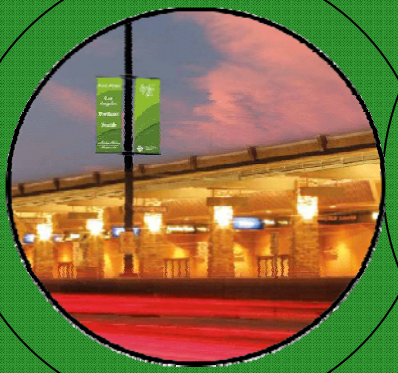

Reno-Tahoe Airport Authority

Reno, NV

Annual Budget

Fiscal Year 2011 - 2012

Reno-Tahoe Airport Authority
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Reno-Tahoe Airport Authority
2011-12
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 (RTS). This 2011-12 Budget is the financial operation plan for both airports.

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.

According to the latest available Federal Aviation Administration (FAA) statistics, RTIA is the 64th busiest airport in the nation. RTS is a general aviation facility of 5,000 acres that is home to approximately 100 based aircraft and the famous Reno National Championship Air Races. Together, these airports have a $3.24 billion annual economic impact on the local economy.

The geographical area served by RTIA (the Catchment Area) primarily encompasses the seven Nevada counties of Churchill, Douglas, Humboldt, Lyon, Pershing, Storey, and Washoe, and the major cities of Reno, Sparks, and Carson City (the capital of the State of Nevada). The total catchment area for the Authority also includes the Lake Tahoe area and several communities in northeastern California. Overall, the catchment area has an estimated 2010 population of 1.34 million residents that has grown at a 3.3 percent compounded annual rate since 1970.

RTIA is a medium hub airport as defined by the FAA that served 3.78 million total passengers in FY 2009-10. RTIA passengers are currently served by the following air passenger carriers: American, American Eagle, Delta, Alaska, SkyWest, Southwest, United, and US Airways. Three major air cargo carriers, FedEx, United Parcel Service (UPS), and DHL also serve RTIA.

Air cargo represents thirteen percent (13%) of total RTIA landed weight, which is a significant factor in lowering overall landing fee costs for all carriers.

RTIA passenger activity has not been immune from the economic slowdown. However during FY 2010-11, the Authority's passenger traffic stabilized as the economy modestly recovers and a "new normal" operating environment has been established. For the fiscal year-to-date, through May 2011, the Authority's total passenger traffic is up 1.1% as compared to the same period last year. Cargo traffic has also increased as Reno-Tahoe International Airport

("RTIA") handled over 107 million pounds of cargo for the fiscal year-to-date, through May 2011, an increase of 11.2 million pounds or 11.6% compared to the same period last year.

The airport's stable operating environment was confirmed by Fitch Ratings, a nationally recognized credit rating agency, as it affirmed the Authority's "A" rating and moved the outlook from "negative" to "stable". This is a very positive achievement in this difficult economic environment and RTAA is one of the first airports to have its negative outlook removed.

The factors listed by Fitch in support of this decision included the following:

- The decline in passenger traffic was less than originally forecasted and a rebound in enplanements was achieved in the last calendar year
- Proactive cost containment and the defeasance of $4.4 million of Authority debt principal and interest in FY 2010-11
- Significantly lower debt starting in FY 2012 reflecting a drop of outstanding debt service from $11.3 million in 2010 to $6.9 million in 2011 to $2.5 million from 2012 through maturity in 2026
- A new Airline Use and Lease Agreement that provides greater financial stability
- Strong balance sheet with excellent liquidity
- Modest airline cost per enplaned passenger (CPE) of $5.12 that is expected to remain under $9.00 over the next five years based on conservative passenger growth estimates

The Authority's day-to-day operating and maintenance expenses are funded almost exclusively from revenues generated through cost recovery from the airlines, rents and concession fees paid by airport tenants, and the Authority operation of public parking facilities. Federal grants and passenger facility charges are designated to fund capital improvement projects and no local tax dollars are available to meet the Authority's obligations. The Authority is "on its own" to ensure financial stability. Despite the volatility of the last decade, it has been a priority of the airport to ensure financial stability, maintain a solid credit rating and to position the Authority with the flexibility to strategically react to challenges and opportunities.

