield and Roadway pavement preservation
- Weed Abatement
- RTAA Reno Stead vehicle maintenance
- Airfield and roadway snow removal
- Runway and lighting systems inspections
- Maintain landscaping
- Airfield and roadway sweeping
- Maintain and periodically test emergency generator, and fire sprinkler pump
- Maintain airfield fences and fire breaks
- Assist with the annual air race events
- Provide janitorial service for public facilities
- Continue training of staff
- Support contractors during construction projects
- Maintain building and landscape plumbing systems

Human Resources – Mission Statement: In support of the RTAA mission, the Human Resource team works together in a spirit of continuous improvement and collaboration to provide comprehensive human resource services to our customers, thereby increasing organizational effectiveness.

Board Goals: Maximize Staff Effectiveness

Work Plans:

- Administer Training Program
- Administer Employee Classification and Compensation Program
- Administer the recruitment program
- Administer the terms of collective bargaining agreements, Civil Service Plan, and Management Guidelines.
- Administer the labor relations program with the bargaining groups.
- Support and organize employee team and morale building activities
- Administer the employee benefits program
- Implement new computerized human resource system, and on line application system.

2008-09
ANNUAL BUDGET
Deputy Executive Director
 Department Summary

<u>Account Group</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 2,070,048	\$ 2,155,350	\$ 2,275,500	6%
Utilities and Communications	187,743	198,508	277,415	40%
Purchased Services	146,692	280,280	378,090	35%
Materials and Supplies	183,744	126,925	164,585	30%
Administrative Expenses	160,437	139,390	132,560	-5%
Total Operating Expenses	\$ 2,748,664	\$ 2,900,453	\$ 3,228,150	11%
Property, Plant and Equipment	269,252	71,465	11,000	-85%
TOTAL	<u>\$ 3,017,916</u>	<u>\$ 2,971,918</u>	<u>\$ 3,239,150</u>	<u>9%</u>

**2008-09
ANNUAL BUDGET**

**DEPUTY EXECUTIVE DIRECTOR
Department 22**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$355,355	\$272,100	\$287,200	6%
Vacation Pay	4113	34,520	0	0	0%
Sick Leave Pay	4114	6,524	0	0	0%
Overtime 1.5	4121	1,273	1,500	1,500	0%
Auto Allowance	4125	7,220	7,200	7,200	0%
Medicare	4132	6,904	5,300	5,550	5%
Medical Insurance	4134	24,695	20,700	18,000	-13%
Disability Insurance	413402	1,897	1,800	1,800	0%
Vision Service Plan	413404	696	700	700	0%
Life Insurance	413406	1,051	900	900	0%
Dental Insurance	413410	3,213	3,300	3,300	0%
Self Funded Rx	413412	4,238	4,600	4,100	-11%
Workers Comp	4135	698	900	900	0%
Retirement	4136	76,942	54,100	57,400	6%
TOTAL PERSONNEL SERVICES		525,226	373,100	388,550	4%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	3,434	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		3,434	0	0	0%
PURCHASED SERVICES					
Consultants - General	4314	12,501	30,000	13,000	-57%
Office Machine Rental	4322	395	1,500	1,500	0%
Freight Expense	4343	797	100	100	0%
Other Purchased Services	4349	72	175	175	0%
TOTAL PURCHASED SERVICES		13,765	31,775	14,775	-54%
MATERIALS & SUPPLIES					
Paper	4411	242	500	500	0%
Postage	4412	156	200	250	25%
Printing & Forms	4413	7	200	200	0%
Other Office Supplies	4419	458	750	750	0%
Medical Supplies	4427	476	0	500	%
Small Office Equipment	4441	6	500	500	0%
TOTAL MATERIALS & SUPPLIES		1,345	2,150	2,700	26%

**2008-09
ANNUAL BUDGET**

**DEPUTY EXECUTIVE DIRECTOR
Department 22**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	2,030	1,600	1,310	-18%
Books & Subscriptions	4512	375	100	100	0%
Conference Registration	4513	1,796	4,350	4,895	13%
Training Expenses	4514	1,382	1,000	1,000	0%
Meeting Expenses	4515	8,518	6,500	9,500	46%
Travel & Reimbursed Exp.	4521	14,673	17,600	11,445	-35%
Relocation Expense	4522	7,848	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		<u>36,622</u>	<u>31,150</u>	<u>28,250</u>	<u>-9%</u>
TOTAL EXPENSES BEFORE FIXED ASSETS		580,392	438,175	434,275	-1%
FIXED ASSETS					
Machinery & Equipment	4815	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
TOTAL DEPARTMENT EXPENSES		<u><u>\$580,392</u></u>	<u><u>\$438,175</u></u>	<u><u>\$434,275</u></u>	<u><u>-1%</u></u>

**2008-09
ANNUAL BUDGET**

**TECHNOLOGY AND INFORMATION SYSTEMS
Executive Section 26**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$287,176	\$390,200	\$396,700	2%
Vacation Pay	4113	26,234	0	0	0%
Sick Leave Pay	4114	9,219	1,000	1,000	0%
Overtime 1.5	4121	1,290	4,000	4,000	0%
Overtime Call Back	412103	216	0	0	0%
Weekend Differential	412108	12	0	0	0%
Medicare	4132	4,728	5,650	5,800	3%
Medical Insurance	4134	31,701	42,750	39,000	-9%
Disability Insurance	413402	1,940	2,500	2,500	0%
Vision Service Plan	413404	916	1,300	1,500	15%
Life Insurance	413406	1,092	1,400	1,400	0%
Dental Insurance	413410	3,905	5,350	6,000	12%
Self Funded Rx	413412	4,531	8,050	7,700	-4%
Workers Comp	4135	2,036	4,300	3,600	-16%
Retirement	4136	62,476	80,000	81,300	2%
Uniform Allowance	4138	71	250	250	0%
TOTAL PERSONNEL SERVICES		437,543	546,750	550,750	1%
UTILITIES AND COMMUNICATIONS					
Water	4213	113	200	200	0%
Telephone	4221	97,367	138,308	196,215	42%
Internet Access	4223	9,017	0	0	0%
Other Communications	4229	321	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		106,818	138,508	196,415	42%
PURCHASED SERVICES					
Data Processing	4313	65,466	83,610	241,677	189%
Office Machine Rental	4322	9	0	0	0%
Office Equipment Repair	4335	1,755	12,495	3,438	-72%
Other Repairs & Maint. Services	4339	15,530	20,000	20,500	3%
Freight Expense	4343	59	200	200	0%
TOTAL PURCHASED SERVICES		82,819	116,305	265,815	129%
MATERIALS & SUPPLIES					
Paper	4411	93	100	100	0%
Postage	4412	37	25	50	100%
Office Supplies	4419	496	350	250	-29%
Medical Supplies	4427	177	250	0	-100%

**2008-09
ANNUAL BUDGET**

**TECHNOLOGY AND INFORMATION SYSTEMS
Executive Section 26**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Other Operating Supplies	4429	14,841	6,000	6,000	0%
Small Office Equipment	4441	28,639	10,000	20,000	100%
Small Tools	4444	14,438	2,500	3,000	20%
Employee Safety Equipment	4445	330	300	300	0%
Telephone Equipment	4446	19,982	7,300	19,535	168%
TOTAL MATERIALS & SUPPLIES		79,033	26,825	49,235	84%
ADMINISTRATIVE EXPENSES					
Membership Dues	4511	325	100	150	50%
Books and Subscriptions	4512	260	500	500	0%
Confrence Registration	4513	0	500	1,390	178%
Training Expense	4514	3,542	1,520	625	-59%
Meeting Expense	4515	601	0	100	%
Travel and Reimbursed Exp.	4521	655	2,500	3,550	42%
TOTAL ADMINISTRATIVE EXPENSES		5,383	5,120	6,315	23%
TOTAL EXPENSES BEFORE FIXED ASSETS		711,596	833,508	1,068,530	28%
FIXED ASSETS					
Machinery & Equipment	4815	64,111	32,465	0	-100%
TOTAL SECTION EXPENSES		\$775,707	\$865,973	\$1,068,530	23%

**2008-09
ANNUAL BUDGET**

**RENO STEAD AIRPORT
Executive Section 27**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$290,175	\$361,700	\$335,700	-7%
Temporary Employees	4112	11,784	10,000	10,000	0%
Vacation Pay	4113	30,642	0	0	0%
Sick Leave Pay	4114	13,531	1,900	1,900	0%
Overtime 1.5	4121	2,919	4,000	4,000	0%
Overtime Call Back	412103	750	1,500	1,500	0%
Standby	412104	345	1,000	1,000	0%
Non-Day Shift Differential	412105	18	0	0	0%
Weekend Shift Differential	412108	863	1,000	1,000	0%
Holiday Worked Pay	4128	3,355	4,000	4,000	0%
Medicare	4132	4,637	4,450	4,100	-8%
FICA	413201	731	0	0	0%
Medical Insurance	4134	30,477	43,200	36,000	-17%
Disability Insurance	413402	1,867	2,300	2,100	-9%
Vision Service Plan	413404	890	1,700	1,900	12%
Life Insurance	413406	886	1,050	1,000	-5%
Dental Insurance	413410	4,406	5,350	5,600	5%
Self Funded Rx	413412	6,490	8,100	7,100	-12%
Workers Comp	4135	7,683	16,000	10,700	-33%
Retirement	4136	61,738	73,650	68,500	-7%
Uniform Allowance	4138	879	1,500	1,500	0%
TOTAL PERSONNEL SERVICES		475,066	542,400	497,600	-8%
UTILITIES AND COMMUNICATIONS					
Electricity	4211	25,613	25,000	38,000	52%
Natural Gas	4212	18,048	7,000	14,000	100%
Water	4213	9,051	12,000	12,000	0%
Sewer	4214	9,616	11,000	11,000	0%
Solid Waste Removal	4215	5,826	3,000	4,000	33%
Hazardous Waste Removal	4218	0	2,000	2,000	0%
Telephone	4221	8,459	0	0	0%
Other Communications	4229	547	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		77,160	60,000	81,000	35%
PURCHASED SERVICES					
Consultants-General	4314	9,835	7,500	7,500	0%
Engineering	4315	700	0	0	0%
Other Professional Services	4319	0	1,000	1,000	0%

**2008-09
ANNUAL BUDGET**

**RENO STEAD AIRPORT
Executive Section 27**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Equipment Rental	4321	0	1,000	1,000	0%
Office Machine Rental	4322	1,593	2,150	2,150	0%
Contracted Services	4334	4,937	5,500	5,500	0%
Fence Repair Services	4336	38	1,000	1,000	0%
Other Repairs & Maint. Services	4339	735	1,000	1,000	0%
Freight Expense	4343	253	1,000	1,000	0%
Permits & Recorders Fees	4346	56	150	300	100%
Other Purchased Services	4349	6,574	15,000	5,000	-67%
TOTAL PURCHASED SERVICES		24,721	35,300	25,450	-28%
MATERIALS & SUPPLIES					
Paper	4411	224	500	500	0%
Postage	4412	475	500	500	0%
Printing & Forms	4413	161	500	500	0%
Other Office Supplies	4419	604	1,500	1,500	0%
Oil & Lubricants	4421	2,276	2,000	2,000	0%
Chemicals	4422	0	300	300	0%
Herbicides	442201	0	10,000	10,000	0%
Fertilizer	442202	0	1,000	1,000	0%
Auto Fuel	4423	10,430	5,000	6,500	30%
Diesel Fuel	4424	5,393	4,000	5,800	45%
Janitorial Paper Supplies	4425	368	0	0	0%
Janitorial Supplies	4426	724	750	750	0%
Medical Supplies	4427	359	350	350	0%
Other Operating Supplies	4429	(381)	800	800	0%
Vehicle Repair & Maintenance	4431	5,540	4,500	6,500	44%
Heating & Air Conditioning	4432	196	800	800	0%
Machinery & Equipment	4433	7,690	2,000	3,500	75%
Locks & Hardware	443303	393	500	500	0%
Seeds, Plants, & Trees	4434	767	700	700	0%
Plumbing Supplies	4435	532	1,000	1,000	0%
Electrical Supplies	4436	3,874	1,000	1,000	0%
Runway/Taxiway Supplies	443601	0	1,000	1,000	0%
Ramp Lighting	443602	0	1,000	1,000	0%
Information Signs	443607	0	350	350	0%
Lumber & Building Supplies	4437	5	350	350	0%
Paint Supplies	4438	2,250	2,000	4,500	125%
Other Repairs & Maint. Supplies	4439	7,018	5,000	5,000	0%
Gate Parts	443902	460	1,500	1,500	0%
Sm. Tools & Minor Equip.-Mach.	4442	650	750	750	0%
Signs & Sign Maintenance	4443	899	1,000	1,000	0%

**2008-09
ANNUAL BUDGET**

**RENO STEAD AIRPORT
Executive Section 27**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Operating Tools & Minor Equip.	4444	654	200	200	0%
Employee Safety Equipment	4445	1,909	1,000	1,500	50%
Asphalt & Cement Repair	4451	24,390	15,000	15,000	0%
Patch Materials	445103	167	500	500	0%
Runway/Taxiway	445104	0	15,000	20,000	33%
Sewer Repair Supplies	4452	0	1,000	1,000	0%
Runway/Taxiway Repair	4453	16,374	4,500	5,000	11%
AWOS Maintenance	445301	1,211	2,500	2,500	0%
TOTAL MATERIALS & SUPPLIES		95,612	90,350	105,650	17%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	383	650	900	38%
Books & Subscriptions	4512	0	300	300	0%
Conference Registration	4513	100	0	475	%
Training Expense	4514	2,120	3,000	0	-100%
Meeting Expense	4515	158	1,000	1,000	0%
Other Advertising & Promotions	4539	125	1,000	1,000	0%
TOTAL ADMINISTRATIVE EXPENSES		2,886	5,950	3,675	-38%
TOTAL EXPENSES BEFORE FIXED ASSETS		675,445	734,000	713,375	-3%
FIXED ASSETS					
Machinery & Equipment	4815	205,141	39,000	11,000	-72%
TOTAL SECTION EXPENSES		<u>\$880,586</u>	<u>\$773,000</u>	<u>\$724,375</u>	<u>-6%</u>

**2008-09
ANNUAL BUDGET**

**HUMAN RESOURCES
Executive Section 28**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$316,442	\$336,800	\$357,000	6%
Temporary Employees	4112	0	9,000	0	-100%
Vacation Pay	4113	21,879	0	0	0%
Sick Leave Pay	4114	6,401	0	0	0%
Overtime 1.5	4121	45	0	0	0%
Incentive Awards	4126	4,778	19,100	17,050	-11%
Service Awards	4127	535	3,150	3,350	6%
Physical Exams	4131	27,913	26,500	35,500	34%
Medicare	4132	4,548	4,900	5,200	6%
Wellness Program	4133	35,036	35,000	34,200	-2%
Medical Insurance	4134	37,308	43,300	39,400	-9%
Disability Insurance	413402	1,182	1,400	1,500	7%
Vision Service Plan	413404	947	1,100	1,200	9%
Life Insurance	413406	1,264	1,400	1,400	0%
125 Flex Plan	413409	3,542	5,400	5,400	0%
Dental Insurance	413410	4,493	5,300	6,000	13%
Retiree PEBP Subsidy	413411	82,984	113,500	243,000	114%
Self Funded Rx	413412	6,683	8,150	7,800	-4%
Workers Comp	4135	788	1,450	1,500	3%
Retirement	4136	58,066	65,650	70,100	7%
Unemployment	4137	17,379	12,000	9,000	-25%
TOTAL PERSONNEL SERVICES		632,213	693,100	838,600	21%
UTILITIES AND COMMUNICATIONS					
Water	4213	125	0	0	0%
Telephone	4221	206	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		331	0	0	0%
PURCHASED SERVICES					
Consultants - General	4314	0	68,500	5,000	-93%
Other Professional Services	4319	9,816	11,200	59,200	429%
Office Machine Rental	4322	3,085	3,500	3,200	-9%
Office Equipment	4335	91	0	0	0%
Other Repairs & Maint. Svc.	4339	8,345	9,100	0	-100%
Freight Expense	4343	176	300	150	-50%
Other Purchased Services	4349	3,874	4,300	4,500	5%
TOTAL PURCHASED SERVICES		25,387	96,900	72,050	-26%

**2008-09
ANNUAL BUDGET**

**HUMAN RESOURCES
Executive Section 28**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
MATERIALS & SUPPLIES					
Paper	4411	805	1,000	1,000	0%
Postage	4412	932	1,400	1,000	-29%
Printing & Forms	4413	2,788	2,000	1,500	-25%
Other Office Supplies	4419	3,229	3,200	3,200	0%
Small Office Equipment	4441	0	0	300	%
TOTAL MATERIALS & SUPPLIES		7,754	7,600	7,000	-8%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	2,265	2,200	2,570	17%
Books & Subscriptions	4512	4,206	1,375	820	-40%
Conference Registration	4513	3,963	0	4,500	%
Training Expenses	4514	9,738	2,560	0	-100%
Organizational Training Expenses	451401	27,738	18,935	7,955	-58%
Meeting Expenses	4515	8,390	8,465	5,575	-34%
Tuition Reimbursement	4516	19,505	14,000	15,000	7%
Accreditation Incentive Program	4518	0	0	4,500	%
Travel & Reimbursed Exp.	4521	5,838	700	6,700	857%
Recruitment Expense	4523	3,754	13,935	9,200	-34%
Advertising - Newspapers	4534	30,149	35,000	37,500	7%
TOTAL ADMINISTRATIVE EXPENSES		115,546	97,170	94,320	-3%
TOTAL EXPENSES BEFORE FIXED ASSETS		781,231	894,770	1,011,970	13%
FIXED ASSETS					
Machinery & Equipment	4815	0	0	0	0%
TOTAL SECTION EXPENSES		\$781,231	\$894,770	\$1,011,970	13%

2008-09

Annual budget

Functions and Work Plans

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

Accounting and Administration – Mission Statement: To support the purpose and the goals of the RTAA by providing accurate and timely financial and statistical information to our customers; maintaining a strong cash management system by maximizing investment earnings, collecting revenue, and payment of bills.

Board Goals: Financial Stability, Maximize Staff Effectiveness

Work Plans:

- Accounts Payable is processed twice a month, vendors are paid timely and accurately, invoices are reviewed for appropriateness.
- Accounts Receivable invoicing is done twice monthly. The outstanding accounts receivable are maintained at a level of 3% or less. Conduct monthly meetings to review outstanding accounts receivable. Report to Executive Management all outstanding amounts over 60 days.
- Payrolls completed biweekly.
- Statistical reports are compiled monthly and reviewed for accuracy.
- Record and track fixed assets including construction in progress
- Each staff member will work with independent auditors to compile the annual financial statements.
- Assure that cash flows meet RTAA needs while maximizing investment opportunities.
- Reconcile all bank balances and resolve outstanding issues
- Conduct employee evaluations in a timely manner.
- Set training goals and encourage all staff to take advantage of all appropriate RTAA in house training opportunities
- Attend industry seminars and keep current on official pronouncements of accounting practice.
- Perform analytical reviews and reports for Executive Management.
- Participates in RTAA committees such as Labor Management Committee, Strategic Planning.

Finance and Budgeting – Mission Statement: To provide exceptional financial analysis and budgeting, as well as provide the funding needed to develop the RTAA airports.

Board Goals: Financial Stability, Maximize Staff Effectiveness

Work Plans:

- Receipt of GFOA budget award
- Monthly Operating Statements prepared and presented at monthly Finance Committee meetings
- Minimize growth in Cost Per Enplanement, airline rate setting, mid year review, and year end settlement completed and presented to the RTAA Board and airlines
- Update FAA Grants status reports, assist with annual Single Audit, and administer PFC program as required.

- Airline rate analysis during airline agreement negotiations, and airport baggage system operating fiscal impact after project completion.
- Review Board memo Fiscal Impacts, and other analyses as requested.
- Attend Strategic Planning and Project Review Committee meetings, and report on project expenditures as requested.
- Complete insurance applications, provide insurance company tours, administer RTAA liability claims, and review RTAA contract insurance requirements.
- Complete implementation, and staff training for the new computerized Financial Information System

Purchasing and Materials Management– Mission Statement: The mission of the section is to support the purpose and the goals of the RTAA by ensuring that all materials, supplies, equipment, and services required to operate Reno-Tahoe International and Reno Stead Airports are acquired in a timely manner, at the lowest possible cost, consistent with the quality required, and in compliance with all applicable procurement legislation.

Board Goals: Financial Stability, Maximize Staff Effectiveness, and Passenger Services and Experience

Work Plans:

- 90 percent of requisitions received with adequate specifications or scope of work are processed within 48 hours of receipt; total purchase order placement on average of 100 per month; 25 term or annual requirement contracts.
- Informally bid 100 percent of procurements that fall within \$25,000 to \$50,000; informal bids issued within 10 days of receipt of adequate specifications or scope of work; complete informal bids are required.
- 100 percent of procurements that are in excess of \$50,000 are competitively bid; formal bids issued with 60 days of receipt of adequate specifications or scope of work; complete 25 formal bids depending on budget
- Utilize GSA, State of Nevada, or local government cooperative bids.
- Increase efficiency in purchasing process; shorten buying cycle; reduce administrative costs; empower employees; control spending; improve vendor relations; change providers to increase possibility of rebate on expenditures.
- Contract for goods and services are placed within 30 days of receipt of adequate specifications or scope of work; place 20 term contracts
- Conduct two formal training sessions per year on purchasing and materials management policies and procedures. Provide other information on an as available, as needed basis.
- Meet w/vendors, suppliers, and contractors on a weekly basis, attend professional meetings meet with general public as needed to discuss purchasing and materials management issues. Attend staff and other meetings as required.
- Staff member to attend national purchasing or materials management conference as approved. Maintain membership in professional organizations.
- Pick up and deliver U.S. mail daily before 0900 hours. Pick up and deliver, within 24 hours of receipt, documents, materials, and supplies, etc.
- Conduct 100 percent physical inventory counts with less than 1 percent error.
- Receive and issue materials and supplies for work order-based purchases in less than 4 hours. Stock inventory received in less than 2 days. Maintain and operate storeroom, stock locations and bins on a daily on-going basis

- Assign fixed asset tags to 100 percent of assets purchased meeting criteria within 2 days of receipt. Obtain authorized signature prior to release from receiving
- Obtain, maintain and distribute Material Safety Data Sheets to the organization for 100 percent of items requiring them in compliance with OSHA requirements
- Ensure surplus property is disposed of in accordance with the requirements contained in NRS 332

Property Administration – Mission Statement: The RTAA’s Property Administration Section acquires, manages, and disposes of various real property interests for the purpose of improving the mobility of people, goods, and services related to air transportation based upon the Airport Master Plan creating legally responsible documentation that ensures the best commercial and self-sustaining developments while preserving community and environmental considerations.

Board Goals: Efficient Airport Operations, Passenger Services and Experience, Maximize Staff Effectiveness, Financial Stability, Air Service Development, Master Development Planning, and Stead Airport Operations

Work Plans:

- Respond to operational issues appropriately and timely.
- Respond to passenger needs appropriately and timely.
- Assure each staff member attends training, both in-house and other professional opportunities.
- Manage section activities and functions; assure that supplies are appropriate for department needs.
- Maximize existing revenues of commercial properties.
- Maximize existing revenues of terminal building concessions.
- Generate new sources of revenue and take advantage of development opportunities.
- Update RTIA agreements and monitor lease compliance.
- Pursue general aviation revenue opportunities; monitor lease compliance.
- Acquire noise impacted residential land as pursuant to the RTAA Part 150 Program.