The July 2011 Flight Schedule at the Reno-Tahoe International Airport (RNO) provides 71 nonstop departures a day to 17 destinations with 259,160 monthly available seats. This compares with 72 daily departures to 15 destinations and 254,355 seats in July 2010. The July 2011 flight schedule is a 1.4% decrease in flights and a 1.9% increase in seat capacity over July 2010.

The increase in destinations reflects Continental Airlines reintroduction of non-stop service from RTIA to George Bush Intercontinental Airport in Houston, Texas on February 17, 2011. Non-stop service to this hub airport offers travelers the ease of connections not only to the east, but to South America and beyond.

In addition, Delta Air Lines started new non-stop service to Minneapolis/St. Paul, Minnesota on July 1, 2011. The flight provides outstanding connections to the Midwest and eastern United States as well as international destinations such as Amsterdam, London and eight cities in Canada. Non-stop service to Minneapolis was previously offered on Northwest Airlines but left Reno-Tahoe in early 2006. For five years, the staff at Reno-Tahoe has worked diligently to bring this popular service back to the region.

Based on existing and announced new service and the current economic uncertainty, the FY 2011-12 Budget is based on a modest growth forecast with enplaned passenger traffic estimated to reach 1,933,238, an increase of 0.05% over the prior year's adopted budget and an increase of 1.3% over the current year forecast.

RTAA has also seen improvement in cargo activity. In May 2011, Reno-Tahoe International Airport handled 8,510,228 pounds of cargo, a 2.9% increase versus the same period last year.

According to the Air Transport Research Society (ATRS), the Reno-Tahoe International Airport (RTIA) has been named the second most efficient airport in the United States and Canada. For the third time in six years, RTIA has received the distinction of being in the top fives list of most efficient airports. The 2010 ranking is for airports with less than 15 million passengers per year. This study was prepared by Canadian based researchers who gathered and analyzed information from sources such as airport financial statements and the FAA. They also measured revenue streams from airport restaurants and landing fees.

Employment within the Reno – Sparks Metropolitan Statistical Area (MSA) economy largely mirrors the nation overall. The service sector accounts for the largest share of local employment, at 42.8 percent, slightly above the national average of 41.5 percent.

The hotel and food services industries are a significant component of the service sector within the local economy, which includes well-known casino resorts led by the Peppermill, Atlantis, Grand Sierra, Silver Legacy, Harrah's, Circus Circus, and the Eldorado. Furthermore, Reno serves as a gateway to the Lake Tahoe region and resorts including Northstar at Tahoe, and Heavenly Lake Tahoe, which are part of the Vail Resort Management Company, and Squaw Valley USA.

The United States Bowling Congress (USBC) and Reno's National Bowling Stadium announced that Reno will host both the USBC Open Championship and the Women's Championship at the same time in 2013 and 2014. The dual events are expected to bring an estimated 150,000 visitors to town over a five month period with an estimated economic impact of nearly $360 million. Before debuting together in 2013, the Open Championship was

successfully completed in Reno in 2011 and the Women's Championship will be held here in 2012.

Wholesale and retail trade is the second largest source of employment in the Reno – Sparks MSA at 14.5 percent, followed by government at 12.2 percent.

The last major source of employment is the transportation and utilities sector that represents 5.7 percent of the MSA's total employment compared to the national average of 3.5 percent.

Reno – Spark's strategic location and the available infrastructure, which includes a major transcontinental rail line, two major highways, and Reno-Tahoe International Airport, have led to the growth of the region as a major warehousing and distribution center. Located within the community are distribution centers for major companies such as Amazon.com, Barnes & Noble, JC Penny, Starbucks Coffee, and Wal-Mart.

Reno – Sparks location on the Union Pacific's "Overland Route" connecting the California ports with interior destinations, along with Interstate 80 and U.S. Route 395, allow the distribution of goods locally, within the Nevada - Northern California region, and nationwide.