2008-09
ANNUAL BUDGET
Finance and Administration
 Department Summary

<u>Account Group</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 1,616,264	\$ 1,977,900	\$ 2,002,800	1%
Utilities and Communications	21,526	32,300	30,940	-4%
Purchased Services	217,562	328,534	300,600	-9%
Materials and Supplies	33,175	55,666	56,470	1%
Administrative Expenses	87,314	23,860	70,980	197%
 Total Operating Expenses	 \$ 1,975,841	 \$ 2,418,260	 \$ 2,461,790	 2%
Property, Plant and Equipment	15,936	0	0	0%
 TOTAL	 \$ 1,991,777	 \$ 2,418,260	 \$ 2,461,790	 2%

**2008-09
ANNUAL BUDGET**

**ACCOUNTING AND ADMINISTRATIO
Department 31**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$349,414	\$412,800	\$432,300	5%
Temporary Employees	4112	3,177	0	0	0%
Vacation Pay	4113	33,049	0	0	0%
Sick Leave Pay	4114	6,738	0	0	0%
Overtime 1.5	4121	390	0	4,500	%
Weekend Differential	412108	17	300	0	-100%
Medicare	4132	3,631	3,800	4,000	5%
FICA	413201	199	0	0	0%
Medical Insurance	4134	42,630	62,800	50,100	-20%
Disability Insurance	413402	2,050	2,350	2,500	6%
Vision Service Plan	413404	1,211	1,650	1,600	-3%
Life Insurance	413406	1,263	1,400	1,500	7%
Dental Insurance	413410	4,640	8,050	7,700	-4%
Self Funded Rx	413412	6,255	11,800	9,800	-17%
Workers Comp	4135	952	1,700	1,800	6%
Retirement	4136	75,455	83,950	88,000	5%
TOTAL PERSONNEL SERVICES		531,071	590,600	603,800	2%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	214	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		214	0	0	0%
PURCHASED SERVICES					
Accounting & Audit Services	4312	50,450	57,000	67,000	18%
Data Processing	4313	4,341	4,200	2,100	-50%
Trustee & Paying Agent Fees	4318	20,000	20,000	20,000	0%
Other Professional Services	4319	282	0	0	0%
Office Machine Rental	4322	2,506	3,600	3,000	-17%
Freight Expense	4343	338	400	400	0%
Other Purchased Services	4349	31,241	32,000	15,000	-53%
TOTAL PURCHASED SERVICES		109,158	117,200	107,500	-8%
MATERIALS & SUPPLIES					
Paper	4411	1,295	800	1,000	25%
Postage	4412	2,879	2,000	2,200	10%
Printing & Forms	4413	5,554	4,000	7,000	75%
Other Office Supplies	4419	4,020	4,000	4,500	13%
TOTAL MATERIALS & SUPPLIES		13,748	10,800	14,700	36%

**2008-09
ANNUAL BUDGET**

**ACCOUNTING AND ADMINISTRATIO
Department 31**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSES					
Membership Dues	4511	1,385	925	1,290	39%
Books and Subscriptions	4512	916	500	1,000	100%
Conference Registration	4513	629	0	0	0%
Training Expenses	4514	1,666	1,500	2,500	67%
Meeting Expenses	4515	724	500	500	0%
Travel and Reimbursed Exp.	4521	3,463	0	0	0%
Advertising - Newspapers	4534	0	75	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		8,783	3,500	5,290	51%
TOTAL EXPENSES BEFORE FIXED ASSETS		662,974	722,100	731,290	1%
FIXED ASSETS					
Machinery & Equipment	4815	0	0	0	0%
TOTAL DEPARTMENT EXPENSES		\$662,974	\$722,100	\$731,290	1%

**2008-09
ANNUAL BUDGET**

**FINANCE AND BUDGETING
Section 32**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$176,518	\$207,800	\$219,400	6%
Vacation Pay	4113	18,141	0	0	0%
Sick Leave Pay	4114	4,313	0	0	0%
Medicare	4132	1,170	1,250	1,300	4%
Medical Insurance	4134	18,393	19,500	16,900	-13%
Disability Insurance	413402	1,160	1,300	1,400	8%
Vision Service Plan	413404	475	550	600	9%
Life Insurance	413406	678	700	700	0%
Dental Insurance	413410	2,297	2,750	2,800	2%
Self Funded Rx	413412	2,891	3,700	3,300	-11%
Workers Comp	4135	312	600	600	0%
Retirement	4136	37,585	41,500	44,400	7%
TOTAL PERSONNEL SERVICES		263,933	279,650	291,400	4%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	0	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		0	0	0	0%
PURCHASED SERVICES					
Accounting & Audit Services	4312	0	0	0	0%
Data Processing	4313	0	0	0	0%
Consultant - General	4314	48,638	15,000	15,000	0%
Office Machine Rental	4322	1,046	600	900	50%
Office Equipment Repair Ser.	4335	0	0	0	0%
Freight Expense	4343	181	200	100	-50%
TOTAL PURCHASED SERVICES		49,865	15,800	16,000	1%
MATERIALS & SUPPLIES					
Paper	4411	387	700	200	-71%
Postage	4412	39	50	200	300%
Printing & Forms	4413	4,636	5,000	4,000	-20%
Other Office Supplies	4419	1,999	0	300	%
Other Operating Supplies	4429	6	1,100	0	-100%
Small Office Equipment	4441	1,210	300	500	67%
TOTAL MATERIALS & SUPPLIES		8,277	7,150	5,200	-27%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	1,240	1,350	1,400	4%
Books & Subscriptions	4512	953	530	550	4%
Conference Registration	4513	590	0	600	%
Training Expenses	4514	0	200	100	-50%
Meeting Expenses	4515	0	100	100	0%

**2008-09
ANNUAL BUDGET**

**FINANCE AND BUDGETING
Section 32**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Travel & Reimbursed Exp.	4521	2,388	0	1,250	%
Newspapers	4534	605	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		<u>5,776</u>	<u>2,180</u>	<u>4,000</u>	<u>83%</u>
TOTAL EXPENSES BEFORE FIXED ASSETS		327,851	304,780	316,600	4%
FIXED ASSETS					
Machinery & Equipment	4815	3,911	0	0	0%
TOTAL SECTION EXPENSES		<u>\$331,762</u>	<u>\$304,780</u>	<u>\$316,600</u>	<u>4%</u>

**2008-09
ANNUAL BUDGET**

**PURCHASING AND MATERIALS MANAGEMENT
Section 33**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$248,776	\$282,700	\$294,500	4%
Vacation Pay	4113	22,818	0	0	0%
Sick Leave Pay	4114	6,681	2,000	1,500	-25%
Overtime 1.5	4121	0	0	1,000	%
Medicare	4132	2,048	2,100	2,200	5%
Medical Insurance	4134	35,847	40,700	35,300	-13%
Disability Insurance	413402	1,589	1,700	1,800	6%
Vision Service Plan	413404	945	1,000	1,000	0%
Life Insurance	413406	1,176	1,200	1,200	0%
Dental Insurance	413410	4,367	7,800	4,800	-38%
Self Funded Rx	413412	6,092	7,600	6,900	-9%
Workers Comp	4135	3,349	7,000	5,700	-19%
Retirement	4136	50,553	55,100	57,800	5%
Uniform Allowance	4138	669	850	1,000	18%
TOTAL PERSONNEL SERVICES		384,910	409,750	414,700	1%
UTILITIES AND COMMUNICATIONS					
Water	4213	292	0	360	%
Solid Waste Removal	4215	0	0	2,500	%
Telephone	4221	881	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		1,173	0	2,860	%
PURCHASED SERVICES					
Office Machine Rental	4322	4,791	5,000	5,000	0%
Contracted Services	4334	0	5,000	5,000	0%
Other Repairs & Maintenance	4339	0	500	700	40%
Freight Expense	4343	1,814	5,000	5,000	0%
Permits, License & Rec. Fees	4346	207	200	300	50%
Other Purchased Services	4349	40	0	0	0%
TOTAL PURCHASED SERVICES		6,852	15,700	16,000	2%
MATERIALS & SUPPLIES					
Paper	4411	162	400	600	50%
Postage	4412	131	300	300	0%
Printing & Forms	4413	467	2,000	2,500	25%
Office Supplies	4419	2,747	6,000	6,000	0%
Medical Supplies	4427	225	0	400	%
Other Operating Supplies	4429	227	500	500	0%
Machinery and Equipment	4433	0	500	500	0%

**2008-09
ANNUAL BUDGET**

**PURCHASING AND MATERIALS MANAGEMENT
Section 33**

	<u>ACCOUNT NO.</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
Small Office Tools	4441	0	1,500	2,500	67%
Other Tools & Supplies	4444	517	2,000	3,000	50%
Employee Safety Equipment	4445	381	500	700	40%
TOTAL MATERIALS & SUPPLIES		4,857	13,700	17,000	24%
ADMINISTRATIVE EXPENSES					
Membership Dues	4511	630	1,125	1,125	0%
Books and Subscriptions	4512	0	0	700	%
Conference Registration	4513	1,654	1,000	0	-100%
Training Expense	4514	0	1,000	3,000	200%
Meeting Expenses	4515	0	500	0	-100%
Travel and Reimbursed Exp.	4521	2,247	2,000	0	-100%
Newspaper	4534	1,547	3,000	3,000	0%
TOTAL ADMINISTRATIVE EXPENSES		6,078	8,625	7,825	-9%
TOTAL EXPENSES BEFORE FIXED ASSETS		403,870	447,775	458,385	2%
FIXED ASSETS					
Machinery & Equipment	4815	0	0	0	0%
TOTAL SECTION EXPENSES		<u>\$403,870</u>	<u>\$447,775</u>	<u>\$458,385</u>	<u>2%</u>

**2008-09
ANNUAL BUDGET**

**PROPERTY ADMINISTRATION
Section 25**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$286,356	\$488,800	\$495,100	1%
Vacation Pay	4113	25,832	0	0	0%
Sick Leave Pay	4114	10,052	2,500	2,500	0%
Overtime 1.5	4121	194	200	3,500	1650%
Medicare	4132	5,051	10,500	7,200	-31%
Medical Insurance	4134	31,278	68,500	56,300	-18%
Disability Insurance	413402	1,993	2,900	3,100	7%
Vision Service Plan	413404	744	1,500	1,700	13%
Life Insurance	413406	1,268	2,200	2,000	-9%
Dental Insurance	413410	3,621	7,500	8,100	8%
Self Funded Rx	413412	5,450	12,800	11,000	-14%
Workers Comp	4135	854	2,400	2,400	0%
Retirement	4136	63,657	98,100	99,500	1%
Uniform Allowance	4138	0	0	500	%
TOTAL PERSONNEL SERVICES		436,350	697,900	692,900	-1%
UTILITIES AND COMMUNICATIONS					
Electricity	4211	782	250	0	-100%
Natural Gas	4212	151	0	0	0%
Water	4213	15,225	15,000	15,000	0%
Sewer	4214	1,067	1,250	0	-100%
Solid Waste Removal	4215	2,522	13,000	12,000	-8%
Telephone	4221	392	2,800	1,080	-61%
TOTAL UTILITIES & COMMUNICATIONS		20,139	32,300	28,080	-13%
PURCHASED SERVICES					
Consultants - General	4314	8,961	30,000	5,000	-83%
Storage and Parking Advertising	431401	0	14,184	9,000	-37%
Real Estate Appraisals	4317	12,105	20,000	20,000	0%
Other Professional Services	4319	16,775	18,500	13,500	-27%
Land Surveying	431902	0	20,000	20,000	0%
Office Machine Rental	4322	1,728	3,600	2,000	-44%
Land Rental	4324	2,800	2,800	2,800	0%
Repairs and Maintenance	4334	0	6,600	17,750	169%
Other Repair/Maintenance	4339	0	39,900	40,500	2%
Freight Expense	4343	883	850	850	0%
Permits & Records Fees	4346	311	200	200	0%
Airport Advertising	4347	5,588	1,500	10,000	567%

**2008-09
ANNUAL BUDGET**

**PROPERTY ADMINISTRATION
Section 25**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Other Purchased Services	4349	2,536	21,700	19,500	-10%
TOTAL PURCHASED SERVICES		51,687	179,834	161,100	-10%
MATERIALS & SUPPLIES					
Paper	4411	614	1,236	870	-30%
Postage	4412	938	760	800	5%
Printing & Forms	4413	1,051	1,600	1,450	-9%
Other Office Supplies	4419	2,791	5,000	7,000	40%
Auto Fuel	4423	0	0	2,400	%
Janitorial Supplies	4426	0	120	200	67%
Other Operating Supplies	4429	80	0	0	0%
Vehicles	4431	0	300	300	0%
Heating and Air Conditioning	4432	0	9,200	100	-99%
Locks & Hardware	443303	800	2,400	1,200	-50%
Small Office Equipment	4441	0	3,400	2,000	-41%
Signs & Sign Maintenance	4443	19	0	1,500	%
Tools & Small Equipment	4444	0	0	1,500	%
Telephone Equipment & Labor	4446	0	0	250	0%
TOTAL MATERIALS & SUPPLIES		6,293	24,016	19,570	-19%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	1,055	535	1,760	229%
Books & Subscriptions	4512	29	140	150	7%
Conference Registration	4513	1,145	1,475	700	-53%
Training Expenses	4514	1,437	1,000	200	-80%
Meeting Expenses	4515	335	200	200	0%
Travel & Reimbursed Exp.	4521	6,562	5,455	5,055	-7%
Recruitment Expense	4523	630	0	0	0%
Advertising - Newspaper	4534	284	750	800	7%
Economic Development	4536	55,200	0	45,000	%
TOTAL ADMINISTRATIVE EXPENSES		66,677	9,555	53,865	464%
TOTAL EXPENSES BEFORE FIXED ASSETS		581,146	943,605	955,515	1%
FIXED ASSETS					
Machinery & Equipment	4815	12,025	0	0	0%
TOTAL SECTION EXPENSES		<u>\$593,171</u>	<u>\$943,605</u>	<u>\$955,515</u>	<u>1%</u>

**2008-09
ANNUAL BUDGET**

NONDEPARTMENTAL
Department 90

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Wages	4111	\$151,897	\$175,000	\$175,000	0%
Medical Insurance	4134	178	0	0	0%
Disability Insurance	413402	(371)	0	0	0%
Life Insurance	413406	(82)	0	0	0%
Self Funded Rx	413412	(7,359)	0	0	0%
Post Employment Health Plan	4141	0	0	75,000	%
TOTAL PERSONNEL SERVICES		144,263	175,000	250,000	43%
UTILITIES AND COMMUNICATIONS					
Electricity	4211	(116,626)	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		(116,626)	0	0	0%
PURCHASED SERVICES					
Consultants - General	4314	0	45,000	0	-100%
Engineering	4315	1,855	0	0	0%
Other Professional Services	4319	16,740	30,000	30,000	0%
Air Service Studies	431903	206,410	100,000	130,000	30%
Freight	4343	(2,951)	0	0	0%
Other Purchased Services	4349	424	0	0	0%
TOTAL PURCHASED SERVICES		222,478	175,000	160,000	-9%
MATERIALS & SUPPLIES					
Postage	4412	670	0	0	0%
Printing and Forms	4413	130	0	0	0%
Machinery & Equipment	4433	2,670	0	0	0%
TOTAL MATERIALS & SUPPLIES		3,470	0	0	0%
ADMINISTRATIVE EXPENSE					
Travel and Reimbursed Exp.	4521	0	80,000	80,000	0%
Relocation Expense	4522	1,069	0	0	0%
Newspaper	4534	354	0	0	0%
Air Service & Cargo Development	4535	0	165,300	116,100	-30%
Economic Development	4536	1,425	0	0	0%
Other Advertising & Promotion	4539	25,809	50,000	50,000	0%
Airport Liability Insurance	4541	230,967	257,000	238,166	-7%
Vehicle Insurance	4542	46,497	49,000	47,167	-4%
Bonds-Employee/Officials	4544	5,499	5,500	9,638	75%

**2008-09
ANNUAL BUDGET**

NONDEPARTMENTAL
Department 90

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Property Insurance	4545	526,942	543,000	550,215	1%
Public Officials Liability	4546	99,831	110,000	111,949	2%
Public Safety Liability	4547	116,541	123,000	125,998	2%
Deductible Payments	4549	5,668	50,000	50,000	0%
Fines & Settlements	4592	5,830	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		1,066,432	1,432,800	1,379,233	-4%
FIXED CHARGES					
Interest Expense-1996B Bonds	4912	150,380	87,600	20,075	-77%
Interest Expense-2003 Bonds	491601	1,258,000	1,117,000	968,750	-13%
Interest Expense-2005 Bonds	491602	1,408,438	1,405,438	1,402,288	0%
Interest Expense-2002 Bonds	491801	583,650	395,438	197,512	-50%
TOTAL FIXED CHARGES		3,400,468	3,005,476	2,588,625	-14%
TOTAL SECTION EXPENSES		<u>\$4,720,485</u>	<u>\$4,788,276</u>	<u>\$4,377,858</u>	<u>-9%</u>

2008-09

Annual budget

Functions and Work Plans

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

Senior Director of Operations and Public Safety – Mission Statement: Ensure leadership and direction in managing, coordinating and integrating all aspects of landside, terminal, airside and general aviation operations in compliance with safety and security regulations for an efficient, safe and seamless experience for all Airport users.

Board Goals: Efficient Airport Operations, Passenger Services and Experience

Work Plans:

- Provide direction and support for the Airside Operations Division.
- Provide direction and support for the Landside Operations Division.
- Provide direction and support for the Airport Rescue and Fire Division.
- Provide direction and support for the Police and Security Division.
- Provide direction and support for the Airport Communications Division.

Airfield Operations – Mission Statement: Ensure Reno-Tahoe Airport provides a safe and efficient means of integrated transportation for the public and is in compliance with Part 139 of the Federal Aviation Regulations.

Board Goals: Efficient Airport Operations, Maximize Staff Effectiveness

Work Plans:

- Ensure airport is continually in compliance with 14 CFR 139 and FAA Certification Inspection is passed. Represent the President/CEO on routine and emergency matters during non-business hours. Ensure the continuing operation of the airport during non-business hours.
- Prepare annual budget for the Operations Division. Provide employees with feedback on work performance. Work delegation. Training. Attend necessary meetings both within and outside RTAA to provide input and gather information. Provide constructive input on pertinent subject matter. Obtain information for dissemination to staff and management.
- Protect aircraft from the danger of bird strikes and the danger of small and large animal strikes. Reduce number of migratory birds on, and in the vicinity of, the airport. Complete Wildlife Hazard Mitigation Plan. Reduction in population of wildlife on the Airfield in accordance with the Wildlife Hazard Plan. Participation in the annual Goose Roundup In conjunction with USDA. Attend Wildlife Hazard Workshop.
- Reduce pilot/vehicle deviations/incursions. Identify and prepare areas on the airfield for parking up to 500 additional aircraft during special events. Attend Runway Safety Workshop.
- Manage Emergency Operations Center (EOC) during emergencies. Activate EOC as required. Provide NIMS training to staff. Administer WebEOC. Attend AAAE NIMS Conference and IAEM Convention.

- Update Snow and Ice Control Plan. Hold pre-season coordination meetings. Ensure snow is removed from runway and taxiway within 30-minutes of onset of event. Average of 6 events per year. Review snow season activities and prepare for next year. Attendance at International Snow Symposium
- Monitor weather for effect on construction projects and maintenance activities. Monitor weather in local area and nationwide for delays and other disruptions to air traffic that could affect RTIA. Monitor local area weather for thunderstorms.
- Create Daily Operations Report summarizing operations activities. Generate aircraft ramp overnight parking report on monthly basis for revenue billing purposes. Proper documentation of daily activities on airport. Properly assign parking spaces to air cargo operations and airlines requesting additional parking spaces.
- Ensure Operations representation during planning and execution of construction activities. Ensure proper notification of airfield construction activities. Maintain a safe operations area for aircraft operations and construction.

Landside Operations – Mission Statement: To enhance parking and ground transportation revenue, provide exceptional customer service to all Landside Operations end users, and maximize technological advances to ensure efficient and effective operations.

Board Goals: Efficient Airport Operations

Work Plans:

- Provide and maintain all aspects of Ground Transportation to provide services and maintain compliance with all regulations.
- To maximize revenue generating opportunities by continued personnel training and utilization of proven advanced technologies.
- Provide the traveling public with highest quality of parking services while maintaining a safe, secure environment.

Airport Fire Fighting and Rescue (ARFF) – Mission Statement: Respond to emergencies including aircraft rescue fire fighting services, structural fire protection, hazardous materials response, and emergency first aid service. Provide fire and safety inspections, fire prevention activities, and training for RTAA employees and tenants. Oversee environmental, health and safety programs.

Board Goals: Efficient Airport Operations, Passenger Services and Experience, and Maximize Staff Effectiveness

Work Plans:

- **Emergency Response** - Respond to emergencies on RTAA and Stead properties to provide protection of life, property and the environment.
- **Fire Inspection/Standby** - Provide specified inspections of all buildings, hangars, aircraft refueling vehicles, and other equipment. Provide hazardous operations standbys as required.
- **Fire Prevention Training** - Make all employees aware of proper safety and fire prevention practices.

- **Daily Station Activities** - Ensure operational status of all department vehicles, tools and equipment. Ensure a safe, clean and operational station. Order supplies and equipment as needed
- **Physical Fitness** - Ensure that employees maintain a healthy life style and encourage physical activity.
- **Department Training** - Maintain proficiency as required by standards and codes
- **Administration** - Ensure proper program management and oversight.

Airport Police – Mission Statement: Ensure Reno-Tahoe International Airport provides a safe and secure facility in accordance with TSR Part 1542 and Nevada Revised Statutes.

Board Goals: Efficient Airport Operations, Maximize Staff Effectiveness, and Passenger Services and Experience

Work Plans:

- Provide for the safety and security of the traveling public. Provide physical security for the aircraft. Meet requirements of Transportation Security Regulation (TSR) Part 1542 and assist air carriers with requirements for TSR Part 1542 and 1544
- Provide recurrent training in accordance with Nevada Peace Officers Standards Training requirements. Continue professional development training. Field Training Officer Program for new officer(s).
- Operate a fully functional Airport Police Division office
- Provide Airport Police Officers and Security Specialists with uniforms and equipment
- Provide general maintenance for Police Division vehicles and facilities
- Provide for the safety and security of the traveling public through Airport Police Officer vehicle and foot patrols and police presence
- Document criminal activity occurring on airport property. Conduct investigations of criminal incidents occurring on airport property.
- Participate in the Transportation Security Administration (TSA) National Explosive Detection Canine Team Program.

Airport Communications – Mission Statement: To provide and maintain accurate and concise communications ensuring security, safety and service for the traveling public and airport personnel on a 24 hours per day, 365 days per year basis.

Board Goal: Efficient Airport Operations and Passenger Services and Experience

Work Plans:

- Monitor door alarms and access control points, Verify badge access and print access point reports when requested, dispatch police and/or security to access control point violations.
- Operate airport telephone paging system, answer questions from the public, direct operational phone inquiries, operate direct phone lines with FAA Tower and Fire Department.
- Monitor Fireworks Fire Alarm System for the terminal building, parking structures, U.S. Customs building and airfield maintenance. Advise airlines of

ramp freezes and other emergency situations using the airline ring down telephone system.

- Monitor and operate the National Crime Information Center computer for incoming information from outside police agencies and for the Department of Homeland Security bulletins. Disseminate information using fax and retain hard copies.
- Dispatch all routine and emergency calls for police, security, operations, fire and maintenance. Monitor and maintain radio traffic on 7 radio channels, make notifications to management using email and InfoRad paging system. Log all calls for service in a Computer Aided Dispatch computer program.
- Maintain software and hardware for C-Cures, WebEOC and CCTV equipment. Manage RTAA 800 MHz radio system and Interlocal agreement with Washoe County Regional Communications system. Project management for various projects
- Prepare annual budget for the Communications Division. Provide employees with feedback on work performance. Attend necessary meetings both within and outside RTAA to provide input and gather information.

2008-09
ANNUAL BUDGET
Operations and Public Safety
 Department Summary

<u>Account Group</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 8,196,066	\$ 9,133,944	\$ 9,046,530	-1%
Utilities and Communications	12,282	125	0	-100%
Purchased Services	551,166	478,444	667,260	39%
Materials and Supplies	125,411	147,135	226,417	54%
Administrative Expenses	69,716	80,199	102,144	27%
Total Operating Expenses	\$ 8,954,641	\$ 9,839,847	\$10,042,351	2%
Property, Plant and Equipment	354,868	253,000	6,000	-98%
TOTAL	<u>\$ 9,309,509</u>	<u>\$10,092,847</u>	<u>\$10,048,351</u>	<u>0%</u>

**2008-09
ANNUAL BUDGET**

**SENIOR DIRECTOR OF OPERATIONS AND PUBLIC SAFETY
Department 41**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$153,315	\$183,000	\$192,900	5%
Vacation Pay	4113	14,466	0	0	0%
Sick Leave Pay	4114	3,289	0	0	0%
Overtime 1.5	4121	535	200	800	300%
Overtime Call Back	412103	0	100	800	700%
Standby	412104	209	0	500	%
Weekend Differential	412108	7	0	0	0%
Holiday Worked Pay	4128	0	0	400	%
Medicare	4132	2,488	2,700	2,800	4%
Medical Insurance	4134	13,500	14,400	12,500	-13%
Disability Insurance	413402	914	1,200	1,200	0%
Vision Service Plan	413404	313	400	300	-25%
Life Insurance	413406	468	500	500	0%
Dental Insurance	413410	1,456	1,600	1,600	0%
Self Funded Rx	413412	2,054	2,700	2,400	-11%
Workers Comp	4135	328	600	600	0%
Retirement	4136	32,754	36,900	38,900	5%
TOTAL PERSONNEL SERVICES		226,096	244,300	256,200	5%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	363	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		363	0	0	0%
PURCHASED SERVICES					
Office Machine Rental	4322	207	240	240	0%
Freight Expense	4343	20	0	0	0%
TOTAL PURCHASED SERVICES		227	240	240	0%
MATERIALS & SUPPLIES					
Paper	4411	99	100	100	0%
Postage	4412	12	50	50	0%
Printing & Forms	4413	0	100	100	0%
Other Office Supplies	4419	655	500	550	10%
TOTAL MATERIALS & SUPPLIES		766	750	800	7%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	489	455	240	-47%

**2008-09
ANNUAL BUDGET**

**SENIOR DIRECTOR OF OPERATIONS AND PUBLIC SAFETY
Department 41**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Conference Registration	4513	385	0	2,045	%
Meeting Expenses	4515	427	400	500	25%
Travel & Reimbursed Expenses	4521	1,992	0	5,500	%
TOTAL ADMINISTRATIVE EXPENSES		<u>3,293</u>	<u>855</u>	<u>8,285</u>	<u>869%</u>
TOTAL EXPENSES BEFORE FIXED ASSETS		230,745	246,145	265,525	8%
FIXED ASSET ACQUISITION					
Machinery & Equipment	4815	0	0	0	0%
TOTAL DEPARTMENT EXPENSES		<u>\$230,745</u>	<u>\$246,145</u>	<u>\$265,525</u>	<u>8%</u>

**2008-09
ANNUAL BUDGET**

**AIRFIELD OPERATIONS
Section 42**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$501,695	\$612,600	\$642,200	5%
Vacation Pay	4113	48,022	0	0	0%
Sick Leave Pay	4114	26,870	0	0	0%
Comp Time	4116	412	0	0	0%
Overtime 1.5	4121	14,995	20,000	18,000	-10%
Standby	412104	376	0	1,000	%
Holiday Worked Pay	4128	15,013	18,500	18,000	-3%
Medicare	4132	3,501	3,700	3,900	5%
Medical Insurance	4134	64,819	69,900	60,600	-13%
Disability Insurance	413402	3,474	3,800	4,000	5%
Vision Service Plan	413404	1,496	1,600	1,600	0%
Life Insurance	413406	2,654	2,700	2,700	0%
Dental Insurance	413410	6,967	7,900	8,000	1%
Self Funded Rx	413412	9,317	13,100	11,800	-10%
Workers Comp	4135	12,050	25,200	19,500	-23%
Retirement	4136	113,183	123,100	129,300	5%
Uniform Allowance	4138	2,652	2,500	2,500	0%
TOTAL PERSONNEL SERVICES		827,496	904,600	923,100	2%
UTILITIES AND COMMUNICATIONS					
Water	4213	132	0	0	0%
Telephone	4221	657	0	0	0%
Other Communications	4229	204	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		993	0	0	0%
PURCHASED SERVICES					
Other Professional Services	4319	64,882	36,000	38,000	6%
Office Machine Rental	4322	43	300	300	0%
Other Repairs & Maint Svc	4339	0	2,000	1,000	-50%
Freight Expense	4343	397	200	200	0%
Other Purchased Services	4349	89	0	0	0%
TOTAL PURCHASED SERVICES		65,411	38,500	39,500	3%
MATERIALS & SUPPLIES					
Paper	4411	55	100	80	-20%
Postage	4412	0	40	100	150%
Printing & Forms	4413	32	1,000	800	-20%
Other Office Supplies	4419	1,717	1,800	2,000	11%

**2008-09
ANNUAL BUDGET**

**AIRFIELD OPERATIONS
Section 42**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Medical Supplies	4427	148	0	400	%
Other Operating Supplies	4429	844	1,875	1,000	-47%
Vehicles	4431	700	0	0	0%
Machinery & Equipment	4433	0	500	0	-100%
Signs & Sign Maintenance	4443	1,872	0	0	0%
TOTAL MATERIALS & SUPPLIES		5,368	5,315	4,380	-18%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	1,605	2,200	2,100	-5%
Books & Subscriptions	4512	1,643	3,325	3,300	-1%
Conference Registration	4513	1,735	450	1,350	200%
Meeting Expenses	4515	872	800	600	-25%
Travel & Reimbursed Exp.	4521	2,666	875	5,940	579%
TOTAL ADMINISTRATIVE EXPENSES		8,521	7,650	13,290	74%
TOTAL EXPENSES BEFORE FIXED ASSETS		907,789	956,065	980,270	3%
FIXED ASSETS					
Machinery & Equipment	4815	175,347	42,500	6,000	-86%
TOTAL SECTION EXPENSES		<u>\$1,083,136</u>	<u>\$998,565</u>	<u>\$986,270</u>	<u>-1%</u>

**2008-09
ANNUAL BUDGET**

**LANDSIDE OPERATIONS
Section 43**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$408,580	\$526,400	\$500,500	-5%
Temporary Employees	4112	23,822	0	0	0%
Vacation Pay	4113	35,676	0	0	0%
Sick Leave Pay	4114	23,627	3,000	2,500	-17%
Overtime 1.5	4121	97,988	6,200	6,400	3%
Overtime Call Back	412103	314	500	500	0%
Standby	412104	6,200	250	0	-100%
Non-Day Shift Differential	412105	19,863	24,500	23,500	-4%
Weekend Differential	412108	2,277	5,500	3,500	-36%
Holiday Worked	4128	30,034	32,600	33,580	3%
Medicare	4132	8,611	7,100	7,300	3%
FICA	413201	1,582	0	0	0%
Medical Insurance	4134	62,417	99,600	79,600	-20%
Disability Insurance	413402	2,408	2,900	3,000	3%
Vision Service Plan	413404	1,782	2,400	2,200	-8%
Life Insurance	413406	1,697	2,100	2,000	-5%
Dental Insurance	413410	7,882	11,500	10,800	-6%
Self Funded Rx	413412	11,273	18,700	15,400	-18%
Workers Comp	4135	13,342	34,700	25,000	-28%
Retirement	4136	100,537	105,700	100,800	-5%
Uniform Allowance	4138	1,894	3,000	3,000	0%
TOTAL PERSONNEL SERVICES		861,806	886,650	819,580	-8%
UTILITIES AND COMMUNICATIONS					
Water	4213	949	0	0	0%
Telephone	4221	168	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		1,117	0	0	0%
PURCHASED SERVICES					
Other Professional Services	4319	7,888	1,500	280,485	18599%
Equipment Rental	4321	9,443	6,500	2,500	-62%
Office Machine Rental	4322	1,756	2,000	1,500	-25%
Furniture & Fixtures	4332	465	1,000	750	-25%
Contracted Services	4334	247,008	136,000	7,850	-94%
Other Repairs & Maint. Services	4339	308	100	750	650%
Freight Expense	4343	259	500	0	-100%
Towing Expense	4345	2,695	2,100	3,500	67%
Other Purchased Service	4349	6,612	9,900	15,000	52%
TOTAL PURCHASED SERVICES		276,434	159,600	312,335	96%
MATERIALS & SUPPLIES					
Paper	4411	965	1,100	1,100	0%
Postage	4412	398	400	300	-25%
Printing & Forms	4413	13,730	8,490	15,700	85%

**2008-09
ANNUAL BUDGET**

**LANDSIDE OPERATIONS
Section 43**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Other Office Supplies	4419	3,386	2,800	1,200	-57%
Medical Supplies	4427	221	350	300	-14%
Other Operating Supplies	4429	3,886	5,000	5,000	0%
Machinery & Equipment	4433	213	500	500	0%
Seeds, Plants & Trees	4434	0	200	200	0%
Other Repair & Maint Supplies	4439	3,369	900	900	0%
Office Equipment	4441	0	125	125	0%
Signs & Sign Maintenance	4443	4,878	3,100	3,500	13%
Employee Safety Equipment	4445	123	200	200	0%
TOTAL MATERIALS & SUPPLIES		31,169	23,165	29,025	25%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	990	1,500	900	-40%
Books & Subscriptions	4512	(556)	200	200	0%
Conference Registration	4513	1,310	0	0	0%
Training Expenses	4514	776	4,100	0	-100%
Meeting Expenses	4515	37	200	200	0%
Travel Expense	4521	2,062	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		4,619	6,000	1,300	-78%
TOTAL EXPENSES BEFORE FIXED ASSETS		1,175,145	1,075,415	1,162,240	8%
FIXED ASSETS					
Machinery & Equipment	4815	0	30,000	0	-100%
TOTAL SECTION EXPENSES		\$1,175,145	\$1,105,415	\$1,162,240	5%

**2008-09
ANNUAL BUDGET**

**AIRPORT RESCUE AND FIRE
Section 44**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$1,178,419	\$1,466,100	\$1,437,000	-2%
Vacation Pay	4113	141,182	0	0	0%
Sick Leave Pay	4114	79,439	0	0	0%
Holiday Pay - Firefighters	4115	44,443	63,700	66,500	4%
Comp. Time	4116	3,026	0	0	0%
Overtime 1.5	4121	126,210	115,000	120,000	4%
FLSA Pay .05	412101	5,869	7,500	7,500	0%
Overtime 2.1 Emer. Call out	412102	0	1,000	1,000	0%
Overtime Call Back	412103	74,858	95,000	95,000	0%
Medicare	4132	9,901	8,100	7,200	-11%
Medical Insurance	4134	222,849	259,600	262,700	1%
Disability Insurance	413402	968	1,200	700	-42%
Vision Service Plan	413404	280	500	300	-40%
Life Insurance	413406	598	700	400	-43%
Dental Insurance	413410	1,735	1,600	600	-63%
Self Funded Rx	413412	2,892	2,700	800	-70%
Workers Comp	4135	91,079	175,000	183,700	5%
Retirement	4136	451,678	437,900	439,300	0%
Uniform Allowance	4138	7,916	14,000	8,000	-43%
TOTAL PERSONNEL SERVICES		2,443,342	2,649,600	2,630,700	-1%
UTILITIES AND COMMUNICATIONS					
Water	4213	522	0	0	0%
Solid Waste Removal	4215	0	125	0	-100%
Telephone	4221	1,413	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		1,935	125	0	-100%
PURCHASED SERVICES					
Office Machine Rental	4322	2,456	2,000	2,000	0%
Contracted Services	4334	5,788	5,454	4,215	-23%
Office Equipment	4335	466	650	650	0%
Other Repairs & Maintenance	4339	1,506	2,150	2,300	7%
Laundry	4341	2,643	2,300	1,200	-48%
Freight Expense	4343	1,727	1,500	1,500	0%
Permits & Recorders Fees	4346	9	100	100	0%
Other Purchased Services	4349	2,729	4,700	4,500	-4%
TOTAL PURCHASED SERVICES		17,324	18,854	16,465	-13%

**2008-09
ANNUAL BUDGET**

**AIRPORT RESCUE AND FIRE
Section 44**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
MATERIALS & SUPPLIES					
Paper	4411	182	275	250	-9%
Postage	4412	136	250	125	-50%
Printing & Forms	4413	631	750	500	-33%
Other Office Supplies	4419	2,730	4,000	4,000	0%
Chemicals	4422	3,256	4,000	4,000	0%
Firefighting Agent AFFF	442205	5,864	5,000	5,000	0%
Janitorial Paper Supplies	4425	404	500	500	0%
Janitorial Supplies	4426	1,036	1,400	1,100	-21%
Medical Supplies	4427	6,798	6,500	6,500	0%
Trash Can Liners	4428	237	200	250	25%
Other Operating Supplies	4429	1,060	3,500	31,850	810%
Turn-Outs	442901	8,044	10,500	10,500	0%
Electrical Supplies	4436	104	125	125	0%
Other Repair & Maintenance	4439	491	1,300	1,300	0%
Office	4441	0	0	26,150	%
Signs & Sign Maintenance	4443	0	100	100	0%
Operating Tools & Equipment	4444	6,365	6,855	7,412	8%
Employee Safety Equipment	4445	3,923	5,000	5,000	0%
Hazardous Matls. Response	444501	982	2,500	2,500	0%
Confined Space Program	444502	0	700	700	0%
Emg. Preparedness Stations	444503	375	500	500	0%
TOTAL MATERIALS & SUPPLIES		42,618	53,955	108,362	101%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	990	1,409	1,449	3%
Books & Subscriptions	4512	2,130	2,300	2,250	-2%
Conference Registration	4513	2,372	0	1,975	%
Training Expense	4514	18,845	27,620	24,520	-11%
Meeting Expense	4515	310	500	300	-40%
Disaster Exercise Exp.	4517	707	12,000	0	-100%
Travel & Reimbursed Expenses	4521	10,004	6,600	14,730	123%
Other Advertising & Promotion	4539	704	700	700	0%
TOTAL ADMINISTRATIVE EXPENSES		36,062	51,129	45,924	-10%
TOTAL EXPENSES BEFORE FIXED ASSETS		2,541,281	2,773,663	2,801,451	1%
FIXED ASSETS					
Machinery & Equipment	4815	84,190	97,000	0	-100%
TOTAL SECTION EXPENSES		\$2,625,471	\$2,870,663	\$2,801,451	-2%

**2008-09
ANNUAL BUDGET**

**AIRPORT POLICE
Section 45**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$1,646,496	\$2,197,000	\$2,267,600	3%
Vacation Pay	4113	122,517	0	0	0%
Sick Leave Pay	4114	65,462	500	500	0%
Comp. Time	4116	(4,726)	0	0	0%
Overtime 1.5	4121	239,888	115,000	130,000	13%
Overtime Call Back	412103	19,879	50,000	20,000	-60%
Non-Day Shift Differential	412105	18,230	22,000	28,000	27%
Shift Differential - Police Dep.	412107	30,517	34,000	34,000	0%
Weekend Differential	412108	3,226	4,000	5,000	25%
Holiday Worked Pay	4128	80,276	48,000	63,000	31%
Medicare	4132	27,539	28,300	29,200	3%
Medical Insurance	4134	221,140	353,800	273,300	-23%
Disability Insurance	413402	9,674	13,600	14,000	3%
Vision Service Plan	413404	6,602	9,000	8,100	-10%
Life Insurance	413406	5,708	7,100	7,300	3%
Dental Insurance	413410	28,844	42,800	38,800	-9%
Self Funded Rx	413412	38,729	65,400	52,000	-20%
Workers Comp	4135	88,715	165,600	128,600	-22%
Retirement	4136	516,342	609,500	622,000	2%
Uniform Allowance	4138	49,351	35,000	35,000	0%
Post Employment Health Plan	4141	5,480	8,850	8,850	0%
TOTAL PERSONNEL SERVICES		3,219,889	3,809,450	3,765,250	-1%
UTILITIES AND COMMUNICATIONS					
Water	4213	939	0	0	0%
Telephone	4221	6,117	0	0	0%
Other Communications	4229	456	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		7,512	0	0	0%
PURCHASED SERVICES					
Other Professional Services	4319	31,925	18,500	52,000	181%
Equipment Rental	4321	0	1,000	1,000	0%
Office Machine Rental	4322	5,118	7,000	7,000	0%
Vehicle Rental	4323	343	1,000	3,000	200%
Vehicle Repair & Maintenance	4331	718	0	0	0%
Machinery & Equip Repair	4333	0	2,200	0	-100%
Contracted Services	4334	2,473	0	0	0%
Office Equipment	4335	460	1,500	1,500	0%
Laundry	4341	7,790	13,000	13,000	0%

**2008-09
ANNUAL BUDGET**

**AIRPORT POLICE
Section 45**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Freight Expense	4343	1,188	3,500	3,500	0%
Towing Expense	4345	0	500	500	0%
Permits & Recorder's Fees	4346	30	200	200	0%
Other Purchased Service	4349	12,833	6,500	6,500	0%
TOTAL PURCHASED SERVICES		62,878	54,900	88,200	61%
MATERIALS & SUPPLIES					
Paper	4411	774	1,000	1,000	0%
Postage	4412	920	1,400	1,000	-29%
Printing & Forms	4413	2,406	2,500	2,500	0%
Other Office Supplies	4419	8,031	12,000	12,000	0%
Medical Supplies	4427	1,142	800	500	-38%
Other Operating Supplies	4429	16,085	26,500	25,000	-6%
Machinery and Equipment	4433	1,056	0	0	0%
Locks & Hardware	443303	2,403	2,000	2,000	0%
Plumbing Supplies	4435	327	0	0	0%
Lumber & Building Supplies	4437	702	500	500	0%
Office	4441	1,187	1,200	1,200	0%
Operating Tools & Equipment	4444	2,363	9,000	9,000	0%
Employee Safety Equipment	4445	2,292	2,000	2,000	0%
TOTAL MATERIALS & SUPPLIES		39,688	58,900	56,700	-4%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	815	1,255	1,255	0%
Books & Subscriptions	4512	1,925	1,200	1,235	3%
Conference Registration	4513	1,475	0	3,675	%
Training Expense	4514	2,753	3,500	4,500	29%
Meeting Expenses	4515	1,109	500	500	0%
Travel & Reimbursed Expenses	4521	4,842	0	10,200	%
Other Advertising & Promotion	4539	1,317	1,500	1,500	0%
TOTAL ADMINISTRATIVE EXPENSES		14,236	7,955	22,865	187%
TOTAL EXPENSES BEFORE FIXED ASSETS		3,344,203	3,931,205	3,933,015	0%
FIXED ASSETS					
Machinery & Equipment	4815	60,050	63,500	0	-100%
TOTAL SECTION EXPENSES		<u>\$3,404,253</u>	<u>\$3,994,705</u>	<u>\$3,933,015</u>	<u>-2%</u>

**2008-09
ANNUAL BUDGET**

**AIRPORT COMMUNICATIONS
Section 46**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$333,599	\$377,900	\$396,700	5%
Vacation Pay	4113	26,113	0		0%
Sick Leave Pay	4114	20,789	2,500	2,000	-20%
Overtime 1.5	4121	28,492	26,565	26,500	0%
Overtime Call Back	412103	8,039	17,115	17,500	2%
Non-Day Shift Differential	412105	14,428	17,000	17,000	0%
Weekend Differential	412108	1,974	3,000	3,000	0%
Holiday Worked Pay	4128	26,710	28,764	30,000	4%
Medicare	4132	4,915	4,100	4,300	5%
Medical Insurance	4134	46,253	57,200	47,600	-17%
Disability Insurance	413402	2,278	2,400	2,500	4%
Vision Service Plan	413404	1,298	1,500	1,400	-7%
Life Insurance	413406	1,216	1,300	1,300	0%
Dental Insurance	413410	5,434	7,000	6,500	-7%
Self Funded Rx	413412	6,976	10,800	9,200	-15%
Workers Comp	4135	1,379	2,600	2,700	4%
Retirement	4136	85,770	77,100	81,000	5%
Uniform Allowance	4138	1,774	2,500	2,500	0%
TOTAL PERSONNEL SERVICES		617,437	639,344	651,700	2%
UTILITIES AND COMMUNICATIONS					
Water	4213	362	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		362	0	0	0%
PURCHASED SERVICES					
Office Machine Rental	4322	620	300	500	67%
Other Repairs & Maintenance	4339	127,742	206,000	210,000	2%
Freight Expense	4343	35	50	20	-60%
Other Purchased Services	4349	495	0	0	0%
TOTAL PURCHASED SERVICES		128,892	206,350	210,520	2%
MATERIALS & SUPPLIES					
Paper	4411	110	250	150	-40%
Printing and Forms	4413	59	0	0	0%
Other Office Supplies	4419	2,950	2,000	2,000	0%
Medical Supplies	4427	613	800	0	-100%
Other Operating Supplies	4429	2,070	2,000	25,000	1150%
TOTAL MATERIALS & SUPPLIES		5,802	5,050	27,150	438%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	602	1,310	1,000	-24%
Books & Subscriptions	4512	110	700	700	0%
Conference Registration	4513	0	0	900	%

**2008-09
ANNUAL BUDGET**

**AIRPORT COMMUNICATIONS
Section 46**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Training Expense	4514	838	4,600	4,600	0%
Meeting Expenses	4515	55	0	0	0%
Travel & Reimbursed Expenses	4521	1,380	0	3,280	%
TOTAL ADMINISTRATIVE EXPENSES		<u>2,985</u>	<u>6,610</u>	<u>10,480</u>	<u>59%</u>
TOTAL EXPENSES BEFORE FIXED ASSETS		755,478	857,354	899,850	5%
FIXED ASSETS					
Machinery & Equipment	4815	35,281	20,000	0	-100%
TOTAL SECTION EXPENSES		<u><u>\$790,759</u></u>	<u><u>\$877,354</u></u>	<u><u>\$899,850</u></u>	<u><u>3%</u></u>

2008-09

Annual budget

Functions and Work Plans

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

Planning and Environmental Services – Mission Statement: Develop, maintain and update a program for the future orderly development of Reno/Tahoe International Airport and Reno-Stead Airport, which satisfies aviation demand and yields safe, efficient, economical and environmentally acceptable air transportation facilities.

Board Goals: Financial Stability, Master Development Planning, and Community Relations

Work Plans:

- Coordinate multiple phases of the Sound Insulation Program, which will insulate homes impacted by aircraft noise.
- Installation and operation of a permanent noise monitoring system.
- Address Miscellaneous Noise Issues
- Coordinate Environmental Planning programs
- Fulfill environmental compliance programs
- Coordinate Miscellaneous Environmental Programs
- Land Development Planning
- Aviation Development Planning
- Outside Agency Planning Coordination
- Planning Department Administrative Support
- Administrative Support for Additional Departments & Programs

Engineering and Construction – Mission Statement: Programming, Engineering, and Construction Management for the development of RTAA Capital Projects and Facilities for safe & efficient airport operations for airport users & employees.

Board Goals: Financial Stability, and Master Development Planning

Work Plans:

- Define and Allocate Dept Resources
- Support Services for Tenant Improvements
- Project Scoping and Cost Estimating for Capital Budgeting
- Engineering and Construction Management Services for Project Sponsors
- Engineering and Construction Management Services for RTIA 10 Year Plan Projects
- Engineering and Construction Management Services for RTIA Capital Projects
- Engineering and Construction Management Services for Reno Stead 10 Year Plan Projects
- Engineering and Construction Management Services for Stead Capital Projects
- Development of Qualified Consultants List

2008-09
ANNUAL BUDGET
Planning and Engineering
 Department Summary

<u>Account Group</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 914,768	\$ 1,123,500	\$ 1,136,900	1%
Utilities and Communications	2,938	0	0	0%
Purchased Services	289,482	356,120	318,090	-11%
Materials and Supplies	13,013	19,550	17,500	-10%
Administrative Expenses	28,172	25,695	35,040	36%
Total Operating Expenses	\$ 1,248,373	\$ 1,524,865	\$ 1,507,530	-1%
Property, Plant and Equipment	0	35,000	0	-100%
TOTAL	<u>\$ 1,248,373</u>	<u>\$ 1,559,865</u>	<u>\$ 1,507,530</u>	<u>-3%</u>

**2008-09
ANNUAL BUDGET**

**PLANNING AND ENVIRONMENTAL SERVICES
Executive Section 52**

	<u>ACCOUNT NO.</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
PERSONNEL SERVICES					
Permanent Employees	4111	\$319,928	\$470,000	\$473,500	1%
Vacation Pay	4113	25,127	0	0	0%
Sick Leave Pay	4114	72	0	0	0%
Overtime 1.5	4121	718	400	0	-100%
Medicare	4132	5,395	7,100	7,300	3%
Medical Insurance	4134	34,687	57,100	49,600	-13%
Disability Insurance	413402	2,068	3,100	3,200	3%
Vision Service Plan	413404	959	1,500	1,500	0%
Life Insurance	413406	1,246	2,000	1,800	-10%
Dental Insurance	413410	4,866	6,900	7,000	1%
Self Funded Rx	413412	5,131	10,700	9,700	-9%
Workers Comp	4135	919	2,000	2,100	5%
Retirement	4136	68,779	100,300	103,300	3%
TOTAL PERSONNEL SERVICES		469,895	661,100	659,000	0%
UTILITIES AND COMMUNICATIONS					
Water	4213	26	0	0	0%
Telephone	4221	1,721	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		1,747	0	0	0%
PURCHASED SERVICES					
Update Noise Contours	431904	42,900	38,500	47,100	22%
Water Rights Consultant	431909	1,549	8,000	5,000	-38%
Professional Planning Service	431919	51,955	130,000	75,000	-42%
Office Machine Rental	4322	3,726	7,620	3,840	-50%
Other Repairs & Maint. Services	4339	115	2,500	1,450	-42%
Freight Expense	4343	1,241	1,200	900	-25%
Permits & Recorders Fees	4346	2,203	2,000	1,400	-30%
Other Purchased Services	4349	775	1,400	1,300	-7%
TOTAL PURCHASED SERVICES		104,464	191,220	135,990	-29%
MATERIALS & SUPPLIES					
Paper	4411	525	800	800	0%
Postage	4412	597	800	800	0%
Printing & Forms	4413	589	1,200	800	-33%
Other Office Supplies	4419	4,640	8,550	8,550	0%
Small Office Equipment	4441	200	200	500	150%
TOTAL MATERIALS & SUPPLIES		6,551	11,550	11,450	-1%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	1,600	1,500	1,585	6%
Books & Subscriptions	4512	1,639	1,980	2,000	1%
Conference Registration	4513	4,814	2,100	4,700	124%
Training Expense	4514	510	690	4,270	519%
Meeting Expense	4515	3,809	3,600	1,000	-72%
Travel & Reimbursed Expense	4521	8,659	5,925	13,985	136%
Recruitment Expense	4523	635	0	0	0%

**2008-09
ANNUAL BUDGET**

**PLANNING AND ENVIRONMENTAL SERVICES
Executive Section 52**

	<u>ACCOUNT NO.</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
Advertising - Newspapers	4534	2,976	3,900	700	-82%
TOTAL ADMINISTRATIVE EXPENSES		24,642	19,695	28,240	43%
TOTAL EXPENSES BEFORE FIXED ASSETS		607,299	883,565	834,680	-6%
FIXED ASSETS					
Machinery & Equipment	4815	0	35,000	0	-100%
TOTAL SECTION EXPENSES		<u>\$607,299</u>	<u>\$918,565</u>	<u>\$834,680</u>	<u>-9%</u>

**2008-09
ANNUAL BUDGET**

**ENGINEERING AND CONSTRUCTION
Department 51**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$296,646	\$340,500	\$357,000	5%
Vacation Pay	4113	26,481	0	0	0%
Sick Leave Pay	4114	10,707	0	0	0%
Medicare	4132	4,054	4,100	4,300	5%
Medical Insurance	4134	30,452	33,900	29,400	-13%
Disability Insurance	413402	1,861	2,100	2,200	5%
Vision Service Plan	413404	814	900	900	0%
Life Insurance	413406	1,164	1,200	1,300	8%
Dental Insurance	413410	4,497	4,300	4,400	2%
Self Funded Rx	413412	6,683	6,400	5,800	-9%
Workers Comp	4135	788	1,200	1,200	0%
Retirement	4136	60,726	67,800	71,400	5%
TOTAL PERSONNEL SERVICES		444,873	462,400	477,900	3%
UTILITIES AND COMMUNICATIONS					
Water	4213	205	0	0	0%
Telephone	4221	986	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		1,191	0	0	0%
PURCHASED SERVICES					
Engineering	4315	3,597	0	0	0%
Other Professional Services	4319	174,369	155,000	173,000	12%
Office Machine Rental	4322	1,822	3,800	2,500	-34%
Office Equipment	4335	2,278	2,500	2,500	0%
Freight Expense	4343	667	1,200	1,700	42%
Other Purchased Services	4349	2,285	2,400	2,400	0%
TOTAL PURCHASED SERVICES		185,018	164,900	182,100	10%
MATERIALS & SUPPLIES					
Paper	4411	398	1,700	1,250	-26%
Postage	4412	278	800	800	0%
Printing & Forms	4413	154	1,000	500	-50%
Other Office Supplies	4419	5,632	4,500	3,500	-22%
TOTAL MATERIALS & SUPPLIES		6,462	8,000	6,050	-24%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	666	1,000	1,000	0%

**2008-09
ANNUAL BUDGET**

**ENGINEERING AND CONSTRUCTION
Department 51**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Books & Subscriptions	4512	185	1,500	1,500	0%
Conference Registration	4513	992	0	2,000	%
Training Expense	4514	695	1,700	1,000	-41%
Meeting Expenses	4515	188	800	800	0%
Travel & Reimb Expenses	4521	401	0	0	0%
Newspaper	4534	403	1,000	500	-50%
TOTAL ADMINISTRATIVE EXPENSE		<u>3,530</u>	<u>6,000</u>	<u>6,800</u>	<u>13%</u>
TOTAL EXPENSES BEFORE FIXED ASSETS		641,074	641,300	672,850	5%
FIXED ASSETS					
Machinery & Equipment	4815	<u>0</u>	<u>0</u>	<u>0</u>	<u>0%</u>
TOTAL SECTION EXPENSES		<u><u>\$641,074</u></u>	<u><u>\$641,300</u></u>	<u><u>\$672,850</u></u>	<u><u>5%</u></u>

2008-09

Annual budget

Functions and Work Plans

Listed below are the department/sections mission statements, relationship to the goals of the Board of Trustees and the general elements of their work plans.

Director of Facilities and Maintenance – Mission Statement: To maintain RTAA airport facilities, properties and customer oriented service in a world class manner to the users of Reno-Tahoe International Airport.

Board Goals: Efficient Airport Operations, Passenger Services and Experience, Maximize Staff Effectiveness, and Financial Stability.

Work Plans:

- Inspect RTAA property to support projects and maintenance requirements
- Update Facility Assessment database
- Schedule and attend various RTAA meetings
- Continue personal and professional training
- Direct Maintenance operations in compliance with local, federal and FAA requirements
- Ensure adequate department funding
- Provide an efficient workforce by motivating employees with positive reinforcement, timely evaluations and incentives
- Participate in bargaining unit negotiations and employee relations
- Coordinate and process concise communications for President/CEO, Deputy Executive Director, Executive staff, and department managers
- Ensure proper management, accurate project scope development adequate and timely completion of capital projects
- Develop, correct, maintain, promote and enhance various on-going maintenance programs and investigate and implement new programs to provide a highly efficient maintenance operation

Airfield Maintenance – Mission Statement: To improve the operational effectiveness and efficiency of the RTAA Airfield Maintenance department by continuous innovation in the professional management of the airfield pavement, markings and lighting, airport landscaping, vehicle and equipment fleets, and properties owned and operated by the RTAA.

Board Goals: Efficient Airport Operations, Maximize Staff Effectiveness, Stead Airport Operations, and Master Development Planning

Work Plans:

- Maintain all exterior lighting systems and components
- Support other airport departments maintenance needs
- Maintain all RTAA vehicles and equipment
- Maintain airfield pavements and markings in accordance with FAR Part 139 and other applicable regulations.
- Perform all airfield snow removal operations
- Maintain landside pavement and markings
- Maintain safe and accurate signage for the traveling public.
- Insure all areas of RTIA are clean and free of all Foreign Object Debris.
- Support airport wide recycling.

- Maintain all Airport Landscaping, manage airfield weed abatement program, maintain all acquired properties for appearance and weed control-dust abatement.

Building Maintenance and Services – Mission Statement: Through leadership and organizational planning, deliver cost-effective facility maintenance, and services responsive to RTAA tenants’ and the traveling public's needs.

Board Goal: Efficient Airport Operations, Passenger Services and Experience, Maximize Staff Effectiveness, and Financial Stability

Work Plans:

- Perform or monitor maintenance and services requirements to RTAA owned outbuilding structures and system components
- Maintenance and inspections of all regulatory controlled systems such as Fire systems, Elevator, Escalator, locks, doors and alarms.
- Snow removal and ice treatment of the landside areas and assisting on the airfield as required.
- Escorts and contractor support for RTAA projects
- Plan, schedule and supervise efficient cost effective facilities operations
- Perform inspections, maintenance and repairs to structure and system components of the terminal building.
- Provide utilities systems: electricity, water, natural gas and sewer for RTAA tenants.
- Perform custodial requirements in the terminal building
- Assist marketing, properties and public affairs with technical support and manpower as required for special events.
- Provide training facilities maintenance and services staff.
- Control operational costs and maximize efficiency with an adequate ratio of staffing and contracted services.