Additionally, the region benefits from the Tahoe Reno Industrial Center (TRIC), a massive 107,000 acre industrial park that encompasses a developable 30,000 acre industrial complex, with pre-approved industrial and manufacturing uses. Located nine miles east of Reno on Interstate 80, the 5,000 acre sites now available for development include:

- Rail serviced sites
- Municipal water and sewer utility companies
- High pressure gas to all sites
- Five (5) generating power plants on site with more than 900 megawatts of electrical power available to all park users

The warehousing and distribution trend is expected to continue with the announced groundbreaking on a new 462,000-square-foot Urban Outfitters Inc. warehouse-distribution center at Reno-Stead and a 300,000 square foot distribution center for Toys"R"Us expected at the Tahoe-Reno Industrial Center.

Operating Environment

Based on the Authority's current operating circumstances and the strategic discussions held at the November 2010 Board of Trustee's Retreat, five (5) significant factors impacted the development of the FY 2011-12 Budget.

Lower Debt Service

As of December 31, 2010, the Authority had $31.0 million of bonded debt outstanding. This equates to $16.26 per enplaned passenger, well below the Moody Investor Services' median for U.S. Airports of $72.47 for fiscal year 2009. Annual debt service declined by approximately $4.4 million from fiscal year 2009-10 to fiscal year 2010-11, reflecting the Authority's defeasance of $4,165,000 of outstanding debt on July 1, 2010. Total debt service, including interest, for fiscal year 2010-11 is budgeted to be $6,893,650. Without this defeasance, the total annual debt service for fiscal year 2010-11 would have been $11,266,900.

As the Authority makes its final payments on its Series 2003 Bonds in fiscal year 2010-11, the Authority's outstanding debt service obligations decline to $2.5 million in fiscal year 2011-12 and, with no additional senior lien debt, will remain stable at that level through 2026.

Airport Renewal Program / Subordinate Note Issuance

With security screening requirements mandated by the Transportation Security Administration (TSA) ever increasing and the aging condition of the terminal building, several interim capital projects in the terminal are needed to enhance customer service and the passenger experience. In addition, the following projects have also been identified as top priorities: (1) a snow removal equipment building to extend equipment asset life at Reno-Tahoe International; (2) improved emergency operations/ administration facilities at Reno-Stead Airport; and (3) extension of Taxiway "C" to promote corporate and general aviation development These projects are collectively referred to as the "Airport Renewal Program" and project descriptions are as follows:

1. Reno-Tahoe International Airport - Terminal Refurbishment Project

   This project consists of upgrading the flooring, column treatment, counters, lighting, signage, soffits and ceiling treatment in the baggage claim area/ rental car/ ground transportation portions of the terminal building. In addition, this project includes repainting and carpet replacement in Concourses "B" and "C".

   With the completion of the Integrated Explosive Detection System (ABC Project), the ticketing area was remodeled with new finishes that provided a "Lake Tahoe" sense of place. The remaining portions of the Terminal Building are beginning to show signs of aging and this project, along with the Centralized Security Checkpoint of the Future discussed below, will complete the updated image of the terminal facilities that welcome visitors to our community.

2. Reno-Tahoe International Airport - Centralized Security Checkpoint of the Future

   This project consists of the relocation of the two existing security checkpoints, currently located at the entrances of the "B" and "C" Concourses, to a centralized area. With the need to install Advanced Imaging Technology ("AIT") and other advancements, the

existing checkpoints do not have the space to fully accommodate this new screening equipment and future Transportation Security Administration ("TSA") requirements. As a result of this relocation, the existing first floor food court space will be expanded to provide space and passenger queuing for eight security lanes designed to meet TSA security standards. The existing food court will be relocated along with several pre-security retail stores. Replacement concession areas will be built post-security on the second floor above the expanded checkpoint. The project includes both design and construction.

3. Reno-Tahoe International Airport - Snow Removal Equipment (SRE) Building

This project consists of the construction of a 32,300 square foot Snow Removal Equipment ("SRE") building, extension of an existing storage canopy, related site work, and utilities. This facility will serve as covered storage space for the equipment fleet used for snow removal operations.