2008-09
ANNUAL BUDGET
Facilities and Maintenance
 Department Summary

<u>Account Group</u>	<u>2006-07 ACTUAL</u>	<u>2007-08 BUDGET</u>	<u>2008-09 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 5,873,575	\$ 6,711,676	\$ 7,040,430	5%
Utilities and Communications	2,672,685	2,759,055	2,959,645	7%
Purchased Services	1,059,761	1,056,790	1,101,576	4%
Materials and Supplies	1,136,145	1,135,110	1,328,485	17%
Administrative Expenses	75,674	22,410	41,380	85%
Total Operating Expenses	\$10,817,840	\$11,685,041	\$12,471,516	7%
Property, Plant and Equipment	340,949	231,500	308,200	33%
TOTAL	<u>\$11,158,789</u>	<u>\$11,916,541</u>	<u>\$12,779,716</u>	<u>7%</u>

**2008-09
ANNUAL BUDGET**

**DIRECTOR OF FACILITIES AND MAINTENANCE
Department 61**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$303,688	\$329,700	\$365,200	11%
Vacation Pay	4113	26,675	0	0	0%
Sick Leave Pay	4114	3,666	0	0	0%
Employee Relocation	4124	1,916	0	0	0%
Medicare	4132	4,852	4,800	5,300	10%
Medical Insurance	4134	24,508	36,900	23,500	-36%
Disability Insurance	413402	1,427	2,100	1,700	-19%
Vision Service Plan	413404	587	900	600	-33%
Life Insurance	413406	1,145	1,300	1,300	0%
Dental Insurance	413410	3,620	4,300	3,200	-26%
Self Funded Rx	413412	6,128	6,900	4,600	-33%
Workers Comp	4135	788	1,200	1,200	0%
Retirement	4136	59,906	65,800	70,200	7%
Uniform Allowance	4138	343	0	0	0%
TOTAL PERSONNEL SERVICES		439,249	453,900	476,800	5%
UTILITIES AND COMMUNICATIONS					
Water	4213	0	3,600	3,600	0%
Telephone	4221	1,467	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		1,467	3,600	3,600	0%
PURCHASED SERVICES					
Other Professional Services	4319	2,709	0	0	0%
Office Machine Rental	4322	1,513	1,300	1,300	0%
Furniture & Fixtures	4332	28	1,000	800	-20%
Contracted Services	4334	22,842	120,000	312,500	160%
Office Equipment	4335	0	200	200	0%
Other Repairs & Maint. Svc.	4339	2,299	9,000	9,000	0%
Freight Expense	4343	338	500	400	-20%
Other Purchased Services	4349	27,816	0	0	0%
TOTAL PURCHASED SERVICES		57,545	132,000	324,200	146%
MATERIALS & SUPPLIES					
Paper	4411	164	200	200	0%
Postage	4412	636	400	400	0%
Printing and Forms	4413	403	600	600	0%
Other Office Supplies	4419	4,077	4,000	4,000	0%
Other Operating Supplies	4429	54	0	0	0%

**2008-09
ANNUAL BUDGET**

**DIRECTOR OF FACILITIES AND MAINTENANCE
Department 61**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Heating & Air Conditioning	4432	331	0	0	0%
Machinery & Equipment	4433	5,711	0	0	0%
Other Repairs & Maint. Supplies	4439	146	250	250	0%
Small Office Equipment	4441	1,350	0	0	0%
Signs and Sign Maintenance	4443	13,227	10,000	15,000	50%
TOTAL MATERIALS & SUPPLIES		26,099	15,450	20,450	32%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	2,879	1,285	1,125	-12%
Books & Subscriptions	4512	2,086	2,200	900	-59%
Conference Registration	4513	3,068	0	2,250	%
Training Expense	4514	629	300	655	118%
Meeting Expenses	4515	247	300	100	-67%
Travel & Reimbursed Exp.	4521	13,634	325	7,140	2097%
Relocation Expense	4522	4,914	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		27,457	4,410	12,170	176%
TOTAL EXPENSES BEFORE FIXED ASSETS		551,817	609,360	837,220	37%
FIXED ASSETS					
Machinery and Equipment	4815	8,249	0	0	0%
TOTAL DEPARTMENT EXPENSES		<u>\$560,066</u>	<u>\$609,360</u>	<u>\$837,220</u>	<u>37%</u>

**2008-09
ANNUAL BUDGET**

**AIRFIELD MAINTENANCE
Section 62**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$1,015,722	\$1,241,800	\$1,243,400	0%
Temporary Employees	4112	79,267	65,000	65,000	0%
Vacation Pay	4113	78,852	0	0	0%
Sick Leave Pay	4114	41,981	5,600	8,000	43%
Overtime 1.5	4121	35,570	40,000	40,000	0%
Overtime Call Back	412103	14,495	40,000	40,000	0%
Standby	412104	7,529	13,500	13,500	0%
Non-Day Shift Differential	412105	7,091	8,000	10,000	25%
Weekend Differential	412108	2,029	4,500	3,500	-22%
Holiday Worked Pay	4128	20,736	23,000	22,000	-4%
Medicare	4132	13,428	14,200	14,000	-1%
FICA	413201	2,235	0	0	0%
Medical Insurance	4134	153,281	228,800	188,900	-17%
Disability Insurance	413402	6,718	7,800	7,800	0%
Vision Service Plan	413404	4,721	7,800	7,200	-8%
Life Insurance	413406	3,963	4,600	4,200	-9%
Dental Insurance	413410	20,144	27,700	27,000	-3%
Self Funded Rx	413412	24,976	30,000	36,900	23%
Workers Comp	4135	35,066	78,500	57,800	-26%
Retirement	4136	226,661	250,700	251,500	0%
Uniform Allowance	4138	16,047	7,500	8,000	7%
Meal Allowance	4139	559	1,000	1,000	0%
TOTAL PERSONNEL SERVICES		1,811,071	2,100,000	2,049,700	-2%
UTILITIES AND COMMUNICATIONS					
Electricity	4211	103,533	80,000	70,000	-13%
Natural Gas	4212	9,441	3,000	17,000	467%
Water	4213	631	800	700	-13%
Sewer	4214	15,272	0	0	0%
Solid Waste Removal	4215	84,998	90,000	130,000	44%
Recycleable Disposal	421501	1,915	3,000	7,500	150%
Dump Fees	421502	4,684	7,500	5,000	-33%
Sumps/oil-water seperators	421503	0	5,000	6,000	20%
Propane	4217	1,363	1,750	1,750	0%
Hazardous Waste Removal	4218	13,204	3,000	2,250	-25%
Telephone	4221	881	0	0	0%
Other Communications	4229	940	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		236,862	194,050	240,200	24%
PURCHASED SERVICES					
Other Professional Services	4319	2,753	5,000	5,000	0%
Equipment Rental	4321	12,300	1,500	1,500	0%
Office Machine Rental	4322	1,852	2,520	2,600	3%
Vehicles	4331	2,435	0	0	0%
Construction Equipment Repair	4333	6,276	3,000	3,000	0%
Contracted Services	4334	108,421	12,420	30,000	142%

**2008-09
ANNUAL BUDGET**

**AIRFIELD MAINTENANCE
Section 62**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Landscape Construction	433402	3,751	0	0	0%
Fence Repair	4336	11,729	8,000	2,000	-75%
Snow Removal	4337	0	50,000	0	-100%
Other Repairs & Maint. Services	4339	2,658	5,000	6,000	20%
Rubber Removal	433902	45,719	0	0	0%
Freight Expense	4343	2,403	3,000	4,000	33%
Permits & Recorders Fees	4346	0	3,000	1,500	-50%
TOTAL PURCHASED SERVICES		200,297	93,440	55,600	-40%
MATERIALS & SUPPLIES					
Paper	4411	195	250	250	0%
Postage	4412	15	10	10	0%
Printing & Forms	4413	246	500	275	-45%
Other Office Supplies	4419	4,018	3,000	2,000	-33%
Oil & Lubricants	4421	9,104	10,000	12,000	20%
Chemicals	4422	33,745	0	0	0%
Herbicides	442201	33,286	50,000	50,000	0%
Fertilizer	442202	1,262	10,000	10,000	0%
Ice Control	442203	12,682	75,000	90,000	20%
Rubber Removal	442204	0	7,500	12,000	60%
Auto Fuel	4423	68,754	69,000	120,000	74%
Diesel Fuel	4424	51,376	55,000	105,000	91%
Janitorial Paper Supplies	4425	116	0	0	0%
Janitorial Supplies	4426	232	0	0	0%
Medical Supplies	4427	469	500	500	0%
Janitorial Trash Can Liners	4428	2,455	2,000	6,000	200%
Other Operating Supplies	4429	16,170	5,000	5,000	0%
Repairs & Maint. Supplies - Bldg	4430	1,366	0	0	0%
Vehicles	4431	41,088	35,000	35,000	0%
Heating & Air Conditioning	4432	194	0	0	0%
Machinery & Equipment	4433	119,875	90,000	114,000	27%
Baggage Conveyors	443301	188	0	0	0%
Steel & Sheet Metal	443302	725	0	0	0%
Locks & Hardware	443303	612	5,000	3,200	-36%
Seeds, Plants, and Trees	4434	6,551	4,000	3,500	-13%
Irrigation Supplies	443401	4,864	5,000	3,000	-40%
Landscape Materials	443402	12,107	5,000	5,000	0%
Plumbing Supplies	4435	3,033	0	0	0%
Electrical Supplies	4436	23,643	3,500	6,500	86%
Runway/Taxiway Supplies	443601	11,893	70,000	70,000	0%
Ramp Lighting	443602	135	3,000	3,000	0%
Parking Lot Lighting	443606	0	0	1,200	%
Lumber & Building Supplies	4437	126	0	0	0%
Paint Supplies	4438	10,031	2,500	4,500	80%
Runway/Taxiway Paints	443801	20,047	20,000	30,000	50%
Ramp Area Paint	443802	4,257	4,000	2,000	-50%
Roadway Paint	443803	2,305	3,000	4,800	60%

**2008-09
ANNUAL BUDGET**

**AIRFIELD MAINTENANCE
Section 62**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Roadway Spheres	443804	15,837	10,000	14,000	40%
Other Repairs & Maint. Supplies	4439	1,794	0	0	0%
Metal and Steel	443901	1,871	3,000	1,500	-50%
Gate Parts	443902	1,011	2,000	1,500	-25%
Small Tools & Equipment	4440	16,482	7,500	10,000	33%
Small Office Equipment	4441	1,960	1,000	500	-50%
Small Tools - Maintenance	4442	5,206	5,000	5,000	0%
Signs and Sign Maintenance	4443	2,879	2,500	4,000	60%
Tools & Small Equipment	4444	594	0	6,000	%
Employee Safety Equipment	4445	10,827	10,000	10,000	0%
Asphalt & Cement	4451	3,440	10,000	12,000	20%
Backfill/Crusher Run	445101	643	0	0	0%
Runway Sand	445102	0	3,000	2,000	-33%
Patch Materials	445103	5,399	5,000	5,000	0%
Runway/Taxiway Repair	4453	32,061	40,000	40,000	0%
Fence & Gate Repair Parts	4454	387	4,000	2,000	-50%
TOTAL MATERIALS & SUPPLIES		597,556	640,760	812,235	27%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	2,635	1,500	1,500	0%
Books & Subscriptions	4512	3,982	2,500	2,250	-10%
Conference Registration	4513	4,841	0	1,900	%
Training Expenses	4514	6,525	10,000	5,000	-50%
Travel & Reimbursed Expense	4521	19,728	0	5,300	%
TOTAL ADMINISTRATIVE EXPENSES		37,711	14,000	15,950	14%
TOTAL EXPENSES BEFORE FIXED ASSETS		2,883,497	3,042,250	3,173,685	4%
FIXED ASSETS					
Machinery & Equipment	4815	1,121,255	280,552	257,000	-8%
TOTAL SECTION EXPENSES		\$4,004,752	\$3,322,802	\$3,430,685	3%

**2008-09
ANNUAL BUDGET**

**BUILDING MAINTENANCE AND SERVICES
Section 63**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$2,035,692	\$2,496,500	\$2,730,800	9%
Temporary Employees	4112	812	0	0	0%
Vacation Pay	4113	144,035	0	0	0%
Sick Leave Pay	4114	86,569	5,000	5,000	0%
Overtime Pay 1.5	4121	33,542	30,000	30,000	0%
Overtime Call Back	412103	5,492	6,580	10,000	52%
Standby	412104	5,817	12,260	12,260	0%
Non-Day Shift Differential	412105	84,080	105,000	113,700	8%
Weekend Differential	412108	8,852	10,000	10,000	0%
Holiday Worked Pay	4128	109,811	78,936	162,250	106%
Medicare	4132	33,312	34,000	38,200	12%
Medical Insurance	4134	362,214	495,900	477,900	-4%
Disability Insurance	413402	13,473	15,700	17,200	10%
Vision Service Plan	413404	10,532	13,600	15,600	15%
Life Insurance	413406	9,365	10,200	11,500	13%
Dental Insurance	413410	46,809	59,100	66,200	12%
Self Funded Rx	413412	60,530	93,000	93,000	0%
Workers Comp	4135	81,525	173,200	145,700	-16%
Retirement	4136	474,531	506,800	553,300	9%
Uniform Allowance	4138	16,078	10,000	19,320	93%
Meal Allowance	4139	184	2,000	2,000	0%
TOTAL PERSONNEL SERVICES		3,623,255	4,157,776	4,513,930	9%
UTILITIES AND COMMUNICATIONS					
Electricity	4211	1,993,135	1,956,147	2,230,000	14%
Natural Gas	4212	303,758	365,058	298,845	-18%
Water	4213	91,133	160,600	115,000	-28%
Sewer	4214	38,087	65,000	65,000	0%
Solid Waste Removal	4215	0	14,600	7,000	-52%
Telephone	4221	8,243	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		2,434,356	2,561,405	2,715,845	6%
PURCHASED SERVICES					
Professional Services	4310	23,810	10,000	10,000	0%
Consultants - General	4314	8,394	0	0	0%
Environmental Consultant	431912	0	12,000	6,000	-50%
Equipment Rental	4321	0	1,000	1,000	0%
Office Machine Rental	4322	1,577	1,500	1,500	0%
Furniture & Fixtures	4332	5,825	0	0	0%

**2008-09
ANNUAL BUDGET**

**BUILDING MAINTENANCE AND SERVICES
Section 63**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Contracted Services	4334	622,799	633,850	514,276	-19%
Contracted Services - Elevators	433401	47,113	104,500	110,000	5%
Office Equipment	4335	158	0	0	0%
Other Repairs & Maintenance	4339	2,654	2,500	2,500	0%
Roof Maintenance	433903	0	0	10,000	%
HVAC Duct Cleaning	433904	82,863	0	0	0%
Boarding Bridge Maintenance	433905	82	0	0	0%
Laundry	4341	1,734	3,000	3,000	0%
Freight Expense	4343	2,841	2,000	2,000	0%
Permits & Recorders Fees	4346	546	1,000	1,500	50%
Other Purchased Services	4349	1,523	60,000	60,000	0%
TOTAL PURCHASED SERVICES		801,919	831,350	721,776	-13%
MATERIALS & SUPPLIES					
Paper	4411	780	500	500	0%
Postage	4412	14	50	50	0%
Printing & Forms	4413	876	1,000	1,000	0%
Other Office Supplies	4419	2,590	3,000	3,000	0%
Chemicals	4422	1,301	0	0	0%
Janitorial Paper Supplies	4425	93,126	95,000	110,150	16%
Janitorial Supplies	4426	33,936	40,000	62,000	55%
Medical Supplies	4427	1,604	3,500	3,500	0%
Janitorial Trash Can Liners	4428	48,211	62,000	65,000	5%
Other Operating Supplies	4429	10,056	0	0	0%
Heating & Air Conditioning Filters	4432 443201	74,841 191	85,000 0	60,000 0	-29% 0%
Machinery & Equipment	4433	10,764	5,350	5,350	0%
Baggage Conveyors	443301	15,383	9,500	9,500	0%
Locks & Hardware	443303	22,302	2,500	2,500	0%
Brushes	443304	1,683	3,500	3,750	7%
Jet Bridge Repair	443306	25,300	27,000	27,000	0%
Plumbing Supplies	4435	35,957	35,000	35,000	0%
Electrical Supplies	4436	45,309	38,500	38,500	0%
Runway/Taxiway	443601	65	0	0	0%
Parking Lot Lighting	443606	308	0	0	0%
Lumber & Building Supplies	4437	40,957	30,000	30,000	0%
Paint Supplies	4438	8,561	9,000	6,000	-33%
Other Repairs & Maint. Supplies	4439	5,259	3,000	0	-100%
Small Office Equipment	4441	6,408	4,000	11,000	175%
Small Tool & Minor Equip. Maint.	4442	1,266	1,000	1,000	0%
Signs & Sign Maintenance	4443	462	0	0	0%

**2008-09
ANNUAL BUDGET**

**BUILDING MAINTENANCE AND SERVICES
Section 63**

	ACCOUNT NO.	2006-07 ACTUAL	2007-08 BUDGET	2008-09 BUDGET	PERCENT CHANGE
Operating Tools & Equipment	4444	6,034	5,000	5,000	0%
Employee Safety Equipment	4445	18,946	15,500	16,000	3%
TOTAL MATERIALS & SUPPLIES		512,490	478,900	495,800	4%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	1,753	1,500	1,500	0%
Books & Subscriptions	4512	417	500	500	0%
Conference Registration	4513	0	0	3,885	%
Training	4514	6,273	2,000	4,000	100%
Meeting Expenses	4515	35	0	0	0%
Travel & Reimbursed Expense	4521	1,734	0	3,375	%
Art Program	453903	294	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		10,506	4,000	13,260	232%
TOTAL EXPENSES BEFORE FIXED ASSETS		7,382,526	8,033,431	8,460,611	5%
FIXED ASSETS					
Machinery & Equipment	4815	332,700	231,500	51,200	-78%
TOTAL SECTION EXPENSES		<u>\$7,715,226</u>	<u>\$8,264,931</u>	<u>\$8,511,811</u>	<u>3%</u>

2008-09

ANNUAL BUDGET

Section 3 – Property, Plant and Equipment

The schedule following this narrative lists the Property, Plant, Equipment (PPE) budgets for the RTAA’s various departments/sections. PPE are items that will have a useful life exceeding one year and a cost greater than \$2,000.

The PPE budget for 2008-09 totals \$325,200. This year’s budget requests included requests for vehicles. These requests are being deferred to future budgets to keep airline rates stable in the current period increasing airline fuel costs.

The Facilities Department’s Vehicle Replacement Plan maximizes the functionality, and minimizes the maintenance costs of the RTAA’s fleet of vehicles. This Plan provides for the retirement and rotation of vehicles and equipment. The table below summarizes the major equipment items being replaced. A complete list of the PPE items follows.

Equipment

Department	Description	Amount Budgeted	Current Equipment Being Replaced/Explanation
Airfield Maintenance	Portable Lift System	\$75,000	This portable lift will allow mechanics to work on equipment without having to use “lie down creepers” that roll under the equipment. This lift will handle the large pieces of equipment, such as snow plows, that maintain the airfield. This portable lift can be moved to any bay in the Airfield Maintenance Building.
Airfield Maintenance	Self Propelled Rider/Scrubber	100,000	This Scrubber will replace an eight year old smaller unit with repair costs equal to 49 percent of its cost. This Scrubber is used to pick up the aircraft deicing chemical so that it does not enter the storm water sewer system.

2008-09

Property, Plant, and Equipment Budgets by Department/Section

Division	Description	Amount	Total
10 Board of Trustees			-
11 Internal Audit			-
12 Legal Counsel			-
21 President/CEO			-
22 Deputy Executive Director			-
23 Marketing and Air Service Development			-
24 Public Affairs			-
25 Property Administration			-
26 Technology & Information Systems			-
27 Reno Stead Airport	Emergency Generator	11,000	11,000
28 Human Resources			-
31 Director of Finance & Administration			-
32 Finance & Budgeting			-
33 Purchasing & Materials Management			-

2008-09

Property, Plant, and Equipment Budgets by Department/Section

Division	Description	Amount	Total
41 Director of Operations & Public Safety			-
42 Airfield Operations	800 MHz Handheld Radios	\$ 6,000	6,000
43 Landside Operations			-
44 Airport Rescue & Fire			-
45 Airport Police			-
46 Airport Communications			-
51 Engineering & Construction			-
52 Planning & Environmental Services			-
61 Sr. Director of Facilities & Engineering			-
62 Airfield Maintenance	Toolcat Spray System	\$ 4,000	
	Fluke 43B Power Analyzer	3,500	
	John Deere Loader Lift Attachments	24,000	
	Lawn Mower Vacuum Kit	3,000	
	Grappler Bucket for Skid Steer Loader	5,000	
	Portable Lift System	75,000	
	200 Gallon Towable Weed Sprayer	10,000	
	Utility Tool Bed	12,000	

2008-09

Property, Plant, and Equipment Budgets by Department/Section

<u>Division</u>	<u>Description</u>	<u>Amount</u>	<u>Total</u>
	Heavy Duty Utility Trailer	2,500	
	Self Propelled Rider/Scrubber	100,000	
	(2) 9' Snow Pusher Box Plows	10,000	
	12' Snow Pusher Box Plow	8,000	
		<u> </u>	<u>257,000</u>
63 Building Maintenance			
	1,300 pound capacity lift gate	\$ 3,200	
	(2) 40 Horsepower Condenser Water Pumps	48,000	
		<u> </u>	<u>51,200</u>
TOTAL		<u>\$ 325,200</u>	<u>325,200</u>

**2008-09
ANNUAL BUDGET
Section 3 - Capital Projects**

The capital projects shown on the schedule following this page are the result of the budget process and the airports' master plans. The columns on the summary schedule show the cost centers the projects are assigned to for airline rate setting purposes. The cost centers defined in the airline agreement are Airfield, Terminal Building, Ground Transportation, Other, and Reno Stead Airport. The total of the projects allocated to the cost centers is also shown. This amount appears on the Budgeted Revenue Sharing, and Summary Sources and Uses of Funds schedules. A brief description of each project is also included in this section.

The airline agreement specifies a procedure for the airlines to review the capital projects or capital project's debt service that will be included in the Airfield and Terminal Building cost centers used for airline rate calculations. Under the agreement, the first \$1 million of capital projects are exempt from airline review and the Majority In Interest (MII) airline review process. Projects over \$250,000 must be amortized over their life and not reimbursed in one year's rates. As mentioned in the Airline Agreement section of the Financial Plan, during the annual new budget review meeting with the airlines, the capital projects subject to the MII airline review process are discussed. The value of the projects in the Airfield, and Terminal Building cost centers are above the amount that requires airline review. None of the 2008-09 Capital Projects reviewed by the airlines was voted down by the airlines in their review process.

During the budget process all capital projects are prioritized and evaluated based on the following five criteria:

1. Required for safety or security
2. Mandated by a regulatory agency
3. To prevent damage to or the maintenance of an existing facility
4. A source of revenue or fundamental to the basic purpose of the airport
5. A desirable item

These capital projects are funded in several ways. The smaller capital projects are funded by airline rates or airport revenues in the fiscal year. The General Purpose Fund is used to finance the larger operating budget capital projects that are amortized over several years in the airline rates for airline cost center projects, and through revenue sharing for the projects not in the airline cost centers.

The Ten Year Plan projects for 2008-09 are also included to show the total volume of the projects that may be undertaken in the fiscal year. The Ten Year Plan projects are not funded with airport revenues. These projects are part of a PFC program or will be funded by future federal grants. The grant dependent projects will not be implemented until a grant is received. The General Purpose, and Special Funds are used for the RTAA's (sponsor's) portion of the FAA grants, but these funds cannot finance all of the Ten Year Plan projects shown. The RTAA will not receive FAA grants for all the projects listed. The FAA has a prioritization scheme that limits the projects funded. The General Purpose, and Special Funds are described in the Trust Fund Summary section of the budget.

2008-09 Capital Project Budgets			COST CENTER						Other Funding Sources		
Item	Project Administrator (Amortization Years)	Estimate	Airfield	Terminal Building	Ground Transportation	Other	Reno Stead Airport	General Purpose Fund	Special Fund	AIP Grant, PFC, Fuel Tax Funds or Other	
Reno/Tahoe International Airport											
1	Replace Warehouse Doors (Use Loan Proceeds)	\$ 25,000								\$ 25,000	
2	Paint Warehouse Units (Use Loan Proceeds)	100,000								100,000	
3	Courtesy Information Center Expansion	60,000		60,000							
4	Baggage Claim Advertising Enhancements	49,850		49,850							
5	Digital Advertising Program Enhancements	16,000		16,000							
6	Telephone Main Distribution Frame (MDF) Protection Improvements	85,000								85,000	
7	North Tenant Employee Parking Lot	2,242,000			149,467			\$ 2,092,533			
8	Consolidated Rental Car Facility Study	415,000			41,500			\$ 373,500			
9	Airfield Pavement Maintenance Program 2008-09	690,000	138,000					\$ 552,000			
10	Replace Roof 1190/1196 Telegraph (Use Loan Proceeds)	225,000								225,000	
11	Replace Roof 1186 Telegraph	135,000				135,000					
12	Wall Repair 1186 Telegraph	27,500				27,500					
13	Energy Management Control System Phase 1 (10 Years)	800,000		80,000				\$ 720,000			
14	Baggage Claim Roof Repair	375,000		37,500				337,500			
15	Seal Portion of Parking Garage Roof (100K Sq Ft)	500,000			50,000			450,000			
16	Parabolic Solar Panels for Boilers	250,000		25,000				225,000			
17	Airfield Maintenance Wash Rack	368,600	36,860					331,740			
18	Partial Terminal Building Carpet	114,000		16,286				97,714			
	Sub Total	\$ 6,477,950	\$ 174,860	\$ 284,636	\$ 240,967	\$ 162,500	\$ -	\$ 5,179,987	\$ -	\$ 435,000	
Reno Stead Airport											
19	Replace Window Frames-Aviations Classics	\$ 21,007					21,007				
20	Replace Window Frames-DRI	19,769					19,769				
21	Fire System Upgrade	77,000					77,000				
22	Slurry Seal 455K Sq Ft of Ramp	91,000					91,000				
23	Fog Seal TWY "B" and RWY 14/32	91,000					91,000				
	Sub Total	299,776	-	-	-	-	299,776	-	-	-	
10 Year Plan Projects Reno/Tahoe											
24	Airfield Lighting System Upgrade Construction	ACIP*	\$ 6,670,000					\$ 416,875		\$ 6,253,125	
25	Terminal Apron Reconstruction Phase 11 (Construction)	ACIP*	8,970,000					560,625		8,409,375	
26	Terminal Apron Reconstruction Phase 12-15 (Design)	ACIP*	2,300,000					143,750		2,156,250	
27	Runway 16L Precision ILS Approach	ACIP*	2,300,000					143,750		2,156,250	
28	Environmental Assessment for Development of new Passenger Terminal Facilities	ACIP*	800,000					50,000		750,000	
29	Airport Maintenance Snow Removal Equipment Building (Design)	ACIP*	745,800					46,612		699,188	
30	Taxiway "Q" Reconstruction (Design)	ACIP*	406,000					25,375		380,625	
31	Culvert Ditches - Peckham Lane and Jet West (Design)	ACIP*	690,000					43,125		646,875	
32	GSE Area Pavement (Design)	ACIP*	210,000					13,125		196,875	
33	Pave Eastside Perimeter and ILS Road (Design)	ACIP*	287,000					17,937		269,063	
34	FAR Part 150 Property Acquisition Program	ACIP*	2,133,333					133,333		2,000,000	
35	FAR Part 150 Noise Insulation Program	ACIP*	5,333,333					333,333		5,000,000	
36	Acquire Replacement Snow Removal Equipment Phase 1	PFC	563,000							563,000	
37	Centralized Security Checkpoint (Construction)	PFC	8,748,000							8,748,000	
38	Terminal Jet Bridge Equipment Upgrade - Phase 2	PFC	1,500,000							1,500,000	
39	Southwest Air Cargo Ramp (Design and Construction)	PFC	22,860,000							22,860,000	
40	Southern Central Disposal Facility	PFC	3,900,000							3,900,000	
	Sub Total	\$ 68,416,466	-	-	-	-	-	\$ 1,927,840	-	66,488,626	
10 Year Plan Projects Reno Stead											
41	Runway Safety Area Improvements Design	ACIP*	\$2,300,000					\$ 115,000	\$	2,185,000	
42	Taxiway D Reconstruction (Design)	ACIP*	290,000					14,500		275,500	
43	Terminal Area Development Phase 1 and 2 Design	ACIP*	928,000					46,400		881,600	
44	Airport Access Road (Moya Blvd) and Utilities - Phase 1 (Construction)	ACIP*	8,630,000					431,500		8,198,500	
	Sub Total	\$ 12,148,000	-	-	-	-	-	\$ 607,400	\$	11,540,600	
	Total	\$ 87,342,192	\$ 174,860	\$ 284,636	\$ 240,967	\$ 162,500	\$ 299,776	\$ 7,107,827	\$ 607,400	\$ 78,464,226	
							Current Year Capital Projects	\$ 1,162,739			
	* Grant Dependent										

2008-09

Capital Improvement Projects

Reno-Tahoe International Airport

Replace Warehouse Doors

This project will replace approximately one fourth of the roll up doors on the commercial rental units. The best of the replaced parts will be retained to provide spare parts for the older doors not yet replaced. Since the remaining balance of the financing used to acquire this property will be used to fund this project, there is no airline rate or budget impact.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$ 25,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Paint Warehouse Units

This project will repaint all of the commercial rental unit building, and Building A which houses mini-storage and Park To Travel units. Since the remaining balance of the financing used to acquire this property will be used to fund this project, there is no airline rate or budget impact.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$100,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Courtesy Information Center Expansion

This project will replace the two existing Hotel Boards used by arriving passengers to contact their hotel. The new boards will use Web based technology to expand their use beyond just contacting hotels. Based on the anticipated revenues from the hotels renting space on the boards, the project cost should be returned in less than 24 months.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$60,000
<i>Rate Impact</i>	
Impact on Airline Rental Rates	\$0.160

Baggage Claim Advertising Enhancements

This project includes a small display platform, a welcome podium and chairs for events, and new welcome banners. These items will be rented by groups wanting to provide welcoming events in the baggage claim area. The rental fees for these items will result in paybacks of two, three, and 12 months respectively.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$49,850
<i>Rate Impact</i>	
Impact on Airline Rental Rates	\$0.133

Digital Advertising Program Enhancements

This project will enhance the equipment that plays advertising messages on the ten video screens in the baggage claim area. The new system will provide more flexibility in how often an advertiser’s messages are played, provide a report documenting the frequency of play, and also adjust the volume of the messages based on the ambient noise in the baggage claim area. The rental fees for this system will result in a payback of 12 months.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$16,000
<i>Rate Impact</i>	
Impact on Airline Rental Rates	\$0.043

Telephone Main Distribution Frame (MDF) Protection Improvements

This project will install an inert gas fire suppression system and other improvements to protect sensitive electronic equipment from flooding from the floor above this area. Since this project will be funded with a portion of the insurance proceeds for damaged underground conduits from the 1997, flood there is no airline rate or budget impact.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$85,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

North Tenant Employee Parking Lot

This project will construct a new parking lot for airport tenant employees who are currently parking in the public parking lot. While this new lot will not be as close to the terminal building, and convenient for the employees, demand for public parking has grown to the point that more space is needed. Displacing the employees who park in the public lot for \$10 per month will allow more public parking at \$12 per day.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$2,242,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Consolidated Rental Car Facility Study

This is the first phase of a project to construct a new consolidated rental car facility to replace the current facility north of the current parking structure. The use of this facility will allow the expansion of the parking structure's capacity by relocating the rental car operations located there.

<i>Project Cost</i>	
Programming/Design	\$415,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Airfield Pavement Maintenance Program 2008-09

This project will repair and maintain the airfield pavements pursuant to the recommendations of the 2007 Landside Pavement Management Program. Repairs typically include seal coating, asphalt patching, overlays, reconstruction, concrete panel replacement, crack repair, spall repair, and joint sealing.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$690,000
<i>Rate Impact</i>	
Impact on Airline Landing Fee Rates	\$0.039

Replace Roof 1190/1196 Telegraph

This project will install a new single ply membrane, remove rain gutters, install a new metal facade on the building, and ensure that the existing roof drains are working. Since remaining loan proceeds to acquire the property are being used for this project, there is no airline rate or budget impact. The rental income from this building will pay for this project in eight years.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$225,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Replace Roof 1186 Telegraph

This project will install a new single ply membrane , remove rain gutters, install a new metal facade on the building, and ensure that the existing roof drains are working. The rental income from this building will pay for both projects on this building in two years.

Project Cost	
Construction (includes materials, equipment, labor)	\$135,000
Rate Impact	
Impact on Airline Rates	NA

Wall Repair 1186 Telegraph

This project will repair the concrete tilt up walls of the building. The repair of the building's roof will stop further damage, and this project will repair the existing damage which consists of exposed re-bar. This repair will maintain the structural integrity of the wall. The rental income from this building will pay for both projects on this building in two years.

Project Cost	
Construction (includes materials, equipment, labor)	\$27,500
Rate Impact	
Impact on Airline Rates	NA

Energy Management Control System Phase 1 (10 Years)

This project is the first phase of the replacement of the existing mechanical control system. This phase involves only the passenger boarding concourses, and the baggage claim area. The use of digital controls instead of pneumatic controls will result in more efficient use of the heating and cooling equipment in the terminal building, which will result in better temperature control. Annual utility savings of \$100,000 are expected when Phase 2 including the rest of the terminal building is completed.

Project Cost	
Construction (includes materials, equipment, labor)	\$800,000
Rate Impact	
Impact on Airline Rental Rates	\$0.021

Baggage Claim Roof Repair

This project replaces a portion of the terminal building baggage claim area roof that was not replaced during the 1996 Baggage Claim Area Expansion project. The old roof membrane is no longer serviceable and the joint between it and the Expansion area is a source of leaks.

Project Cost	
Construction (includes materials, equipment, labor)	\$375,000
Rate Impact	
Impact on Airline Rental Rates	\$0.010

Seal Portion of Parking Garage Roof (100K Sq. Ft.)

This project is the second phase of an effort to seal the entire parking garage roof. The roof is the third floor parking area. Vehicle traffic, and the winter freeze/thaw cycle deteriorate the concrete and can eventually expose the structure's steel reinforcement. Sealing the concrete is necessary to maintain the structural integrity of the structure.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$500,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Parabolic Solar Panels for Boilers

This project will install solar panels that will heat water returning to the boiler after it has been circulated through the building for heat. Adequate return temperature is necessary to prevent boiler shock. These panels will eliminate the need to use more natural gas to heat the return water. This project is expected to pay for itself in 3 years with utility savings.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$250,000
<i>Rate Impact</i>	
Impact on Airline Rental Rates	\$0.007

Airfield Maintenance Wash Rack

This project will construct an area to wash the heavy equipment used to maintain the airfield. The wash rack will drain into a sand oil water separator. This wash rack will also provide more storage capacity for dumping the de-icing chemicals that are removed from the aircraft ramp. All of this is being done to limit the impact of these airport generated chemicals on the local storm water sewer system.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$368,600
<i>Rate Impact</i>	
Impact on Airline Rates	\$0.011

Partial Terminal Building Carpet

This project will replace the portions of the terminal building carpet with the most traffic. These heavily travelled areas are in the passenger concourse boarding areas. The terminal building uses a system of carpet squares that makes replacing the carpet less time consuming resulting in less passenger flow disruption.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$114,000
<i>Rate Impact</i>	
Impact on Airline Rental Rates	\$0.006

Reno Stead Airport

Replace Window Frames – Aviation Classics

This project will replace the old warped wooden window frames that are allowing wind, rain, and snow to enter the building. The monthly rent for this building will pay back this cost in ten months.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$21,007
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Replace Window Frames - DRI

This project will replace the old warped wooden window frames that are allowing wind, rain, and snow to enter the building. The monthly rent for this building will pay back this cost in 14 months.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$19,769
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Fire System Upgrade

This project will upgrade the current hangar fire sprinkler system from a manually activated system to one that turns on automatically when needed. The current system was installed when the building was used for round the clock manufacturing of expensive aircraft components, and an automated fire sprinkler system was not wanted. The monthly rent for the hangars covered by this system will pay back this cost in less than four months.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$77,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Slurry Seal 455 K Sq. Ft. of Ramp

This project will apply a slurry seal to a portion of the aircraft ramp area. The slurry fills in voids in the pavement and prevents water penetration which results in pavement damage during the freezing and thawing of winter. This project is a recommendation of the Landside Pavement Management Program for the Reno Stead Airport which is required by the FAA.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$91,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Fog Seal TWY 'B' and RWY 14/32

This project will apply a fog seal to this three year old taxiway and runway. The fog seal keeps the pavement surface resistant to degradation from summer sun and winter moisture. This project is a recommendation of the Landside Pavement Management Program for the Reno Stead Airport which is required by the FAA.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$91,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

10 Year Plan Projects Reno-Tahoe International Airport

Airfield Lighting System Upgrade

Reconstruction and upgrade of existing airfield lighting vaults, equipment, and modifications to fiber optic cable system to support new Federal Aviation Administration Air Traffic Control Tower.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$ 6,670,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Terminal Apron Reconstruction Phase 11 (Construction)

Reconstruction of 17,027 Square Yards (SY) of Portland Cement Concrete (PCC) apron adjacent to the terminal concourses. Work includes demolition, excavation, stabilizing fill, base utility relocation, PPC Pavement, lighting, signage marking and related appurtenances.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$8,970,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Terminal Apron Reconstruction Phases 12 – 15 (Design)

Design for reconstruction of 67,470 SY of Portland Cement Concrete (PCC) apron adjacent to the terminal concourses. This work will include demolition, excavation, stabilizing fill, base, utility relocation, PCC Pavement, lighting, signage, marking and related appurtenances.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$2,300,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Runway 16L Precision ILS Approach

The project consists of the installation of an Instrument Landing System (ILS) for a precision approach to Runway 16 L at Reno-Tahoe International Airport. The work includes site preparation, electrical power, control system, glide slope (GS), localizer (LOC), equipment shelters, radio control equipment, and related appurtenances. The installation of the ILS will ensure airport capacity during weather events.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$2,300,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Environmental Assessment for Development of New Passenger Terminal Facilities

The Environmental Assessment Study will entail extensive background data collection, potential impact analyses and public/agency coordination to determine what, if any, impacts proposed future terminal expansion would have on the environment.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$800,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Airport Maintenance Snow Removal Equipment Building (Design)

Design for construction of a 22,000 SF steel building for snow removal equipment storage. The design will include related site work for utilities installation, site fencing, paving, lighting and related appurtances.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$745,800
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Taxiway “Q” Reconstruction (Design)

Design for reconstruction of approximately 13,335 SY of Portland Cement Concrete (PCC) taxiway connecting Runway 16R-34L to taxiways A and B. The project includes demolition, excavation, stabilizing fill, base, utility relocation, PCC pavement, drainage, lighting, signage, marking and related appurtances.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$406,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Culvert Ditches – North Side of Peckham Lane and Jet West (Design)

Design for installation of a drainage culvert to replace the existing open drainage ditch north of Peckham Lane, south end of Runway 16L and the ditch of Jet West adjacent to Taxiway “A”. This project will increase safety for aircraft and airport operations, emergency response and airfield maintenance activities.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$690,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Ground Service Equipment Area Pavement (Design)

Design for reconstruction of approximately 36,500 SY of Asphaltic Concrete (AC) Ground Service Equipment (GSE) apron adjacent to the air cargo building. The project will include demolition, excavation, stabilizing fill, base, AC pavement, fencing, drainage, lighting, signage, marking and related appurtenances.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$210,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Pave East Side Perimeter and ILS Road (Design)

Design for construction of approximately 15,000 linear feet of 24 feet wide asphalt roadway along eastern airport perimeter. This will provide access in all weather conditions for airport operations and emergency response vehicles. The project will include excavation, stabilizing fill, base, asphalt paving, drainage, marking, signage and other related appurtenances.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$287,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

FAR Part 150 Property Acquisition Program

The project consists of the acquisition of the parcels required to continue the FAR Part 150 noise abatement program approved by the Federal Aviation Administration. The work includes the acquisition, relocation of qualified individuals and families who own or reside in the dwellings located on parcels, demolition of the existing buildings, excavation, abandonment of the wells, utility relocation to the street site, and other services associated with acquisition and relocation projects. The acquisition will continue the progress of acquiring noise sensitive properties within the 65 DNL contours.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$2,133,333
<i>Rate Impact</i>	
Impact on Airline Rates	NA

FAR Part 150 Noise Insulation Program

The project consists of insulating the eligible dwellings in the approved FAR Part 150 program. These dwelling units are located both north and south of the Reno-Tahoe International Airport and all are within the 65 DNL or higher noise contour. With the recently updated FAR Part 150 Study there are approximately 1,500 remaining eligible dwelling units.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$5,333,333
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Acquire Replacement Snow Removal Equipment Phase 1

The project consists of the purchase of snow removal equipment to improve the Reno-Tahoe Airport Authority’s ability to clear the airfield aircraft movement areas. The equipment will either replace existing equipment that is at the end of its useful life, or supplement the existing fleet for increased snow removal capacity. The acquisition of the additional equipment will reduce the time required to clear the runways, taxiways, and ramps during snow removal operations.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$563,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Centralized Security Checkpoint (Construction)

This project will consolidate the two concourses’ existing security checkpoints. A centralized security checkpoint will allow for more efficient Transportation Security Administration staffing, provide opportunities for new concessions and provide better customer service through more efficient passenger security processing. A central checkpoint will also provides expansion capacity for up to 10 screening lanes, in lieu of the current 7 lanes. A feasibility study is currently in progress and input is being gather from all stakeholders, including the TSA to determine the necessity and viability of this project.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$8,748,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Terminal Jet Bridge Equipment Upgrade – Phase 2

This project will replace the Preconditioned Air, 400 Hz Power, Canopies, Potable Water Cabinets, and Tires for the 23 jet bridges at the Reno-Tahoe International Airport. The jet bridges are relatively new, but the jet bridge equipment being replaced was salvaged from the older jet bridges when they were replaced, or was acquired new and is now reaching the end of its useful life. This project will not change the number of aircraft gates.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$1,500,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Southwest Air Cargo Ramp (Design and Construction)

This is the first phase of the construction of air cargo facilities in the southwest corner of the Reno-Tahoe International Airport (RTIA). This approximate 8-acre ramp and taxiway will be constructed of full strength concrete capable of supporting all aircraft types that currently utilize the existing runway and taxiway system at the airport. Improvements will also include infrastructure for related utilities, lighting, drainage, markings, access, and security.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$22,860,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Southern Central Disposal Facility

The project consists of a new Southern Central Disposal Facility (SCDF) for commercial aircraft waste. The facility includes dump tanks, tertiators, and cleaning bays. The building is approximately 1,800 SF, constructed of concrete masonry units (CMU), with a standing seam metal roof. The work includes utilities, sand/water separators, and an allowance for environmental conditions at the site.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$3,900,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

10 Year Plan Projects Reno Stead Airport

Runway Safety Area Improvements (Design)

Design of Runway Safety Area Compliance improvements within Runway Safety Areas (RSAs) and Object Free Areas (OFA) for Runway 8/26 and 14/32. The RSAs include a width of 500 feet from runway centerline and 1,000 feet beyond the end of runway pavement. The runway safety area improvements will include a combination of modifications that entail use of declared distances, runway extensions and terrain fill.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$2,300,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Taxiway 'D' Reconstruction (Design)

Design for the reconstruction of Taxiway 'D' (old Runway 01) asphalt pavement section, 4,600 LF by 50 feet wide. This will provide taxiway access from Runway 8/26 to the Nevada Army National Guard facility. The project will include demolition, excavation, stabilizing fill, base, paving, utilities, lighting, marking, signage and related appurtenances.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$290,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Terminal Area Development – Phase 1 and 2 (Design)

This is the design phase of a multi-phase capital improvement implementation program of the Reno Stead Terminal Development Plan (RSTDP). The RSTDP outlines a strategy to modernize and redevelop the terminal area so that the airport can more effectively support and encourage general aviation activity and special events while in the process attaining economic self-sufficiency. The project consists of drainage, grading, taxilanes and fire protection for the expanded terminal area.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$928,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

Airport Access Road (Moya Blvd.) and Utilities (Phase I – Construction)

Construction of approximately 2,000 Linear Feet (LF) of the Moya Boulevard extension and 2,600 LF of Alpha Ave. The project will include demolition, grading, drainage, excavation, stabilizing fill, base, paving, utilities, lighting, marking, signage and related appurtenances. This road extension will provide access to future development at the west end of the airport.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$8,630,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

2008-09

ANNUAL BUDGET

Section 3 – Trust Funds Summary

The RTAA has several funds that accumulate money for specific and discretionary purposes. From a governmental accounting standpoint, the RTAA is an enterprise fund. These are not the governmental purpose type funds usually seen in governmental accounting, but bond trustee accounts. The funds mentioned in this section and their payment priority were established by the RTAA's revenue bond resolutions and are not inclusive of all the cash, cash equivalents and investments of the RTAA that are reflected on the Statement of Cash Flows in Section 5. These funds are common in the airport industry's revenue bond resolutions. The revenue bond resolutions are, in effect, the RTAA's contract with the purchasers of the revenue bonds. This contract specifies how the RTAA will manage its money so that it will have sufficient funds to operate the airport system, and to pay the interest and principal due on the revenue bonds.

There are several funds which are used to handle the daily receipts and disbursements. The funds with the most activity are the Revenue Fund, and the Operation and Maintenance Fund. All revenues flow through the Revenue Fund and are distributed as needed to the other funds listed below. All of these funds will remain in place until the RTAA's revenue bonds are repaid. The funds are listed in order of their priority.

The money in each fund is invested until needed. The RTAA's revenue bond insurance policy specifies the type of investments that may be made. These investments must be backed by the full faith and credit of the United States government. The trustee bank, appointed by the RTAA to administer the revenue bond funds, holds the collateral for these investments.

The Operation and Maintenance Fund is the highest priority. The expenses to operate the airport system will be paid through this fund before any other transfers to lower priority funds. The operating budget of the RTAA flows through this fund. This amount is also shown on the Resources Applied by Organizational Unit page located in the Expenditures section by taking the total operations and maintenance expense less the non-rate base expenses. The balance as of June 1, 2008 is for expenses that have not cleared the bank and for June 2008 expenses.

The next priority, the Bond Fund with its sub accounts of Interest and Principal, is used to accumulate funds for the semi annual interest payments, and the annual principal payments on the revenue bonds. The amounts in these funds vary depending on the amount of debt service to be paid during the year. The transfers being shown into this account are for one-twelfth of the principal and interest due July 1, 2008 as well as the principal and interest due July 1, 2009 and the transfers out are for debt service due July 1, 2008. The Bond Reserve Fund has an amount or a surety bond equal to the largest annual principal and interest payment. If some event reduced airport revenues, and affected the RTAA's ability to pay its debt service, one year's debt service is available through the surety bond. This gives the RTAA one year to solve whatever problem is affecting revenues.

Any RTAA debt subordinate to the revenue bonds would be repaid with funds accumulated in the Subordinate Securities Fund. The RTAA has no such debt at this time.

The following funds have balances that are maintained beyond one fiscal year. The following schedules show the fund balances beginning in the fiscal year bonds were sold up to the present fiscal year.

The Operation and Maintenance Reserve Fund is to have on deposit an amount equal to two months of the annual operation and maintenance expense budget. In prior years, this amount was to be four months of the annual operation and maintenance expense budget. During the 2002 and 2003 refinancings, this amount was reduced to two months by an agreement with the bond insurer. Again, if some event reduced airport revenues, this fund is available to pay the operating expenses for two months. The balance of this fund as of June 1, 2008 is \$5,580,957. Pursuant to the bond resolution, payments will be made to this fund during the fiscal year, if necessary, to satisfy the required balance at June 30, 2009 of \$5,917,446.

The Renewal and Replacement Fund maintains a balance set by management of \$780,000 for unexpected or emergency repairs. This is another fund with a balance to keep the airport running in the event some major unforeseen repair was needed that was not included in the annual budget. The fund has the required balance as of June 1, 2008.

The Special Fund is the next priority and receives 35% of the gaming concession revenue. The RTAA has used this fund for the Ten-Year Plan capital projects at the Reno-Stead Airport. The balance of this fund at June 1, 2008 is \$7,648,317.

The General Purpose Fund is the last priority and will receive the RTAA's share of the net revenues split with the airlines under the airline agreement. This fund will be used for Ten-Year Plan projects at the Reno-Tahoe International Airport. The balance of this fund at June 1, 2008 is \$18,674,642. The expenditures from this fund are for equipment and capital projects being purchased in the 2008-09 fiscal year that will be included in the airlines rates and charges in subsequent years through amortization and the RTAA's share of Federally funded projects.

Summary of Application of Revenues In Order of
Priority As Established by the Bond Resolutions

Priority	Revenue Fund
(1)	Operation and Maintenance Fund
(2)	Bond Fund
	Interest Account
	Principal Interest
(3)	Reserve Account
(4)	Payment of Subordinate Securities
(5)	Operation and Maintenance Reserve Fund
(6)	Renewal and Replacement Fund
(7)	Special Fund
(8)	General Purpose Fund

AIRPORT AUTHORITY OF WASHOE COUNTY
 PROJECTED BALANCE OF CASH AND INVESTMENT ACCOUNTS AND SUB-ACCOUNTS
 ESTABLISHED BY REVENUE BOND RESOLUTIONS
 FOR THE YEAR ENDED JUNE 30, 2009

	Issuer Cash and Investment Accounts		Bond Fund				
	Special Fund	Operation & Maintenance Fund	Interest Fund 1996	Interest Fund 2002	Interest Fund 2003	Interest Fund 2005	Principal Fund 1996
Balance June 1, 2008 (Unaudited)	\$ 7,648,317	\$ 2,072,815	\$ 36,500	\$ 164,766	\$ 465,417	\$ 585,599	\$ 847,917
Receipts:							
Gross pledged revenues received:							
Deposits from Airport revenues							
Income received from investments pledged portion							
FAA Grants and other contributions	11,540,600						
Transfer among funds:							
Gaming revenue	1,305,500						
Operation and maintenance expenses		34,482,406					
Debt service requirements			27,375	230,465	1,061,833	1,519,408	352,083
Replenish fund for expenditures							
Maintain reserve requirement							
Equipment and capital projects in airline rates	-						
Disbursements:							
Operation and maintenance expenses		(36,555,221)					
Equipment and capital outlay							
Payment of revenue bond interest and principal			(53,838)	(296,475)	(1,042,875)	(1,403,863)	(925,000)
Other capital improvement expenditures	(12,148,000)						
<u>Projected Balance at June 30, 2009</u>	<u>\$ 8,346,417</u>	<u>\$ -</u>	<u>\$ 10,037</u>	<u>\$ 98,756</u>	<u>\$ 484,375</u>	<u>\$ 701,144</u>	<u>\$ 275,000</u>

Bond Fund			Trustee's Cash and Investment Accounts				
Principal Fund 2002	Principal Fund 2003	Principal Fund 2005	Operations & Maintenance Reserve Fund	Renewal & Replacement Fund	General Purpose Fund	Revenue Fund	Totals
\$ 3,455,833	\$ 2,717,917	\$ 96,250	\$ 5,580,957	\$ 780,000	\$ 18,674,642	\$ 2,055,811	\$ 45,182,741
						49,611,198	49,611,198
						1,840,000	1,840,000
					28,917,626		40,458,226
						(1,305,500)	-
						(34,482,406)	-
4,284,167	3,357,083	833,750				(11,666,164)	-
						-	-
			336,489			(336,489)	-
					1,487,939	(1,487,939)	-
							(36,555,221)
					(1,188,163)		(1,188,163)
(3,770,000)	(2,965,000)	(105,000)					(10,562,051)
					(37,188,192)		(49,336,192)
<u>\$ 3,970,000</u>	<u>\$ 3,110,000</u>	<u>\$ 825,000</u>	<u>\$ 5,917,446</u>	<u>\$ 780,000</u>	<u>\$ 10,703,852</u>	<u>\$ 4,228,511</u>	<u>\$ 39,450,539</u>

2008-09
ANNUAL BUDGET
Section 3 - Debt Summary

The debt service amounts appearing in the budget are derived from the revenue bond debt service interest and principal payments. Total debt service for 2008-09 is budgeted at \$10,768,625. Debt service declined by \$1,851 from 2007-08. This essentially level debt service amount from one year to the next is the result of revenue bond refinancing done in 2002, 2003, and 2005. Revenue bonds are refinanced by selling refunding bonds. Just as a homeowner refinances a mortgage to obtain a lower interest rate, the RTAA sold refunding bonds at lower interest rates, to retire bonds sold previously.

Prior to the several bond refinancings discussed below, the scheduled debt service for 2008-09 was to have been \$7,568,464. The refinancings were done to take advantage of historically low interest rates, and the opportunity to restructure the principal repayments. This reduced the debt component of the airline landing fee and rental rate. A portion of the principal repayment was moved to the future providing immediate short-term RTIA landing fee, and rental rate relief to the airlines to help offset their losses incurred subsequent to events of September 11, 2001. This refinancing alternative was done with the understanding, and concurrence of the airlines, knowing that debt service would gradually increase and level off in 2006-07.

The administration of the RTAA's debt is controlled by Nevada legislation, the Local Government Securities Law, and the bond resolutions adopted when revenue bonds were sold to finance airport improvements. Federal laws must also be complied with for the revenue bond interest to be non taxable. Federal, and state laws specify the public notices, and hearings that must be conducted, and the approvals needed when money is to be borrowed. The Local Government Securities Law, and the bond resolutions also control short term financings as well.