The SRE building is being designed as a 323' x 100' metal framed structure with masonry end walls and 26' wide overhead sectional bay doors. The structure will be configured to accommodate approximately 24 SRE vehicles. The building systems include floor heating to maintain temperature levels above freezing, ventilation, lighting, electrical, drainage and plumbing. The related site work consists of utilities (water, electrical, gas, communication, and sewer), paved vehicle circulation and staging areas, lighting, drainage, fence, gates, and driveways connecting to the airfield. Additionally, the existing Airfield Maintenance Facility vehicle storage canopy will be expanded to accommodate other SRE support equipment.

The facility will be on airport property, on the north side of Tower Way, west of the old Air Traffic Control Tower and east of the new Airfield Lighting Vault. The site is approximately 3.0 acres and provides direct access to the airfield and adjacency to the existing Airfield Maintenance Facility.

4. Reno-Stead Airport - Emergency Operations Command Center/ Terminal Building

This project consists of construction of a new building at Reno-Stead Airport, which is divided into three categories of function: Core Space, Primary Emergency Operations Center (EOC) Space, and Revenue Space (optional). The Core Space of 8,300 square feet is dedicated to the minimum functions required to replace and upgrade the existing airport manager's office and pilot lounge facilities. Notable improvements include a public waiting lounge, conference room, public restroom, and flex/expansion office space which will serve as support rooms for emergency situations.

The Primary EOC Space includes 3,400 square feet of flexible space that would directly support emergency operations. During non-emergency periods, this space could also be used to support aviation-related activities and community functions.

The Revenue Space includes approximately 8,400 square feet of open (shell) lease space which may be subdivided into small units for office, retail and restaurant use. Other potential uses include a community police substation, support facilities for a fixed based operator, and an aviation museum. Since this is flex space, it has the opportunity to provide direct access to landside and airside facilities.

While initial design and layout of the building provides for ultimate build out, only demand driven areas will initially be constructed.

5. Reno-Tahoe International Airport – Taxiway "C" Extension North

This project consists of the extension of Taxiway "C", to provide access to the designated General Aviation (GA) site on the east side of the airfield. The Taxiway "C" extension is at the northeast corner of the airfield, east of Runway 16L-34R. The new extension will continue beyond Taxiway "North A" and provide airfield access to a proposed Fixed Base Operator (FBO and GA Maintenance and Storage Hangar site north of the existing Dassault Aviation facility.

The overall extension is approximately 590 feet long and 75 feet wide of concrete pavement, with 35 foot asphalt shoulders. The related site work consists of taxiway edge lighting, grading, utilities, storm drain, markings, and signage.

The Reno-Tahoe Airport Authority obtained financing for the Airport Renewal Program Plan and other capital projects using Subordinate Lien Airport Revenue Notes ("Notes") on June 1, 2011, with a maximum principal outstanding of $30.0 million at any time for a term of 6 years. This relatively short repayment period is strategically proposed to quickly retire the note borrowing in anticipation of future capital improvement projects that may include replacement of the terminal concourses.

The proceeds for the 2011 Subordinate Notes, along with Passenger Facility Charges ("PFC"), FAA Grants, and Authority internal funds, will be used to finance the Airport Renewal Program. Preliminary cost estimates for the projects are as follows:

Project	Airport	Estimated Costs
Terminal Refurbishment	Reno-Tahoe International	$ 6,000,000
Centralized Security Checkpoint	Reno-Tahoe International	12,340,000
Snow Removal Equipment Building	Reno-Tahoe International	8,182,700
Emergency Operations Center/ Terminal Building	Reno-Stead	7,617,500
Taxiway "C" Extension	Reno-Tahoe International	$3,416,000
Cost of Issuance/ Capitalized Interest		465,150
Total Costs		$ 38,021,350

The Notes, after application of PFC revenues to eligible projects, will be paid solely from and secured by a pledge of Net Revenues derived from the operations of the Airport System and certain funds and accounts. Net Revenue represents gross revenues of the Airport System less operating and maintenance expenses, on a basis subordinate and junior to the liens of any existing or future annual debt service due to senior airport revenue bonds.