ALLOWED PURPOSES AND TYPES OF DEBT

Most local governments issue general obligation bonds. The repayment of general obligation bonds is secured by the taxing power of the local government. A statutory ratio of outstanding general obligation debt to assessed valuation often limits the maximum amount of general obligation debt a local government may have outstanding. Since the RTAA does not receive any property or general sales taxes, an assessed value based debt limitation does not apply. The RTAA has sold only revenue bonds to finance the construction of airport projects. The bonds are called revenue bonds because the repayment of the bonds is secured by the revenue of the airport system. The entity issuing the revenue bonds must have sufficient revenues to pay the debt service of the bonds sold. The RTAA bonds all have fixed interest rates. Complex variable rate bond issues have not been necessary to finance the capital needs of the RTAA. Bonds are also only sold for the construction of projects with useful lives that exceed the life of the bond issue.

The RTAA has issued revenue bonds first to finance airport improvement projects, and then to refinance or refund the outstanding bonds to obtain lower interest rates. The bonds issued in 1979, and 1982 were used to construct airfield improvements and expand the terminal building. The 1979, and 1982 bonds were refunded with 1992 and 1993B bond issues respectively. The

1992 bonds were again refunded in 2002, and the 1993B bonds were refunded again in 2003 as interest rates fell even lower.

The 1996A and 1996B revenue bonds were issued in April 1996 to fund the construction of a vehicle parking structure. The interest received by RTAA bondholders can be tax exempt or taxable depending on the use of the bond proceeds. The series 1996A is the tax-exempt portion for the construction of the parking structure. Series 1996B was for land acquisition that may be leased to a private party, and due to Internal Revenue Service rules had to be sold as taxable bonds. The 1996A bonds were also refinanced in July 2005 to take advantage of lower interest rates. No restructuring of principal repayment was done for these bonds.

DEBT LIMIT

The RTAA's debt is limited by the outstanding bond resolution requirement that net revenues (operating revenues less operating expenses) pledged to pay debt service exceed 125% of annual debt service. This test of net pledged revenues is shown on the last page of this section. Other schedules show the current and future year's debt service amounts. The RTAA has a cap on annual debt service, not a cap on the amount of outstanding debt. This is a common provision in airport revenue bond resolutions.

Part of the RTAA's process of selling revenue bonds is the issuance of a feasibility report by an airport consultant. This report projects airport revenues, airline rates, operating expenses, and the new, and existing debt service. The consultant's report must project that net pledged revenues will exceed 125 percent of the annual amount needed for debt service, or the financing is neither feasible nor allowed by the additional bonds test of the existing bond resolution. This debt service limit is what controls the amount of debt the RTAA can feasibly have outstanding. Net revenues, pledged to pay debt service, must exceed 125 percent of annual debt service.

DEBT STRUCTURE

The principal and interest paid to the RTAA's bondholders is included in the airline rates and revenue sharing through allocation to the airport cost centers. The debt service is allocated to the cost centers based on the amount of the various bond issues' proceeds used for improvements in each cost center. Bonds sold to finance improvements in the airline costs centers, whose debt service would be included in airline rates, must be approved by the airlines through the MII capital project review process provisions of the airline agreement.

The debt service is also structured not to begin until the facility being constructed with the proceeds is completed. This is done by delaying the repayment of principal until after the facility is occupied, and capitalizing the interest amounts due during the construction period. Capitalizing interest is done by selling additional bonds, above the amount needed for construction, resulting in additional funds to make the interest payments until the new facility is occupied and generating revenue. Offsetting the sale of additional bonds to pay interest is the practice of "net funding" the project by using the investment earnings on the bond proceeds unspent during the construction process. This reduces the amount of the bonds needed to pay for the construction.

The RTAA is in the bond market so infrequently that underwriters and bond buyers are not familiar with the Reno/Tahoe area or the RTAA. To be able to tell the story behind the bond financings, the RTAA has used negotiated sales with a finance team that can be educated about Reno-Tahoe and the RTAA. The members of the finance team, a financial consultant, bond counsel, and underwriter, were selected through a competitive process. The affect on airports of the events of September 11, 2001, and the economic downturn have varied across the country. The use of a consistent finance team enabled the RTAA to tell the rating agencies, and bond insurers of the limited impact on Reno/Tahoe’s operations. This communication process would have been very difficult if the RTAA’s bonds were sold through a competitive bidding process involving different underwriters.

Another aspect of selling revenue bonds is the use of enhancements to make the bonds as attractive as possible to potential buyers. Ratings from credit rating agencies are an enhancement used by the RTAA. The RTAA’s rating prior to September 11th was A- by Fitch Ratings. After September 11th, Fitch reviewed all of their airport ratings and the RTAA was one of the airport ratings affirmed, and not downgraded. Other airports were not as fortunate. The September 11th impact on those airports’ revenues was severe enough that their ability to repay their debt was in doubt. This rating is also known as the “underlying rating,” or the uninsured rating.

In the 2004-05 fiscal year, the RTAA invited the Fitch Ratings staff to Reno to view a presentation and to participate in a tour of the area. The purpose of this effort was to demonstrate the economic strength of the RTAA and the Reno-Tahoe area so that Fitch Ratings would consider upgrading the RTAA’s bond rating to an A. Fitch Ratings did upgrade the RTAA’s bond rating an A on July 7, 2005. This rating upgrade will not affect the RTAA’s bond interest rates because the bonds are insured and as a result are already AAA rated. The upgraded rating will reduce the bond insurance premium paid by the RTAA. The outstanding bond issues and their ratings are summarized in the following table:

Bond Issue	Insured Rating	Underlying Rating	Coupon Interest Rates
1996B Taxable	AAA	Fitch A	7.3 percent
2002 Refunding	AAA	Fitch A	5.0 percent to 5.25 percent
2003 Refunding	AAA	Fitch A	3.0 percent to 5.0 percent
2005 Refunding	AAA	Fitch A	3.0 percent to 5.0 percent

The RTAA’s bond issues are also insured. This is another credit enhancement that results in lower interest rates and lower debt service expenditures. If the RTAA was not able to make a debt service payment, the insurance company would make the payment and seek reimbursement from the RTAA. Insured bond issues carry the AAA credit rating of the insurance company. Fitch Ratings, and Moody’s Investor Services, both rate the RTAA’s insured debt as AAA. The current problems of the “Sub Prime” mortgage market have affected two of the bond insurance companies used by the RTAA. The insurance companies’ previous AAA ratings have been downgraded. This downgrading does not affect the amount of debt service paid by the RTAA.

Nevada state law, the bond resolutions, and the bond insurance policies all define the allowable types of investments that can be made with bond proceeds in the Construction Fund during construction and operating revenues until needed to pay operating expenses. The bond insurance policies are the most restrictive. Only investments backed by the United States government are allowed.

REFUNDING OF DEBT

RTAA periodically evaluates the feasibility of refinancing portions of its outstanding revenue bond debt by issuing refunding bonds. At least a three percent net present value debt service savings is the minimum industry standard necessary to justify such refundings. The analyses for the RTAA's 2002 and 2003 refundings resulted in potential savings close to that net present value savings benchmark. However, with the events of September 11th, stabilizing airline rates during the airline industry's economic recovery became as more important than net present value savings.

In 2002, the RTAA refunded the outstanding 1992 bonds with lower interest rates and spread the 2003, and 2004 principal payments among later years' payments. The 2003, and a portion of the 2004 principal payments for the 1993B bonds were also refunded and spread among later years. Tax laws limited the amount of the 1993B bonds that could be refunded at that time. These refundings reduced the amount of debt service to be included in the airline rates for 2003, and 2004. The movement of principal eliminated the present value savings of the 2002 bonds. After meetings with the airlines to review this strategy, they unanimously preferred paying the lesser annual debt service amounts for more years during this period of uncertainty after September 11th. The \$29.2 million of 1993B bonds were subsequently also refunded in March 2003, moving principal payments to the future, beginning in 2005. This refunding did have a present value debt service savings of 5.1 percent. The debt service schedules that follow show the principal payments through fiscal year 2011, when total debt service falls to \$2.7 million in 2012.

During the 2004-05 fiscal year, the RTAA also began the refunding process for the 1996A Revenue Bonds. The 2005 Refunding Bonds were sold in July 2005, early in the 2005-06 fiscal year. This refunding had a net present value debt service savings of approximately 8 percent, well above the 3 percent benchmark. This refunding took advantage of lower interest rates. Principal payments were not deferred to the future as with the 2002 and 2003 refundings.

2008-09
ANNUAL BUDGET
 Summary of Bonded Indebtedness

	1996B Revenue (Taxable) Bonds	2002 Revenue Refunding Bonds	2003 Revenue Refunding Bonds	2005 Revenue Refunding Bonds	Total Bonded Indebtedness
Amount of original issue	\$ 6,635,000	\$ 17,375,000	\$ 29,215,000	\$ 29,775,000	\$ 83,000,000
Bonds / Notes retired	6,360,000	13,405,000	9,840,000	350,000	29,955,000
Bonds / Notes Outstanding July 1, 2008	\$ 275,000	\$ 3,970,000	\$ 19,375,000	\$ 29,425,000	\$ 53,045,000
2008-09 Debt service requirement					
Principal payment due	\$ 275,000	\$ 3,970,000	\$ 3,110,000	\$ 825,000	\$ 8,180,000
Interest payment due	20,075	197,512	968,750	1,402,288	2,588,625
Total 2008-09 Debt Service	\$ 295,075	\$ 4,167,512	\$ 4,078,750	\$ 2,227,288	\$ 10,768,625

2008-09
ANNUAL BUDGET
Schedule of Debt Service

Bond Year Ended July 1	Airport Revenue (Taxable) Bonds Series 1996B		Airport Revenue Refunding Bonds Series 2002		Airport Revenue Refunding Bonds Series 2003		Airport Revenue Refunding Bonds Series 2005		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2008	925,000	87,600	3,770,000	395,438	2,965,000	1,117,000	105,000	1,405,438	10,770,476
2009	275,000	20,075	3,970,000	197,512	3,110,000	968,750	825,000	1,402,288	10,768,625
2010					7,935,000	813,250	1,145,000	1,375,475	11,268,725
2011					8,330,000	416,500	1,185,000	1,335,400	11,266,900
2012							1,245,000	1,276,150	2,521,150
2013							1,310,000	1,213,900	2,523,900
2014							1,355,000	1,161,500	2,516,500
2015							1,420,000	1,101,300	2,521,300
2016							1,475,000	1,044,500	2,519,500
2017							1,550,000	970,750	2,520,750
2018							1,625,000	895,750	2,520,750
2019							1,705,000	814,500	2,519,500
2020							1,790,000	729,250	2,519,250
2021							1,880,000	639,750	2,519,750
2022							1,975,000	545,750	2,520,750
2023							2,075,000	447,000	2,522,000
2024							2,175,000	343,250	2,518,250
2025							2,285,000	234,500	2,519,500
2026							2,405,000	120,250	2,525,250
	<u>\$ 1,200,000</u>	<u>\$ 107,675</u>	<u>\$ 7,740,000</u>	<u>\$ 592,950</u>	<u>\$ 22,340,000</u>	<u>\$ 3,315,500</u>	<u>\$ 29,530,000</u>	<u>\$ 17,056,701</u>	<u>\$ 81,882,826</u>

**2008-09
ANNUAL BUDGET**

Net Pledged Revenues Test

	<u>Actual 2006-07</u>	<u>Budget 2007-08</u>	<u>Budget 2008-09</u>
Airport System Revenues			
Scheduled airline fees and rentals			
Landing fees	\$5,099,191	\$7,241,647	\$7,154,047
Terminal building space rental	7,135,709	7,217,135	7,145,881
TOTAL scheduled airline fees and rentals	<u>12,234,900</u>	<u>14,458,782</u>	<u>14,299,928</u>
Concession fees	15,095,247	15,358,520	16,474,832
Other operating revenues	18,266,550	18,208,321	18,836,438
Non-operating revenues	<u>2,475,203</u>	<u>1,860,000</u>	<u>1,840,000</u>
Gross pledged revenues	48,071,900	49,885,623	51,451,198
Transfers - General Purpose Fund for			
LOI Bond debt service	639,373	641,856	644,911
Airline revenue share from prior year	2,111,696	1,300,000	1,600,000
Airport system operation and maintenance expenses	(30,453,872)	(33,655,586)	(34,808,506)
35% of gaming revenue	<u>(1,294,816)</u>	<u>(1,251,250)</u>	<u>(1,305,500)</u>
Net pledged revenues	<u><u>\$19,074,281</u></u>	<u><u>\$16,920,643</u></u>	<u><u>\$17,582,103</u></u>
Debt Service Coverage Required	<u><u>\$13,456,835</u></u>	<u><u>\$13,463,095</u></u>	<u><u>\$13,460,781</u></u>
Debt Service Coverage Requirement is the greater of the following:			
125% of Senior Revenue Bond Debt Service -			
Net of LOI Transfers	<u>13,456,835</u>	<u>13,463,095</u>	<u>13,460,781</u>
100% of All Debt Service - Net of LOI Transfers	<u><u>10,765,468</u></u>	<u><u>10,770,476</u></u>	<u><u>10,768,625</u></u>

2008-09
ANNUAL BUDGET
Section 4 – Supplemental Data

Current Events

The record setting increases in fuel costs are resulting in nationwide reductions in airline and passenger activity. Increasing federal airport security requirements are also presenting airline and airport operational and financial challenges. The increases in monthly passenger activity at the beginning of 2007-08 are being replaced by decreases as the year progresses and the price of oil continues to rise. Passenger activity decreased by 2.6 percent in the fiscal year 2006-07 compared to fiscal year 2005-06. A 0.9 percent increase in passengers is projected for 2008-09 due to two major events occurring that did not occur in the prior fiscal year. As is shown in the table below, RTIA has four fewer departures providing fewer available seats. The number of occupied seats has also declined as the economy has declined and demand for air travel has fallen. This is why the RTAA budget increases have been limited to keep the airline cost per enplanement low.

	June	2007	2008	Difference
Seats		10,633	9,644	(989)
Departures		88	83	(5)
Load Factor		88.6%	72.5%	-16.1%

RTIA is fortunate to have Southwest Airlines, one of the nation’s financially healthy airlines, as its largest air carrier. For the fiscal year 2008, Southwest’s market share was 49.7 percent of all the passengers. RTIA offers better air service than any other airport for a city of comparable size anywhere in the United States. Eight major/national, and two regional airlines serve RTIA offering non-stop service to 22 cities, and make one-stop connections to virtually any major metropolitan city in the world.

Keeping airline rates low, especially for low fare airlines, such as Southwest Airlines and Frontier, is critical. In the airline industry, “yield” refers to the revenue an airline generates flying one passenger one mile. The latest Department of Transportation surveys, calendar year 2007, show that airline yields at RTIA are \$0.127. This is a slight increase from RTIA’s 2006 airline yield of \$0.126. The more revenue an airline generates in a specific market, the more likely it will add air service in the future. The increasing average airline yield is partially due to an increase in the portion of higher fare business travel at RTIA as the local economy diversifies.

The RTAA staff continues to actively pursue new air service. The President/CEO, Director of Air Service Business Development, and key individuals from the Board of Trustees and Air Service Task Force continue to visit corporate executives of airlines currently serving RTIA, as well as airlines that do not. A business case is specifically tailored to the airline that includes an airline route analysis identifying the number of passengers flying between RTIA and other cities, profitability and how such a route would fit in an airline’s current route and rate structures. The process of gaining or maintaining air service takes a great amount of time and effort. Air service development is competitive, with over 400 airports in the U.S. calling on airlines to solicit new air service.

To make air service more attractive for a current or new airline, the RTAA has adopted an airline

incentive program for any airline establishing service to a market not currently served. This program allows up to 12 months of free terminal building rent and landing fees, or other negotiated items, depending on the size of the new market. The RTAA also participates in the cost of cooperative advertising for new air service with the community's Regional Marketing Committee (RMC). The RTAA is committed to seeing that an airline is successful in new air service at RTIA. The airline's success is an RTAA success.

Three major air cargo carriers, FedEx, United Parcel Service (UPS), and DHL (ABX) serve RTIA. Air cargo activity increased 11.7 percent from fiscal year 2005-06 to 2006-07. Air Cargo seemed to counter the passenger trend with continued increases. Air Cargo activity has begun to decline in the last few months of the 2007-08 fiscal year. As the national economy improves, air cargo activity will increase due to the major warehousing and distribution facilities in the region. In addition, more companies such as Amazon.com, Barnes & Noble, and Dell Computers have established distribution centers in the Reno area that use air cargo to distribute their products. Growing local companies, such as gaming machine manufacturer IGT, also use RTIA's air cargo carriers to distribute their product.

These companies not only affect the air cargo activity at the airport, but also accomplish the community's goal of further diversifying the local economy. Passenger surveys also indicate a significant number of business passengers, as opposed to tourism travelers, with the growing economic diversity in the region. 31 percent of non-resident, and 47 percent of resident travelers are traveling for business purposes according to previous passenger surveys.

The air transportation industry is a major factor in northern Nevada's economy. Economic impact studies show there is a \$3.24 billion impact on the local economy from the RTAA airports and its passengers and tenants. This sector of the local economy provides close to 40,000 jobs.

The RTIA is truly a regional airport serving nearly one million people in the cities of Reno, Sparks, Carson City, along with eight counties in Nevada, and five counties in north central California. RTIA is also the "gateway" to Lake Tahoe.

RTIA is located four miles southeast of Reno's central business district. The Reno-Stead Airport is located 11 miles northwest of the central business district. The state capital, Carson City, is 30 miles south of Reno. Elected officials and state employees use RTIA to get back to their constituents or to fly to the many state agencies located 350 miles to the south in Las Vegas. The closest competing airport is 115 miles away in Sacramento, California. Since Sacramento is separated from Reno by the Sierra Nevada Mountains, which can be difficult to cross in the winter snows, few western Nevada passengers use the Sacramento Airport. During severe flooding, and recent record snow storms, the mountain highways were closed, if not blocked, and the RTIA was the community's only means of departure from or access to the area. Many northern California, and Nevada residents drive to Reno for the cheaper flights offered by the low fare airlines at RTIA. Many also depart RTIA to make key connections to their international destinations.

The second airport operated by the RTAA is the Reno-Stead Airport, a general aviation airport. General aviation airports typically do not have scheduled air service, but do provide other aviation related facilities. The Reno-Stead Airport has military, helicopter, charter, and private

aircraft operations. Aircraft owners or aviation related businesses lease land or buildings at Reno-Stead from the RTAA. Reno-Stead is also the home of the annual National Championship Air Races, a Bureau of Land Management base for fire fighting aircraft, and a Nevada Army National Guard helicopter base.

Economic Diversification

Reno, Sparks, and Lake Tahoe area developments have a significant impact on air service demand in this market. The City of Reno's downtown redevelopment process is making visible progress. Old buildings in the core downtown area were acquired and demolished to make way for a new events center, a court house, a condominium tower, and a theater complex. One downtown block, adjacent to the Truckee River, is being left as open space through development as a park and ice skating rink. The Reno City Hall was relocated to the city center, adjacent to the park, in a 15 story former bank building. Construction was completed on a \$264 million 2.1 mile trench project that lowered railroad tracks 33 feet. The trench eliminated 11 grade crossings in the center of town and improved vehicle and pedestrian flow. It also eliminated a traffic interruption that would become more frequent as rail traffic from the expanding Port of Oakland increases. The project was on schedule, on budget, and trains were using the tracks in the trench as scheduled.

Several casinos in the downtown Reno core have converted from hotels to residential condominiums. The Comstock Hotel has completed its conversion, and the financing is in place for the Flamingo Hilton/Golden Phoenix conversion. The Palladio, a twelve story condominium with over 20,000 square feet of retail space, 5,000 square feet of outdoor dining, and 92 luxury condominiums was also completed. The Atlantis Casino and Resort is constructing a sky-bridge that will connect to the Reno-Sparks Convention Center, which is located across the street from the property, for convenient access. The Peppermill Hotel has completed a \$400 million expansion that includes a new tower with 600 rooms, and a 1,600 space parking structure. A 62,000 square foot expansion of their convention center brings their total convention space to 102,000 square feet. A second parking structure for employees and a new pool and spa area remain to be completed.

South Lake Tahoe is also upgrading its recreational facilities as a \$1 billion redevelopment project nears completion that includes new lodging and timeshare properties, retail shopping, restaurants, and a new 2.5 mile gondola from South Lake Tahoe to the Heavenly Valley Ski resort. The Ritz-Carlton Hotel Company will operate Lake Tahoe's first five-star luxury hotel at a new hotel to be constructed at the Northstar ski resort. This new \$300-million resort project is slated to open in late 2009. On the California side at the south end of the lake, small old motels and shops are being razed to become parks and open areas to enhance the perception of Lake Tahoe's alpine setting. These changes are designed to enhance the area's visual, environmental and economic qualities.

Reno Sparks Convention & Visitors Authority (RSCVA) operates a downtown events center, and a recently expanded convention center. They promote the area to attract conventions and trade shows to the RTIA area. Two large events, the Safari Club and an annual Volleyball Festival, each have over 20,000 attendees over separate one week periods. RSCVA also operates the National Bowling Stadium located in downtown Reno. The stadium hosts three-

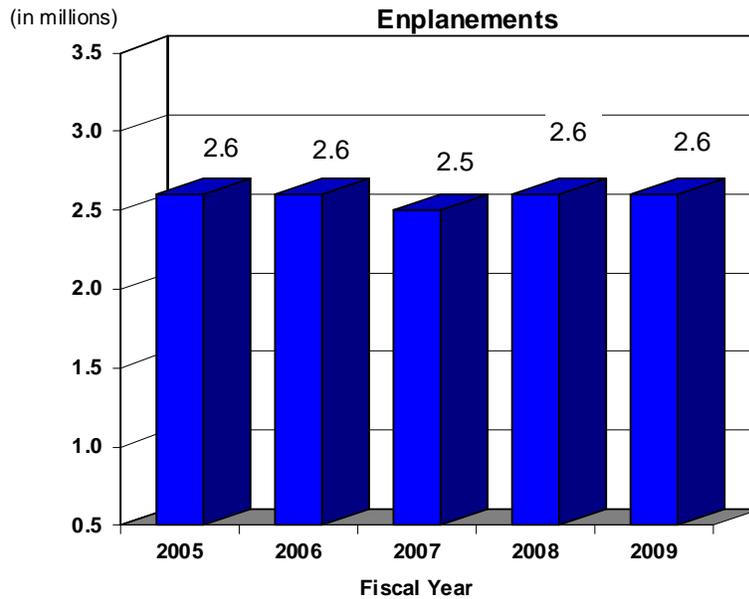
month long bowling competitions with 70,000 to 90,000 bowlers. The women's bowling championship returns in 2008-09 with an expected 70,000 competitors. The larger men's championship returns the following year.

The RSCVA's marketing message continues to differentiate the Reno Tahoe area from other gaming locations. The focus is "America's adventure place" promoting the diverse outdoor activities that are possible in the area. The Reno Tahoe Open, a Professional Golfer's Association tour event, and a white water festival for kayaking are examples of local events used to attract visitors. The Truckee River Whitewater Park is on the river that flows through downtown Reno. The fifth annual Reno River Festival was recently held at the Park. The festival brings together top professional and amateur kayakers from around the country to compete in various events.

Even with economic diversification, gaming remains a significant portion of the Nevada economy. Nationally, Indian gaming is greater than all gaming in Nevada. The national rate of Indian gaming growth fell to 4.5 percent in 2007, after growing at an average rate of 15 percent the previous 10 years. The impact of Indian gaming, or specifically California Indian gaming, on Nevada gaming revenues is difficult to quantify. In previous years, it appeared that Indian gaming may just be slowing the rate of gaming revenue growth in Washoe County. Nevada gaming revenues increased 2.2 percent in 2007 over the previous calendar year. Clark County, which includes Las Vegas, had a 2.6 percent increase. Washoe County, which includes Reno, Sparks, and North Lake Tahoe, had a 1.6 percent decrease. Washoe County is apparently feeling the impact of the economic downturn, and decreased tourism before Clark County. The latest statistics available show that gaming revenues are now declining at both ends of the state. For the 12 months, through April 2008, Nevada gaming revenues decreased 0.5 percent over the 2007. Clark County again leads with a smaller 0.4 percent decrease. Washoe County's gaming revenues decreased of 3.9 percent. The economic downturn is affecting the local and state tax revenues of Nevada governments as well as those in other states. The high price of gasoline is also affecting the tourists who used to drive to the state and its attractions.

Economic diversification continues in the RTIA area. Several "Silicon Valley" companies have relocated to the RTIA area. Dell Computers, Cisco Systems, Intuit, Oracle, and Microsoft have been attracted by the favorable business climate and the livability of the northern Nevada region. The Reno Sparks area is repeatedly ranked as one of the best places to live and do business in the United States. The most recent evidence of significant diversification is the start of construction of Legends at Sparks Marina, a destination development. This is a retail development which combines a unique mix of entertainment venues, restaurants and retail offerings designed to attract a majority of visitors from out-of-state. Unlike a typical shopping center that draws visitors from within a 10-mile radius, the uniqueness of the development will attract most of its visitors from more than 100 miles away. The project is estimated to cost up to \$400 million and is scheduled to open in fall 2008. Wal-Mart recently constructed a 1 million square foot distribution center in a nearby major industrial park. The growth of the business community will ultimately increase the demand for higher yield business travel for the airline.

The following charts show five fiscal years of the RTAA's progress in activity levels and measures of financial effectiveness. The first three years' numbers on these charts are year-end actual amounts and the last two years' are the budgeted amounts.



Enplaned Passengers

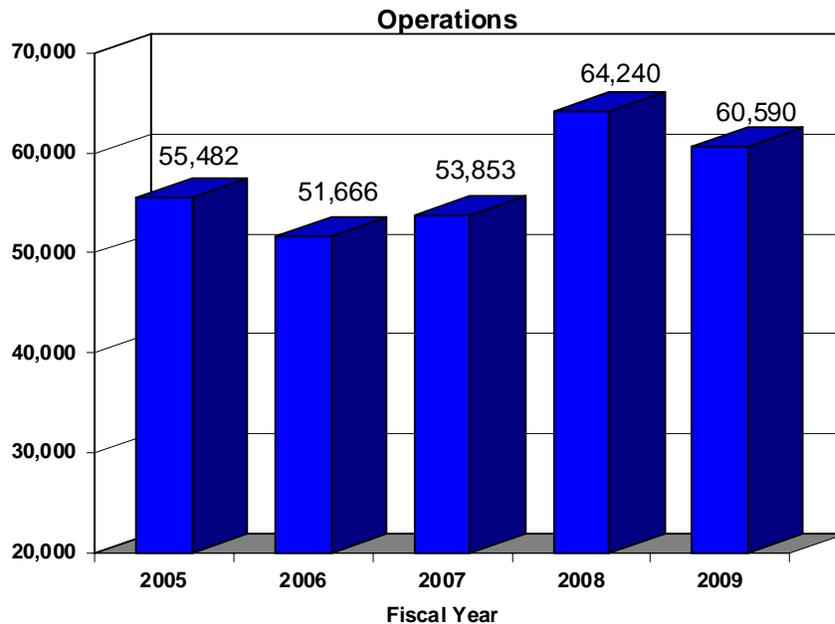
Fiscal 2009 enplaned passengers at Reno-Tahoe International Airport are projected to be 2.55 million, or 0.9 percent more than the projected amount for 2008. The rate of growth has slowed due to airlines using smaller aircraft that offer less seating capacity. With the events of September 11th and the sluggish economy, passenger traffic stagnated but rebounded in fiscal 2005. Based on the national economy and the changes currently taking place in the aviation industry, enplaned passengers are estimated to only marginally increase in fiscal 2008 as compared to projected.

Scheduled Airline Passenger Market Share

Southwest	1,080,932	49.3%
United	199,385	9.1%
American	175,422	8.0%
Horizon	165,706	7.6%
USAirways	144,962	6.6%
Skywest	100,828	4.6%
Delta	95,129	4.3%
Continental	63,757	2.9%
Express Jet	52,307	2.4%
Mesa	39,379	1.8%
Alaska	34,135	1.6%
Aloha	22,091	1.0%
Others	19,287	0.9%
Total	<u>2,193,320</u>	<u>100%</u>

Airline Market Share

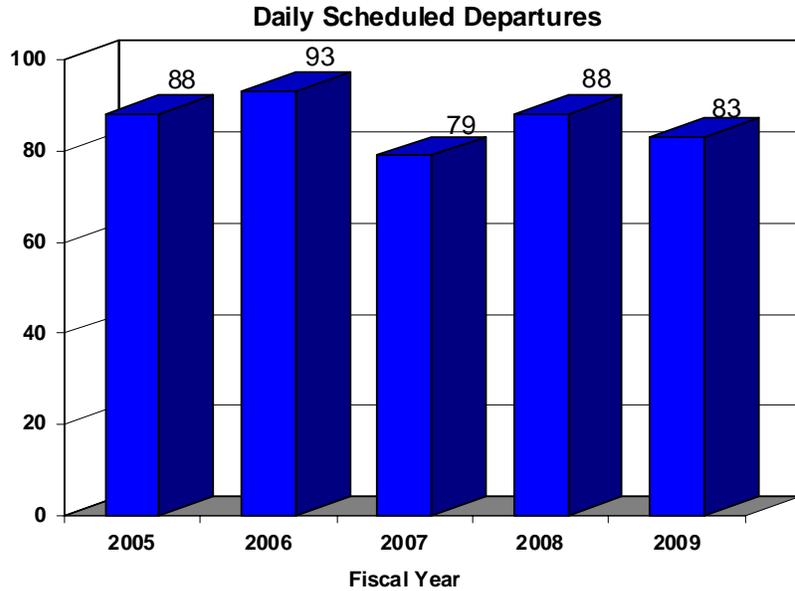
The more diverse an airport's airline market the less susceptible that airport is to the effects of an airline having financial problems or changing flight activity. This table shows that the RTIA has seven main carriers providing 89.5 percent of the flights with another seven carriers making up the balance. This table is based on the scheduled enplaned passenger numbers for the period July 1, 2007 through May 31, 2008. In last year's chart, Southwest had 49.4 percent of the passengers, United had 9.6 percent, American had 8.2 percent, Horizon had 4.3 percent, and USAirways had 7.5 percent. One airline having such a large share of the passenger traffic might be a concern. In this case though, that airline is one of the few airlines earning a profit in today's difficult air travel market.



Scheduled Annual Operations

An operation is the term used to describe an aircraft landing or taking off. The operation numbers include both landings and takeoffs. Scheduled annual operations are the landings and takeoffs of the scheduled airline flights for an entire year. Operations are projected to remain steady in fiscal 2009 as compared to fiscal 2008 projections of approximately 60,000. This amount does not include the other non-scheduled operations at the airport such as charter flights, military, or general aviation.

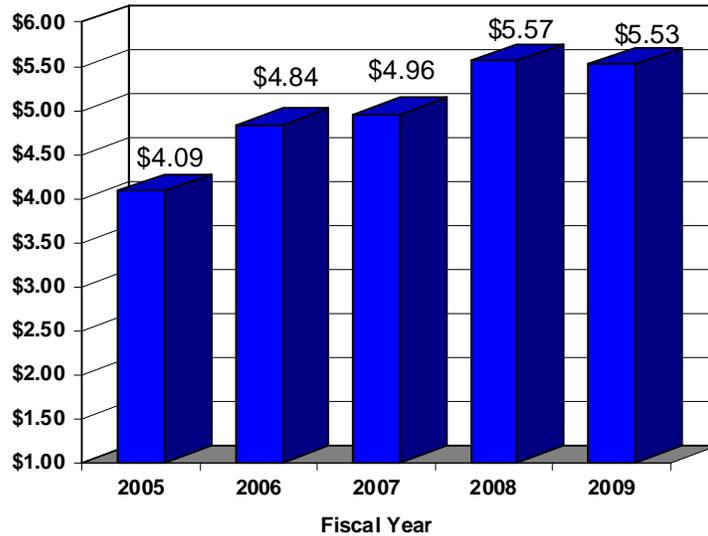
Operations did not decrease at same rate as passengers, and when the economy and air travel market improved the airlines serving the airport had the seat availability to serve the marketplace and therefore they were able to carry more passengers on the same number or fewer flights. This results in fewer empty seats, an increased aircraft load factor, and an increased average financial yield on an airline's flight. This is an important issue for the profitability of all airlines.



Daily Scheduled Departures

This chart shows the average number of flights departing the RTIA each day in June. This number had declined as duplicate flights had been reduced after September 11, 2001. Daily flights remained stable in 2002, 2003 and 2004 as the air travel industry adjusted to the new marketplace. The increase in 2005 and 2006 coincides with the increasing passenger levels experienced by the airport. The decline in fiscal 2007 is due to flight reductions from various airlines in an effort to maximize load factors, and increase the airline revenue per flight to offset higher fuel prices. The increase in fiscal 2008 is primarily due to new air service to previously unserved markets and the decrease in 2009 is due to the restructuring and realigning of aircraft that is currently taking place by most of the major airlines doing business in the United States.

Cost Per Enplanement



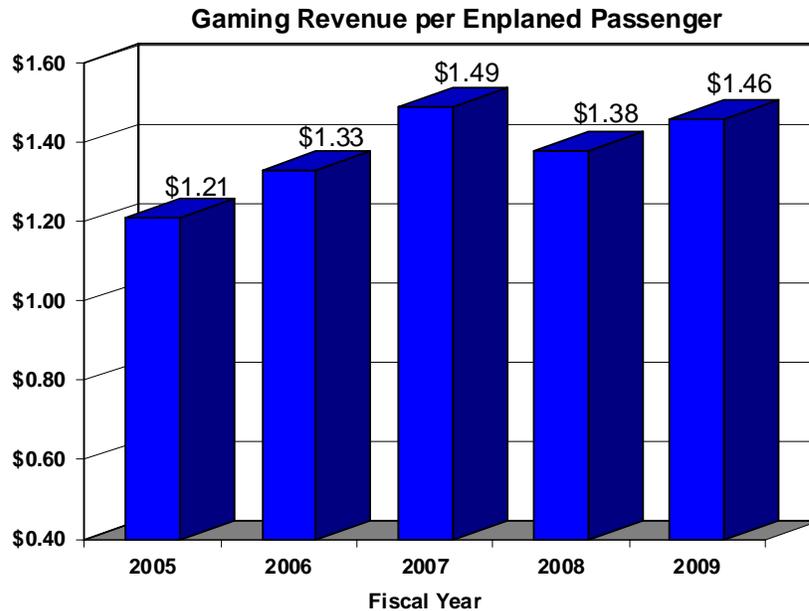
Cost Per Enplaned Passenger

The cost per enplaned passenger amount is used to indicate the airport related costs paid by the airlines for each passenger flown from an airport. The airport costs incurred by an airline are landing fees and rents. While an airline's airport costs are a small portion of their operating budget when compared to labor, fuel, and debt service, airports want to minimize their cost per enplanement so it is not a significant factor.

As can be seen from the graph above, the RTAA has been successful keeping this cost stable despite the increasing costs of operating the airport. An increase was experienced in fiscal years immediately following the events of September 11, 2001 due to the increase in associated security. The reduced passenger traffic levels contributed to this amount per passenger rising. In fiscal years 2004 and 2005, expenses were deferred in an effort to reduce airline costs. The increase in fiscal years 2006 through 2009 is due to the inclusion of necessary expenses that had been previously deferred as well as the slowing in the growth of passengers. A subsequent chart shows how RTIA's cost per enplanement compares to other airports.

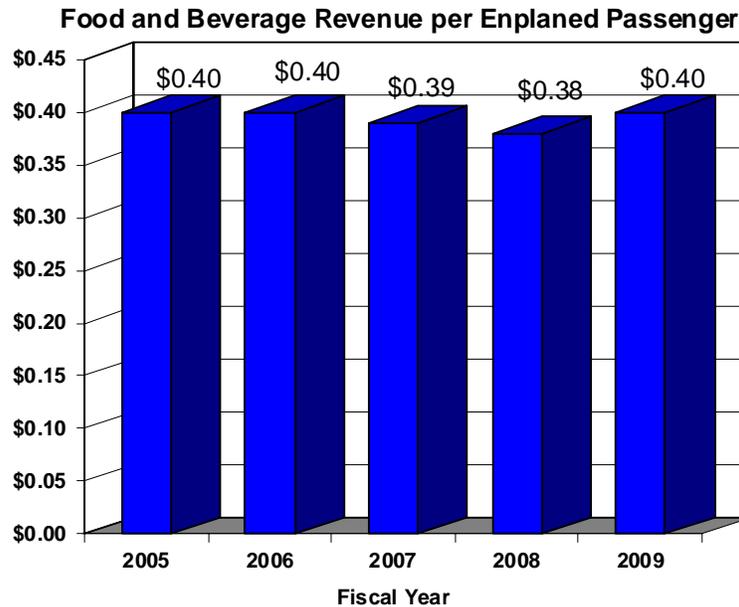
Concession Revenue Per Enplaned Passenger

Concession revenue per enplaned passenger is a measure of a concessionaire's effectiveness that can be compared from year to year and between airports. Following are the main concession revenues of the RTAA presented in a per enplaned passenger format.



Gaming Concession Revenue per Enplaned Passenger

Few other airports have gaming revenues to compare. The gaming revenues are budgeted at \$3.7 million for 2009 and are projected to be \$3.7 million for 2008. The minimum annual guarantee was lowered effective December 1, 2003 based on a new agreement with the gaming concessionaire, IGT. The increasing revenue per enplaned passenger levels is due to revenues outpacing the growth in passenger levels. For fiscal year 2009 it is estimated that revenue will continue to outpace passengers due to the vendor continually updating the gaming machines and increasing gaming activity will increase the revenue per enplaned passenger amount.

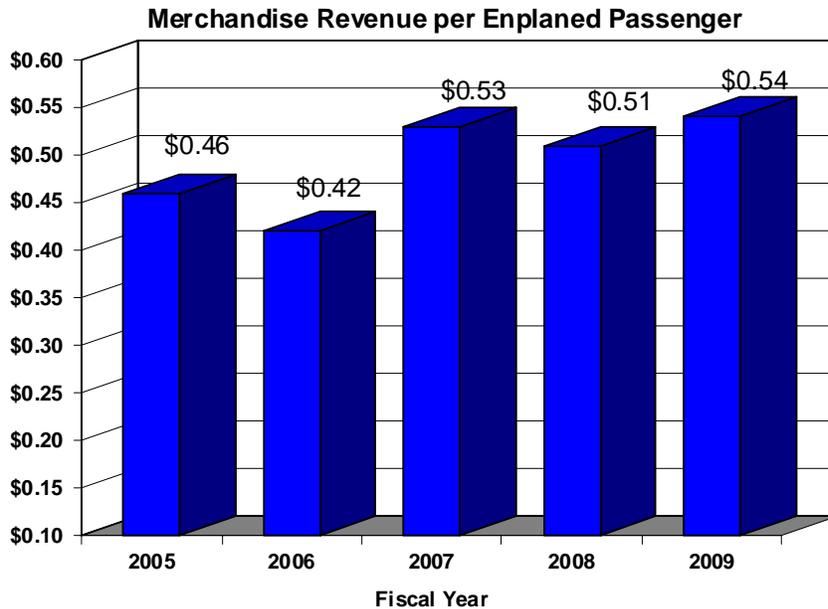


Food and Beverage Concession Revenue per Enplaned Passenger

The food and beverage concession agreement currently pays the Airport Authority the greater of a minimum guaranteed amount or a percentage of gross revenues. With the October 1, 2001, implementation of the new concession agreement, the minimum annual guarantee increased to \$800,000 for the operation by the new concessionaire, Creative Host Services. The minimum annual guarantee amount is set annually at 85% of prior years payments, or \$800,000, whichever is greater. Revenues are budgeted at \$1,013,000, assuming a 0.9 percent increase as compared to the fiscal 2008 projection. The increase of 0.9 percent compared to projected correlates to the estimated increase in passengers.

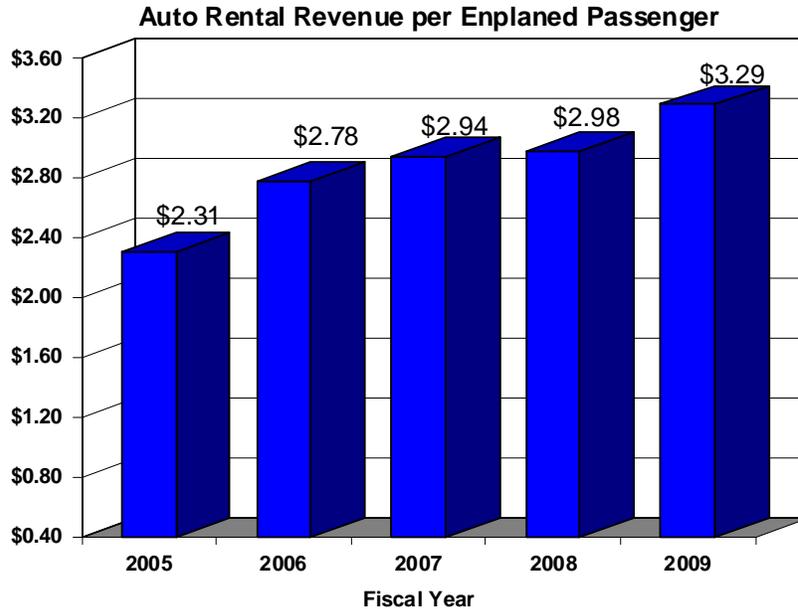
The slight increase of revenue per enplaned passenger at Reno-Tahoe to \$0.40 is primarily due to revenues increasing at a slightly higher rate than the anticipated increase in passengers in fiscal year 2009. The stabilization at the recent levels is due to security requirements causing the passengers to spend more time passed the security checkpoints, near the airline boarding areas, but away from the major concession areas at the airport before the security checkpoints.

The new concessionaire has installed restaurants operated by local purveyors. This is a new trend in the airport industry. Passengers are interested in concessions that reflect the local community, not just the same national brands found at many airports.



Merchandise Concession Revenue per Enplaned Passenger

The merchandise concession stores have furnishings that would fit in any upscale shopping mall. A PGA Tour Golf Shop and a duty free shop add to the mix of shops found in the most airports. The higher priced items in these stores are contributing to the increase in the concession revenue per passenger. The increase in the revenue per enplaned passenger in 2009 is due to an estimated increase in sales due to construction being completed on the refurbishment of merchandising concessions. Conservative estimates in merchandise revenues have been made due to the ever changing nature of the air travel industry. At \$0.54 Reno-Tahoe remains near the industry average amount per enplanement.

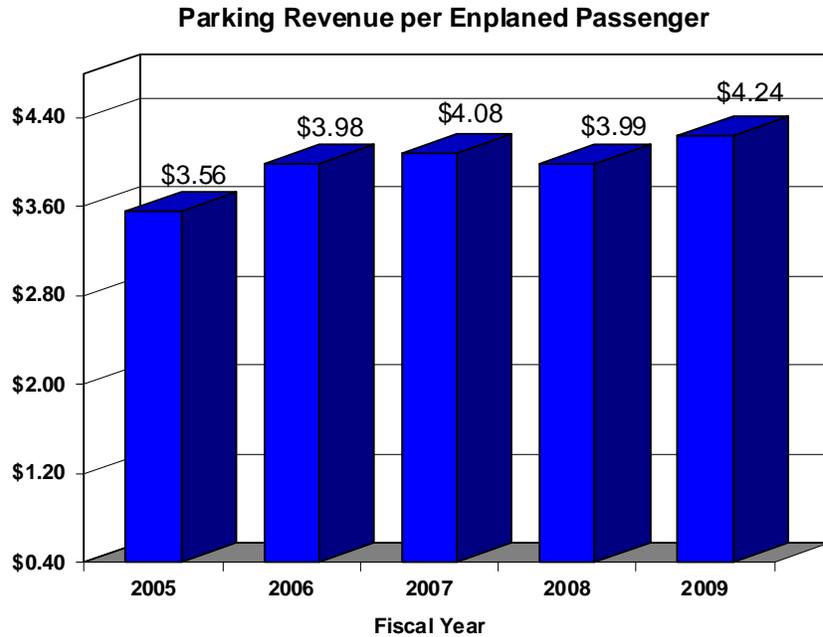


Rental Car Concession Revenue per Enplaned Passenger

There were nine on airport car rental agencies and one off airport car rental agency. With the combinations of Alamo and National as well as Avis and Budget, there are now seven on airport agencies. One unique aspect of the rental car concession agreement is abatement months that are more fully discussed in Section 3- Revenues.

The rental car graph shows a stable revenue trend. Prior to September 11, 2001, the revenues were growing faster than passengers due to the annual increases in the concession agreement’s minimum annual guarantee, resulting in an increase in the revenue per passenger. More recently, rental car companies have paid 10 percent of gross revenues, which exceeded their minimum annual guarantee, and revenue per enplaned passenger has fluctuated as a result.

For the fiscal year 2005, 10 percent of gross revenues was received from the rental car companies as a new concession agreement was being negotiated. The actual revenues for fiscal 2008 are expected to exceed the budget amount and are also expected to increase 7 percent in fiscal 2009. This increase is due to the new agreement with the rental car companies effective July 1, 2005 that increases the minimum annual guarantee on an annual basis. It is anticipated that four of the seven rental car agencies will only pay their MAG as it will be in excess of the 10 percent of gross.

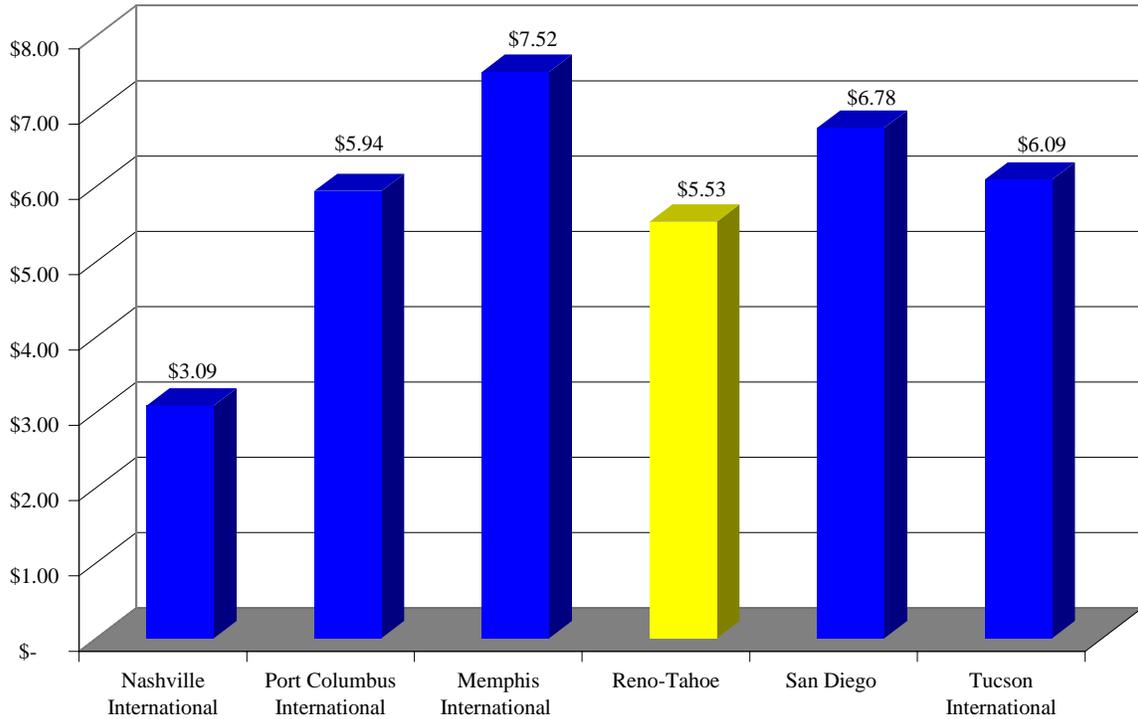


Parking Revenue per Enplaned Passenger

The parking rates at the airport are not budgeted to increase in fiscal year 2008, while the revenue per enplaned passenger is expected to increase. At \$4.24, the vehicle parking revenue per enplaned passenger at the Reno-Tahoe International Airport continues to increase as passenger activity improves.

The fiscal year 2009 budgeted per enplaned passenger amount of \$4.24 is consistent with the fiscal year projected amount of \$4.14. It is anticipated that the fiscal year 2008 projected amount will be exceeded in 2009 with a rate increase that occurred during the last quarter of fiscal year 2008, as well as the parking transactions increasing and length of stay per transaction also continuing to increase.

2008 Airport Cost Per Enplanement



Airline Cost per Enplanement

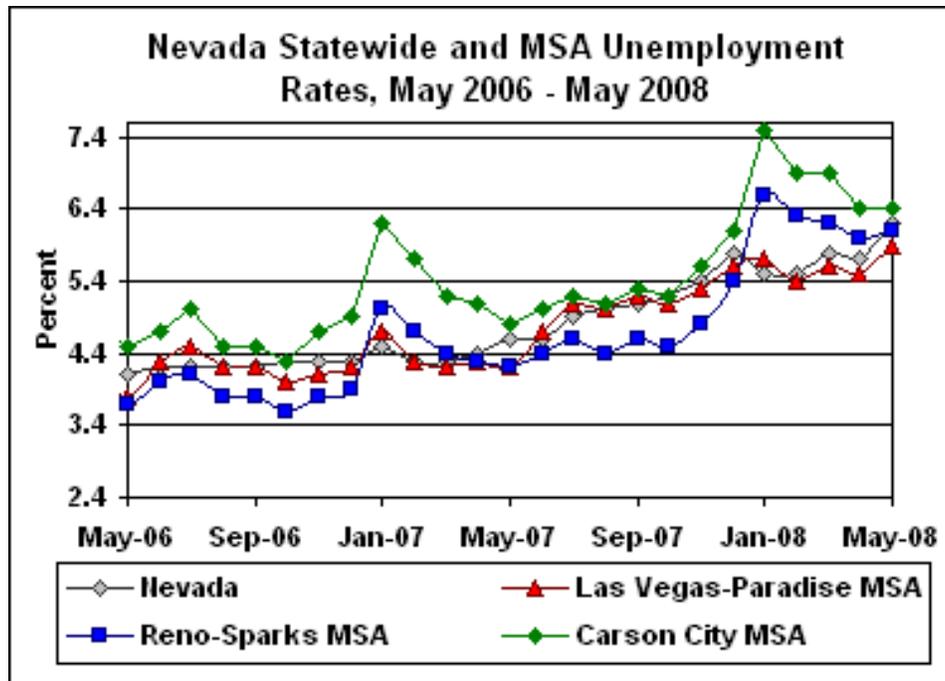
The chart above shows airports that are comparable to RTIA as medium hub airports operated by independent authorities. The amounts are for fiscal year 2008 and were provided as a courtesy by the respective airports. The 2008-09 budgeted cost per enplanement for RTIA is \$5.3 which is below the 2007 average of \$5.83 for the airports sampled. Having a low cost per enplanement is of significance to RTIA because it is a low fare, tourism based travel destination with low cost carrier, Southwest Airlines, as its number one carrier.

Nevada Job Growth					
Nonfarm Payroll Employment, in Thousands					
	May	May		Percent	April
	2008	2007	Change	Change	2008
Total	1,295.00	1,303.90	(8.90)	-0.70%	1,289.10
Natural Resources & Mining	12.30	12.10	0.20	1.70%	12.20
Construction	124.20	137.50	(13.30)	-9.70%	123.40
Manufacturing	51.10	50.70	0.40	0.80%	51.00
Trade, Transportation & Utilities	236.50	231.00	5.50	2.40%	236.30
Information	15.60	16.10	(0.50)	-3.10%	15.70
Financial Activities	62.80	65.40	(2.60)	-4.00%	62.70
Professional & Business Services	153.70	159.90	(6.20)	-3.90%	153.00
Education & Health Services	95.60	92.00	3.60	3.90%	95.00
Leisure & Hospitality	340.80	341.90	(1.10)	-0.30%	338.70
Casino Hotels & Gaming	211.00	213.80	(2.80)	-1.30%	209.90
Other Services	37.00	36.80	0.20	0.50%	36.70
Government	165.40	160.50	4.90	3.10%	164.40

[Source: Current Employment Statistics \(CES\), Research and Analysis Bureau, Nevada Department of Employment, Training and Rehabilitation, in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor.](#)

Employment Statistics

The chart above demonstrates Nevada's diversified economy. Diversification of the local economy will lessen any future negative economic impact as Indian gaming increases in the states surrounding Nevada. The chart above shows that employment in the two largest sectors of the economy, Trade, Transportation and Utilities as well as Leisure and Hospitality have not experienced as much decline in employment as compared to other sectors of Nevada employment.

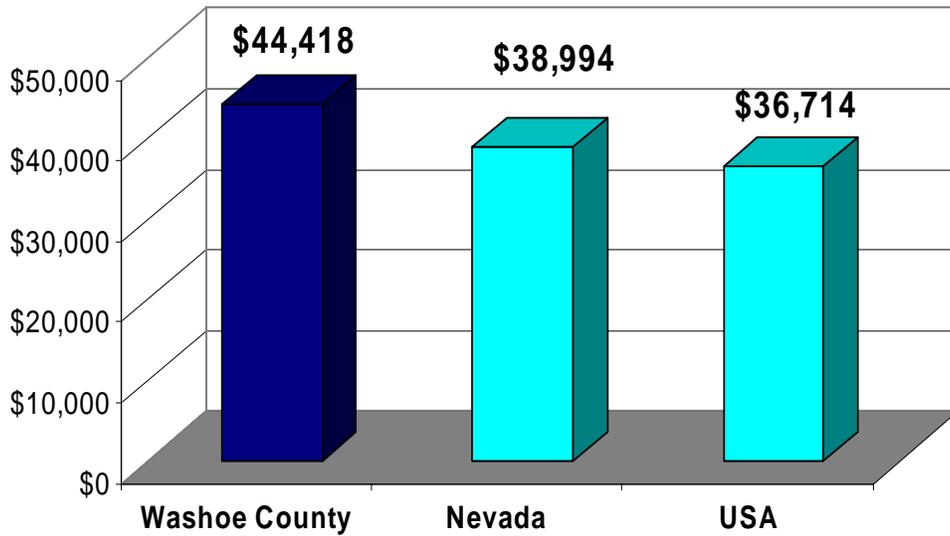


Source: <http://www.nevadaworkforce.com/>

Unemployment Statistics

This chart shows the Reno-Tahoe area unemployment as compared to the rest of the state. The Reno unemployment statistics are usually below not only the Las Vegas statistics for Southern Nevada, but also the state as a whole.