Police Staffing Needs

With the support of the Board, RTAA management over the past three years has aggressively and proactively taken significant cost reduction steps in response to the recession and its impact on passenger levels and lower spending patterns. These steps included keeping vacant and not funding two police officers and one police sergeant position.

Effective November 2010, the Transportation Security Administration (TSA) now requires a full time Police Officer at the security checkpoints. This requirement, along with an expanded role for surveillance and response to tenant needs, establishes the need for three (3) Police Officers per shift, twenty-four hours per day/ 7 days per week. To meet this requirement, the Authority has required additional overtime from the existing staff, which is both expensive and presents concerns regarding long-term impact on staff. At the February, 2011, Board Meeting, the Trustees approved filling two vacant officer positions as a mid-year request for FY 2010-11. The FY 2011-12 Budget requests funding for the police sergeant position. The full year impact of these needed steps as reflected in the FY 2011-12 Budget is estimated to be $420,000.

Airline Agreement

The Authority is operating under an airline agreement and business arrangement that went into effect July 1, 2010. Given the current financial circumstances, the airlines and the Authority worked together to address the current financial environment in a manner that does not create a financial burden to the airlines and meets the financial requirements of the Authority. The agreement is designed to reflect that both sides face significant financial challenges and change was needed.

The new business arrangement will, excluding inflation, establish relatively flat airline cost per enplaned passenger rates over the term. This continues the on-going historic trend of RTIA having reasonable costs in comparison to other medium hub and west coast airports.

From the Authority's perspective, the new agreement also achieves several critical financial goals:

- Provides greater upfront recovery of terminal costs
- Restores annual cash to historic levels realized prior to the economic slowdown and its impact on passenger traffic.

- Creates a stable perspective from the investment community regarding the Authority's financial position and credit rating.
- Provides internal cash to support needed Capital Improvements not eligible for funding under FAA Grant and PFC eligibility standards.
- Maintains a meaningful profit sharing relationship with the airlines

The new business arrangement has a new terminal rental rate formula as one of the primary initiatives. This change is intended to recover upfront more of the operating, maintenance, and development costs of the Terminal Cost Center with greater profit sharing provided to the airlines after the Authority meets its obligations.

A more thorough discussion on the Airline Agreement can be found in Section 3 Financial Plan.

Corporate and General Aviation Development

Million Air, a world renowned aviation service provider, will build a new $20 million facility at RTIA. The international Fixed Based Operator (FBO) chain will build the new facility to join the 29-facility network it operates at airports in the U.S., Canada and the Caribbean. An FBO (Fixed Base Operator) is an aviation business that provides services, including fuel, to aircraft customers.

Million Air started offering services at existing facilities on the airfield in October, 2010 pending completion of a two-phase, $20 million investment at RNO. Phase I will include the construction of a new $10 million FBO facility by 2013. Phase II would add another $10 million in investment to the FBO complex by 2017. The estimated five-year economic impact of the project is $57 million for the region. The Million Air proposal was approved by the Board of Trustees following a Request for Proposal process that began in April, 2010. Texas based Million Air has more than 1,500 employees worldwide.

Additionally, one of the most successful general aviation / corporate aircraft repair centers in the western United States expanded its operations and located a new facility at Reno-Tahoe International Airport. Western Jet Aviation of Van Nuys, California, a heavy maintenance center for Gulfstream corporate jets, began new operations in Reno in 2011.

These new corporate and general aviation operators join the existing West Coast service center for international aviation manufacturer Dassault Falcon. The French-owned business jet manufacturer in 2009 unveiled its nearly 40,000 square foot factory-owned service center. The facility in Reno is significant for not only the increased support for Falcon aircraft owners in the western part of the country but also the overall coverage that this adds for the entire United States as well as Canada and Central America.

Dassault Falcon is responsible for selling and supporting Falcon business jets throughout the world. It is part of Dassault Aviation, a leading aerospace company with a presence in

over 70 countries across 5 continents. Dassault Aviation produces the renowned Mirage and Rafale fighter jets as well as a complete line of Falcon business jets. It employs a total workforce of over 12,000. Since the rollout of the first Falcon 20 in 1963, over 1,950 Falcon jets have been delivered to more than 65 countries worldwide.