Per Capita Personal Income



Per Capita Personal Income

Another aspect of Reno-Tahoe area employment is Per Capita Personal Income. As the chart above of the latest data available for 2006 demonstrates, the Reno-Tahoe area of Washoe County not only has a higher per capital personal income than the state in general, but also a higher level than the national average per capital personal income level.

Domestic Airline Passengers

Table 8. Domestic Scheduled Enplanements on U.S. Carriers
Passenger numbers in millions (000,000)

	2006	2007	2006- 2007 Pct. Change	2008	2007- 2008 Pct. Change
January	48.9	50.0	2.3	50.3	0.5
February	47.4	47.8	0.9	49.5	3.7
March	58.3	59.2	1.6	58.4	-1.4
April	55.8	57.4	2.8		
May	57.1	59.3	3.7		
June	59.3	61.5	3.7		
July	60.8	63.4	4.3		
August	58.3	62.6	7.4		
September	50.0	52.3	4.7		
October	55.1	57.2	3.8		
November	53.9	55.0	2.2		
December	53.5	53.3	-0.5		
3 Mo Total	154.5	157.0	1.6	158.3	0.8
Yr. Total	658.4	679.1	3.1		

Source: Bureau of Transportation Statistics, T-100 Domestic Market

Note: Percent changes based on numbers prior to rounding.

The chart above lists the last two calendar years of domestic airline passenger enplanements for the United States. The national statistics mirror the two annual passenger peaks that occur in March/April and July/August each year. The busiest day in the air travel industry occurs during the Thanksgiving holiday, but November is not a peak air travel month.

Airline Profitability

Table 2: Network Airline System* Quarterly Operating Profit/Loss Margin (In Percent)

Network Airlines Ranked by 1st Quarter 2008 Margin

(Operating Profit/Loss as Percent of Total Operating Revenue)

1Q 2008 Rank	Network Airlines	1st Quarter 2007 (%)	2nd Quarter 2007 (%)	3rd Quarter 2007 (%)	4th Quarter 2007 (%)	1st Quarter 2008 (%)	1st Quarter Operating Profit/Loss \$(Millions)
1	Continental	1.5	7.0	6.6	2.0	-2.7	-95
2	Delta	3.5	9.3	8.0	-0.7	-3.6	-174
3	Northwest	7.2	11.3	13.2	3.0	-3.8	-125
4	American	3.4	6.7	4.5	-2.5	-4.1	-234
5	US Airways**	4.4	13.9	10.7	-3.6	-6.6	-193
6	Alaska	-2.7	9.6	12.8	-5.4	-8.5	-62
7	United	-2.0	10.1	11.5	-2.4	-9.4	-441
Seven-Carrier Total		2.5	9.2	8.8	-1.1	-5.2	-1,324

Source: Bureau of Transportation Statistics; Form 41, Schedule P1.2

* System = domestic + international

** America West Airlines and US Airways now operate under a single certificate and are reporting jointly. The combined airline's financial numbers are included with the network carriers beginning with the fourth quarter of 2007. US Airways' previous numbers remain with network carriers and America West's previous numbers are listed separately as a low-cost carrier.

Table 3: Low-Cost System* Quarterly Operating Profit/Loss Margin (In Percent)

Low-Cost Airlines Ranked by 1st Quarter 2008 Margin

(Operating Profit/Loss as Percent of Total Operating Revenue)

1Q 2008 Rank	Low-Cost Airlines	1st Quarter 2007 (%)	2nd Quarter 2007 (%)	3rd Quarter 2007 (%)	4th Quarter 2007 (%)	1st Quarter 2008 (%)	1st Quarter Operating Profit/Loss \$(Millions)
1	Allegiant	14.1	11.7	7.8	2.6	8.1	10
2	Southwest	3.8	12.7	9.7	5.1	3.5	88
3	JetBlue	-2.2	10.2	10.0	3.8	2.2	18
4	Spirit	7.0	5.1	3.7	-8.9	-1.0	-2
5	AirTran	2.7	11.7	6.3	2.6	-5.9	-35
6	Frontier**	-2.1	0.5	6.1	-8.5	N/A	N/A
7	America West***	5.1	-2.6	-4.5	N/A	N/A	N/A
Seven-Carrier Total		3.1	8.6	6.6	2.9	N/A	N/A

Source: Bureau of Transportation Statistics; Form 41, Schedule P1.2

* System = domestic + international

** Frontier failed to report financial data for the first quarter of 2008 in time for this release.

*** America West Airlines and US Airways now operate under a single certificate and are reporting jointly. The combined airline's financial numbers are included with the network carriers beginning with the fourth quarter of 2007. US Airways' previous numbers remain with network carriers and America West's previous numbers are listed separately as a low-cost carrier.

The charts on the previous page list the latest quarterly profit percentages for the Network and Low-Cost Carriers. The Low-Cost Carriers have returned to profitability before many of the Network Carriers, generally because their lower costs allowed them to absorb more of the recent spike in fuel prices. Many of the Network Carriers were or are in bankruptcy, and are now regaining profitability by reducing their labor costs, reducing their aircraft fleets, and number of flights. Southwest Airlines has weathered the rise in fuel prices most successfully due to its ability and foresight to hedge much its future fuel needs.



STATE OF NEVADA
DEPARTMENT OF TAXATION

Web Site: http://tax.state.nv.us
1550 College Parkway, Suite 115
Carson City, Nevada 89706-7937
Phone: (775) 684-2000 Fax: (775) 684-2020

RENO OFFICE
4600 Kietzke Lane
Building L, Suite 235
Reno, Nevada 89502
Phone: (775) 688-1295
Fax: (775) 688-1303

JIM GIBBONS
Governor
THOMAS R. SHEETS
Chair, Nevada Tax Commission
DINO DICIANNO
Executive Director

LAS VEGAS OFFICE
Grant Sawyer Office Building, Suite 1300
555 E. Washington Avenue
Las Vegas, Nevada, 89101
Phone: (702) 486-2300 Fax: (702) 486-2373

HENDERSON OFFICE
2550 Paseo Verde Parkway Suite 180
Henderson, Nevada 89074
Phone: (702) 486-2300
Fax: (702) 486-3377

Nevada Department of Taxation
1550 College Parkway, Suite 115
Carson City, NV 89706-7921

Reno-Tahoe Airport Authority herewith submits the FINAL budget for the
fiscal year ending June 30, 2009

This budget contains 0 funds, including Debt Service, requiring property tax revenues totaling \$ 0

The property tax rates computed herein are based on preliminary data. If the final state computed revenue limitation permits,
the tax rate will be increased by an amount not to exceed 0 If the final computation requires, the tax rate will be
lowered.

This budget contains 0 governmental fund types with estimated expenditures of \$ 0 and
1 proprietary fund with estimated expenses of \$ 60,397,131

Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 (Local
Government Budget and Finance Act).

CERTIFICATION

APPROVED BY THE GOVERNING BOARD

I Joan E. Dees
(Printed Name)
Sr. Director of Finance & Administration
(Title)

certify that all applicable funds and financial
operations of this Local Government are
listed herein

Signed Joan Dees

Dated: May 15, 2008

Handwritten signatures of board members on lines.

SCHEDULED PUBLIC HEARING:

Date and Time 5/15/08 - 8:15 AM

Publication Date 5/7/2008

Place: Reno Tahoe Airport Authority - Board Room

RENO-TAHOE AIRPORT AUTHORITY

FINAL BUDGET 2008-2009

INDEX

PAGE 1	SCHEDULE S-1
PAGE 3	SCHEDULE S-2
PAGE 4	SCHEDULE A-2
PAGE 5	SCHEDULE F-1
PAGE 6	SCHEDULE F-2
PAGE 7	SCHEDULE C-1

Budget Summary for **RENO-TAHOE AIRPORT AUTHORITY**

Schedule S-1

	GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS					TOTAL (MEMO ONLY) COLUMNS 3-4 (5)
	ACTUAL PRIOR YEAR 06/30/07 (1)	ESTIMATED CURRENT YEAR 06/30/08 (2)	BUDGET YEAR 06/30/09 (3)	PROPRIETARY FUNDS BUDGET YEAR 06/30/09 (4)		
REVENUES						
Property Taxes	\$	\$	\$	\$	\$	
Other Taxes						
Licenses and Permits						
Intergovernmental Resources						
Charges for Services						
Fines and Forfeits						
Miscellaneous				63,496,198		63,496,198
TOTAL REVENUES				\$ 63,496,198	\$	\$ 63,496,198
EXPENDITURES-EXPENSES						
General Government						
Judicial						
Public Safety						
Public Works						
Sanitation						
Health						
Welfare						
Culture and Recreation						
Community Support						
Intergovernmental Expenditures						
Contingencies						
Utility Enterprises						
Hospitals						
Transit Systems						
Airports				57,808,506	\$	57,808,506
Other Enterprises						
Debt Service - Principal						
Interest Cost				2,588,625	\$	2,588,625
TOTAL EXPENDITURES-EXPENSES				\$ 60,397,131	\$	\$ 60,397,131
Excess of Revenues over (under) Expenditures-Expenses				\$ 3,099,067	\$	\$ 3,099,067

Budget Summary for RENO-TAHOE AIRPORT AUTHORITY
 Schedule S-1

	GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS				TOTAL (MEMO ONLY) COLUMNS 3+4 (5)
	ACTUAL PRIOR YEAR 06/30/07 (1)	ESTIMATED CURRENT YEAR 06/30/08 (2)	BUDGET YEAR 06/30/08 (3)	PROPRIETARY FUNDS BUDGET YEAR 06/30/09 (4)	
OTHER FINANCING SOURCES (USES):					
Proceeds of Long-term Debt					
Sales of General Fixed Assets					
Operating Transfers (in)					
Operating Transfers (out)					
TOTAL OTHER FINANCING SOURCES (USES)					
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (Net Income)					XXXXXXXXXXXXXXXXXX
FUND BALANCE JULY 1, BEGINNING OF YEAR:					XXXXXXXXXXXXXXXXXX
Reserved					XXXXXXXXXXXXXXXXXX
Unreserved					XXXXXXXXXXXXXXXXXX
TOTAL BEGINNING FUND BALANCE					XXXXXXXXXXXXXXXXXX
Prior Period Adjustments					XXXXXXXXXXXXXXXXXX
Residual Equity Transfers					XXXXXXXXXXXXXXXXXX
FUND BALANCE JUNE 30, END OF YEAR					XXXXXXXXXXXXXXXXXX
Reserved					XXXXXXXXXXXXXXXXXX
Unreserved					XXXXXXXXXXXXXXXXXX
TOTAL ENDING FUND BALANCE					XXXXXXXXXXXXXXXXXX

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/07	ESTIMATED CURRENT YEAR ENDING 06/30/08	BUDGET YEAR ENDING 06/30/09
General Government			
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support			
TOTAL GENERAL GOVERNMENT			
Utilities			
Hospitals			
Transit Systems			
Airports	261.5	269.5	275.5
Other			
TOTAL	261.5	269.5	275.5

POPULATION (AS OF JULY 1, 2007)			418,061
SOURCE OF POPULATION ESTIMATE*			
Assessed Valuation (Secured and Unsecured Only)			
Net Proceeds of Mines			
TOTAL ASSESSED VALUE			
TAX RATE			
General Fund			
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund			
Other			
TOTAL TAX RATE			

* Use the population certified by the state in March each year. Small districts may use a number developed per the instructions (page 6) or the best information available.

RENO-TAHOE AIRPORT AUTHORITY
(Local Government)

SCHEDULE S-2 - STATISTICAL DATA

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/09	
	ACTUAL PRIOR YEAR ENDING 6/30/2007	ESTIMATED CURRENT YEAR ENDING 6/30/2008	TENTATIVE APPROVED	FINAL APPROVED
OPERATING REVENUE				
Landing and Aircraft Fees	\$ 7,142,939	\$9,160,787	\$9,500,618	\$9,207,834
Gaming Concession	3,699,474	3,711,600	3,730,000	3,730,000
Food & Beverage Concession	972,536	1,004,000	1,013,000	1,013,000
Merchandise Concession	1,321,059	1,361,785	1,384,889	1,384,889
Auto Rental Concession	7,301,381	7,884,932	8,398,659	8,398,659
Parking/Traffic Control	10,136,245	10,476,866	10,821,000	10,821,000
Rents	12,225,827	11,154,995	13,068,834	12,317,132
Other Concessions/Misc.	2,797,236	2,687,729	2,738,684	2,738,684
TOTAL OPERATING REVENUE	45,596,697	47,442,694	50,655,684	49,611,198
OPERATING EXPENSE				
Personnel Services	\$ 20,877,676	\$ 22,752,603	\$ 24,614,890	\$ 23,814,090
Utilities and Communications	2,797,048	2,965,617	3,295,105	3,268,225
Purchased Services	3,131,901	3,175,393	3,753,807	3,686,157
Materials and Supplies	1,546,951	1,659,975	1,787,407	1,839,857
Administrative Expenses	2,100,296	2,084,107	2,335,572	2,200,177
Depreciation/Amortization	20,686,072	21,000,000	23,000,000	23,000,000
TOTAL OPERATING EXPENSE	51,139,944	53,637,694	58,786,781	57,808,506
OPERATING INCOME OR (LOSS)	(5,543,247)	(6,195,000)	(8,131,097)	(8,197,308)
NONOPERATING REVENUES				
Interest Earned	3,382,557	2,929,204	\$2,722,000	\$2,722,000
Jet Fuel Tax Revenue	338,810	405,371	400,000	400,000
Reimbursements/Miscellaneous	-	-	-	-
PFC Revenues (Passenger Facility Chg.)	10,992,217	9,972,053	10,763,000	10,763,000
Gain (Loss) on sale of capital assets	112,337	-	-	-
Insurance Settlement Proceeds	13,853	-	-	-
Subsidies				
TOTAL NONOPERATING REVENUES	14,839,774	13,306,628	13,885,000	13,885,000
NONOPERATING EXPENSES				
Jet Fuel Tax Expenses	-	-	-	-
Interest Expense	3,229,056	3,005,476	2,588,625	2,588,625
TOTAL NONOPERATING EXPENSES	3,229,056	3,005,476	2,588,625	2,588,625
NET INCOME BEFORE OPERATING TRANSFERS	6,067,471	4,106,152	3,165,278	3,099,067
OPERATING TRANSFERS (Schedule T)				
IN				
OUT				
NET OPERATING TRANSFERS	-	-	-	-
NET INCOME	\$ 6,067,471	\$ 4,106,152	\$ 3,165,278	\$ 3,099,067

RENO-TAHOE AIRPORT AUTHORITY

(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES, AND NET INCOME

FUND: AIRPORTS

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/09	
	ACTUAL PRIOR YEAR ENDING 06/30/07	ESTIMATED CURRENT YEAR ENDING 06/30/08	TENTATIVE APPROVED	FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ (5,543,247)	\$ (6,195,000)	\$ (8,131,097)	\$ (8,197,308)
Depreciation/Amortization	20,686,072	21,000,000	23,000,000	23,000,000
Provision for Bad Debt	-	-	-	-
Loss on Sale of Property and Equipment	-	-	-	-
Changes in Current Assets and Liabilities	2,801,241	2,500,000	2,500,000	2,500,000
a. Net cash provided by operating activities	17,944,066	17,305,000	17,368,903	17,302,692
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Jet Fuel Tax Revenue	338,810	405,371	400,000	400,000
b. Net cash provided by non capital financing activities	338,810	405,371	400,000	400,000
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Federal Grant Proceeds	19,361,109	18,000,000	16,000,000	16,000,000
Proceeds from sale of Capital Assets	117,091	600,000	500,000	500,000
Acq. & Const. of Capital Assets	(32,919,987)	(30,000,000)	(27,985,692)	(27,564,192)
Principal/Interest Payments	(9,680,843)	(10,770,476)	(10,768,625)	(10,768,625)
Receipts of PFC Revenue	10,992,217	9,972,053	10,763,000	10,763,000
Insurance Settlement Proceeds	13,853	-	-	-
c. Net cash used for capital and related financing activities	(12,116,560)	(12,198,423)	(11,491,317)	(11,069,817)
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Receipt of Interest	3,263,324	2,800,000	\$2,722,000	\$2,722,000
Purchase/Sale of Investments	955,546	500,000	500,000	500,000
d. Net cash used in investing activities	4,218,870	3,300,000	3,222,000	3,222,000
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	10,385,186	8,811,948	9,499,586	9,854,875
CASH AND CASH EQUIVALENTS AT JULY 1, 20XX	51,899,537	62,284,723	71,096,671	71,096,671
CASH AND CASH EQUIVALENTS AT AT JUNE 30, 20XX	\$ 62,284,723	\$ 71,096,671	\$ 80,596,257	\$ 80,951,546

RENO-TAHOE AIRPORT AUTHORITY

Schedule F - 2 - Statement of Cash Flows

FUND: AIRPORTS

ALL EXISTING OR PROPOSED
GENERAL OBLIGATION BONDS, REVENUE BONDS,
MEDIUM-TERM FINANCING, CAPITAL LEASES AND
SPECIAL ASSESSMENT BONDS

* - Type

- 1 - General Obligation Bonds
- 2 - G.O. Revenue Supported Bonds
- 3 - G.O. Special Assessment Bonds
- 4 - Revenue Bonds
- 5 - Medium-Term Financing

- 6 - Medium-Term Financing - Lease Purchase
- 7 - Capital Leases
- 8 - Special Assessment Bonds
- 9 - Mortgages
- 10 - Other (Specify Type)
- 11 - Proposed (Specify Type)

(1) NAME OF BOND OR LOAN List and Subtotal By Fund	(2) *	(3) TERM	(4) ORIGINAL AMOUNT OF ISSUE	(5) ISSUE DATE	(6) FINAL PAYMENT DATE	(7) INTEREST RATE	(8) BEGINNING OUTSTANDING BALANCE 7/1/2008	(9) REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/09 INTEREST PAYABLE	(10) PRINCIPAL PAYABLE	(11) (9) + (10) TOTAL
FUND: AIRPORTS										
AAWC, AIRPORT REVENUE (TAXABLE) BONDS, SERIES 1996B	4	30	6,635,000	04/01/96	07/01/09	VARIOUS	275,000	20,075	275,000	295,075
AAWC, AIRPORT REVENUE REFUNDING BONDS SERIES 2002	4	7	17,375,000	05/16/02	07/01/09	VARIOUS	3,970,000	197,512	3,970,000	4,167,512
AAWC, AIRPORT REVENUE REFUNDING BONDS SERIES 2003	4	8	29,215,000	04/10/03	07/01/11	VARIOUS	19,375,000	968,750	3,110,000	4,078,750
RTAA, AIRPORT REVENUE REFUNDING BONDS SERIES 2005	4	21	29,775,000	08/18/05	07/01/26	VARIOUS	29,425,000	1,402,288	825,000	2,227,288
TOTAL ALL DEBT SERVICE			\$ 83,000,000				\$ 53,045,000	\$ 2,588,625	\$ 8,180,000	\$ 10,768,625

SCHEDULE C-1 INDEBTEDNESS

RENO-TAHOE AIRPORT AUTHORITY Budget Fiscal Year 2008-2009

Note: Airport Authority of Washoe County (AAWC) was changed to Reno-Tahoe Airport Authority effective July 1, 2005 during the 2005 Nevada Legislative Session

Glossary

Accrual Basis of Accounting – Recognizing revenue when it is earned and recognizing expenses in the period incurred, without regard to the time of receipt or payment of cash.

Aircraft Operation – The landing or take off of an aircraft.

Airline Load Factor – The percentage of seats occupied on an aircraft.

Airline Yield Per Mile – Airlines' ticket revenues for a given airport divided by the air miles flown to that airport for those tickets.

Airport Improvement Program (AIP) – A Federal Aviation Administration program periodically reauthorized by Congress which distributes the proceeds of the federal tax on airline tickets to airports through grants for eligible construction projects and land acquisition.

Airport Layout Plan (ALP) – A blue print of an airport required by the Federal Aviation Administration which shows current and future airport development.

Airside – The airfield side of an airport used by aircraft, runways, taxiways, and aircraft parking aprons.

Automated Vehicle Identification System – An electronic system that counts vehicle entrances, exits and dwell time at a location.

Baggage Information Displays (BID) – Electronic displays to inform passengers which baggage conveyor will be used for their flight's luggage.

Balanced Budget - A budget in which receipts are equal to or greater than outlays. A further test for the RTAA is that Net Pledged Revenues must exceed 125 percent of that year's revenue bond debt service.

Bond Covenant – An agreement with the bond holders, which defines, among other things, the priority of the payment of debt service in the use of revenues.

Closed Circuit Television (CCTV) – Video cameras used for surveillance to maintain security and safety.

Compensatory Rate Setting – An airline rate setting method in which rates are set using the cost of operating a particular cost center without any reduction for the revenues earned in that cost center.

Competition Plan – A plan required by the FAA of large and medium hub airports at which 50 percent or more of their passengers are handled by two or fewer airlines.

Cost Centers – Geographic locations on an airport such as the airfield or terminal building used for rate setting purposes.

Cost Per Enplanement – The airlines' airport costs, landing fees and rents, divided by the total number of passengers enplaned at the airport.

CUPPS – Common Use Passenger Processing System

CUSS – Common Use Self Service

CUTE – Common Use Terminal Equipment

Daily Departure Seats – The total of all the seats on all the scheduled airline flights leaving an airport each day.

Deplaning Passenger – An arriving passenger.

Depreciation - A non-cash expense that accounts for the value of assets which decreases over time as a result of use, age, or obsolescence.

Disadvantaged Business Enterprise (DBE) - The Department of Transportation (DOT) has had in effect for more than 20 years a policy of helping small businesses owned and controlled by socially and economically disadvantaged individuals, including minorities and women, in participating in contracting opportunities created by DOT financial assistance programs. At airports, DBE's are encouraged to participate in FAA grant funded projects.

DNL (Day-Night Average Sound Level) – This is the primary metric for aircraft noise exposure measurement required by the Federal Aviation Administration. Despite its name, DNL is not a typical average, but instead is a cumulative measure of all noise exposure during a 24-hour period. Loud events or quieter events both increase the DNL value. To reflect the added intrusiveness of noise between the nighttime hours of 10p.m. and 7 a.m., DNL counts each nighttime noise event as if it occurred 10 times.

Enplaning Passenger – A departing passenger.

Enterprise Fund - A form of accounting that utilizes a separate fund or cost center for a specific purpose. Enterprise fund expenditures are generally paid by the revenues generated within the operation of that purpose.

FAR – Federal Aviation Regulations

Federal Aviation Administration (FAA) – A component of the Department of Transportation with primary responsibility for the safety of civil aviation.

Fiscal Year – A 12 month period, other than a calendar year, used for financial reporting purposes. The RTAA's fiscal year begins July 1st and ends June 30th.

Fixed Base Operator – Businesses on airports that sell fuel to private plane owners, provide aircraft parking, as well as aircraft maintenance and mechanical services.

Flight Information Displays (FID) – Electronic displays to inform passengers of the status of their flight, such as arrival time, and terminal building gate number.

FOD – Foreign Object Debris or trash on the airfield.

General Aviation (GA) – The activities of privately owned aircraft that are not used for commercial purposes, such as the movement of passengers or freight.

Hybrid Rate Setting – A combination of the “residual” and “compensatory” methods of airline rate calculation.

Jet Bridge – A mechanical tunnel used by passengers to pass from the terminal building to an aircraft.

Landed Weight – The maximum gross certificated landed weight of an aircraft, or all aircraft landing at an airport in a fiscal year, which is not dependent on the number of passengers on board.

Landing Fee – The rate charged by an airport to commercial aircraft operators per thousand pounds of landed weight.

Landside – All areas of land owned and maintained by the RTAA outside of the airfield areas perimeter fence.

Majority In Interest (MII) – A method, defined in an airport's airline agreement, of determining an airline majority for purposes of approving capital projects at airports.

Minimum Annual Guarantee (MAG) – A minimum amount to be paid by an airport concessionaire. Concessionaires pay the greater of the minimum annual guarantee or a percentage of their gross revenues.

Medium Hub Airport – Airports defined by the Federal Aviation Administration enplaning 1.6 to 4.2 million passengers.

Net Pledged Revenues – Operating Revenues less Operating Expenses pledged to pay debt service as defined in a bond covenant.

Noise Compatibility Plan – A portion of a Part 150 Study which outlines how an airport will mitigate, through aircraft operations, structural noise insulation or land acquisition, the airport noise impact within certain average noise levels.

Noise Exposure Map – A map that identifies and quantifies the noise impacted areas surrounding the airport.

Non Airline Revenue – Airport revenue earned from sources other than airlines, such as concession revenues: Merchandise, Food and Beverage, Rental Car, etc. Airports try to maximize non airline revenue to help reduce the amounts they collect from the airlines.

Non Rate Base Revenue – Revenue not included in the airline rate calculations due to provisions of a revenue bond covenant or an airline agreement.

Non Signatory Airline – Airlines that have not signed an agreement with an airport committing to rent an airport leasehold for a fixed period of time.

Part 107 – A section of the Federal Aviation Regulations having to do with an airport operator's responsibilities for airport security.

Part 139 - A section of the Federal Aviation Regulations having to do with the certification of an airport's airfield.

Part 150 Study - A noise study defined by a section of the Federal Aviation Regulations, that when completed, makes an airport eligible for noise insulation and related land acquisition grants. The Study produces two documents, the Noise Exposure Map and the Noise Compatibility Program.

Passenger Facility Charge (PFC) – A charge per passenger per airport levied by the airlines that is sent to the respective airport, less an \$0.12 administrative fee. The PFC may not be levied until after an airline review and FAA approval process.

Proprietary Fund – In governmental accounting, a fund having profit and loss aspects, which under generally accepted accounting principles, must use the accrual basis rather than a modified accrual basis of accounting. The two types of proprietary funds are the Enterprise Fund and the Internal Service Fund.

Residual Rate Setting – An airline rate setting method in which rates are set using the cost of operating a particular cost center reduced by the revenues earned in that cost center.

Reno Stead Airport - RSD

Reno-Tahoe Airport Authority - RTAA

Reno-Tahoe International Airport - RTIA

Runway Protection Zone – A zone, defined by the FAA, at each end of a runway that is to be protected from development that might affect the operation of the runway.

Security Identification Area (SIDA) – Secure areas of the airport in which identification badges are required to be displayed.

Signatory Airline - Airlines that have signed an agreement with an airport committing to rent an airport leasehold for a fixed period of time.

T Hangar – A small hangar that resembles a “T” when viewed from above. T hangars are placed next to each other, and inter locked back to back, to maximize the number that can be placed in an area which minimizes the land rental component of their cost.

Transportation Security Administration (TSA) - A component of the Department of Transportation with primary responsibility for the security of civil aviation.