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

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 the market, a spirit of partnership exists between the RTAA and the airlines that helps maintain existing service while supporting the community.

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

Customer service has been further enhanced by the Airport Baggage Check-in project (ABC) / Integrated In-Line Explosive Detection System that was completed in December, 2009. This project relocated the large bag screening devices that were in the ticketing lobby and located them behind the airline ticket counters. The updated security screening system and equipment

enhance passenger safety while eliminating the need for passengers to carry their checked bags from the airline ticket counter to the bag screening devices. Moving these devices also resulted in more passenger queuing and movement space in the ticketing lobby.

With the Airport Renewal Program, the Authority continues to reinvest in facilities to improve the customer experience through improved efficiency at the security checkpoints, expanded concessions, and more pleasant and updated baggage claim facilities.

Budget Objectives

Over the past three years the Reno-Tahoe Airport Authority (RTAA) has taken a conservative approach with the focus on "mission critical" functions such as passenger safety, security, and the on-going maintenance and operations of the airport. Unfortunately, the financial situation mandated that RTAA defer several on-going plans to replace aging and/or inadequate infrastructure and equipment, perform less on-going preventive maintenance, and participate less in community outreach events.

With the stabilization of passenger traffic, the reduction in debt obligations, and the completion of the new airline use and lease agreement, the Authority is now in a position to begin to address the backlog of critical needs and to strategically address improvements to the facility. In addition, the following are key drivers included in the FY 2011-12 budget submission:

1. During the 18-month period of January 1, 2009 through June 30, 2010, employees of the Authority did not receive any pay increases. In the FY 2010-11 Budget, a small increase for all employees was included and during the year several new collective bargaining agreements have been negotiated and concluded. The FY 2011-12 Budget reflects the terms and conditions of the new agreements and the use of the Board approved Management Guidelines and Civil Service Plan.
2. Based on an existing three-year agreement with St. Mary's Health First (a member of the Catholic Healthcare West), the cost of medical insurance is estimated to increase by 2.5% per the terms of the contract and the Authority loss ratio (claims vs. premium payments).
3. Retirement contributions are projected to increase significantly due to increased contribution rates established by the Public Employees' Retirement System (PERS) for Regular members effective on July 1, 2011. The contribution rates under the Employer-paid Contribution Plan will increase from 21.5% to 23.75%. In addition, contribution rates for Police/Fire members will increase from 37% to 39.75%. These rates are established by PERS based on an actuarial valuation report adopted by the Retirement Board.
4. The FY 2011-12 Budget includes funding for several previously frozen positions to address police needs resulting from new TSA mandates and higher service level requirements.

5. With FY 2010-11 being the first full year of operation of the new Baggage Handling System (BHS), the contractual maintenance agreement and BHS utilities are significantly lower than the estimates included in the FY 2010-11 adopted budget. Based on actual results, the BHS expenses budgeted for FY 2011-12 have been reduced by $767,600 or 28.2% compared to current year budget.
6. The Authority's annual debt service obligations on existing bonds will decline to $2.52 million in FY 2011-12. The remaining outstanding senior lien bonds funded construction of the public parking garage and repayment is derived from non-airline revenues, primarily public parking, and no senior lien debt is included in airline rates and charges.

   With the implementation of the Airport Renewal Program and funding through the Subordinate Notes, net debt service, after use of eligible PFC revenues, on the Subordinate Notes added approximately $2.31 million in annual subordinate note debt service obligations. The total debt service for FY 2011-12 is budgeted to be $4.83 million, a decrease of $2.03 million or approximately 30% from the FY 2010-11 Budget.

With all of the new opportunities and challenges, RTAA management will remain proactive and aggressive in the following areas:

- Strive to remain a low cost airport and keep airline landing fees and rental rates as reasonable as possible.
- Continue efforts to increase the level of air service at Reno-Tahoe International Airport (RTIA) as measured by the number of seats and flights.
- Maintain the focus on increasing the level of air cargo activity as another means of increasing landed weight at RTIA.
- Diversify revenue sources through significantly expanding business and land development at both Reno-Tahoe International and Reno-Stead Airport.
- Continue the effort of growing and expanding the concession programs with a focus on providing new services and products to meet customer demands. RTAA's non-airline revenue is approximately 70% of the overall revenue collected. This ratio is very high as compared to other airports.
- Further customer service by delivering a high level of cleanliness and communication. This will be especially important as the terminal construction projects begin to impact operations and facility availability.

Staff continues to use innovation, technology, and new service delivery methods to maintain the RTAA's standard of customer service. Some of the proposed increases in the budget are focused on providing staff resources and new technology to upgrade the critical systems and services needed to meet as high a level of customer service as possible.

The Airport's budget is a zero-based process. Staff develops work plans to accomplish the Board Goals. Budgets are then developed to implement the work plans that achieve the daily

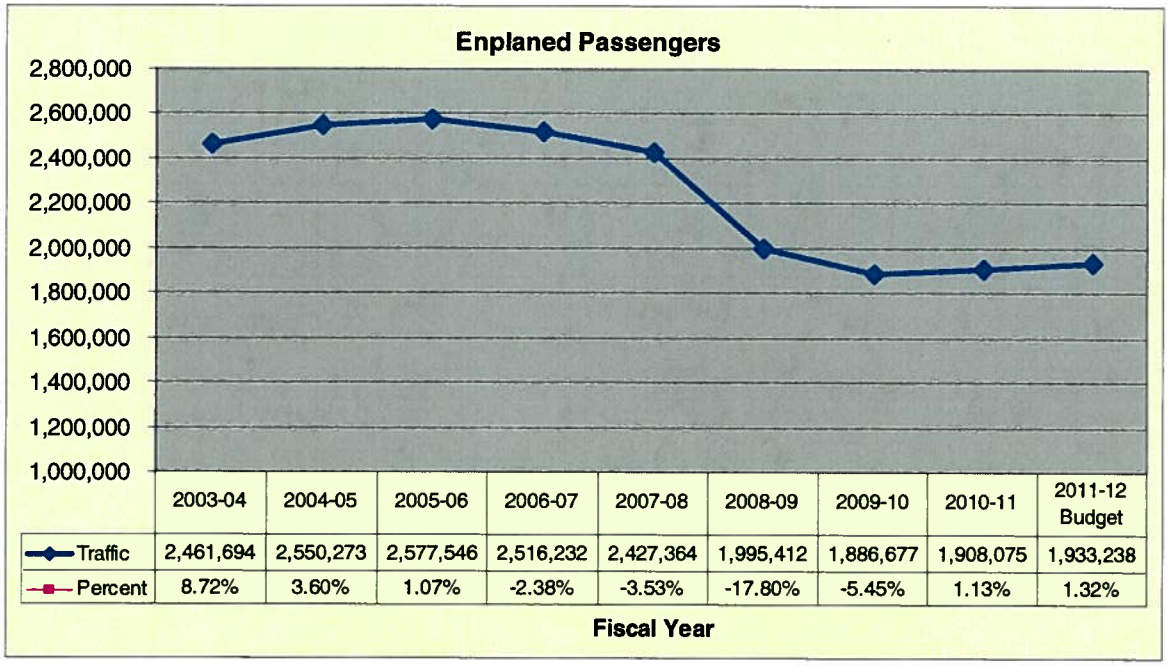
functions of operating the airports and implementing the necessary airport improvement projects.

Economic and Operational Trends Affecting the Budget

The FY 2011-12 Budget reflects, in part, the Authority's operating environment. Uncertainty exists with respect to the magnitude and strength of the current economic recovery and its impact on air travel. While the budget reestablishes funding for some critical needs, the budget is based on conservative estimates and Authority staff is prepared to develop contingency plans should the traffic and revenue forecast deteriorate from the forecasts included in the proposed FY 2011-12 Budget.

Based on fiscal year-to-date actual results through May 2011, the FY 2010-11 Budget reflects the following results and estimates:

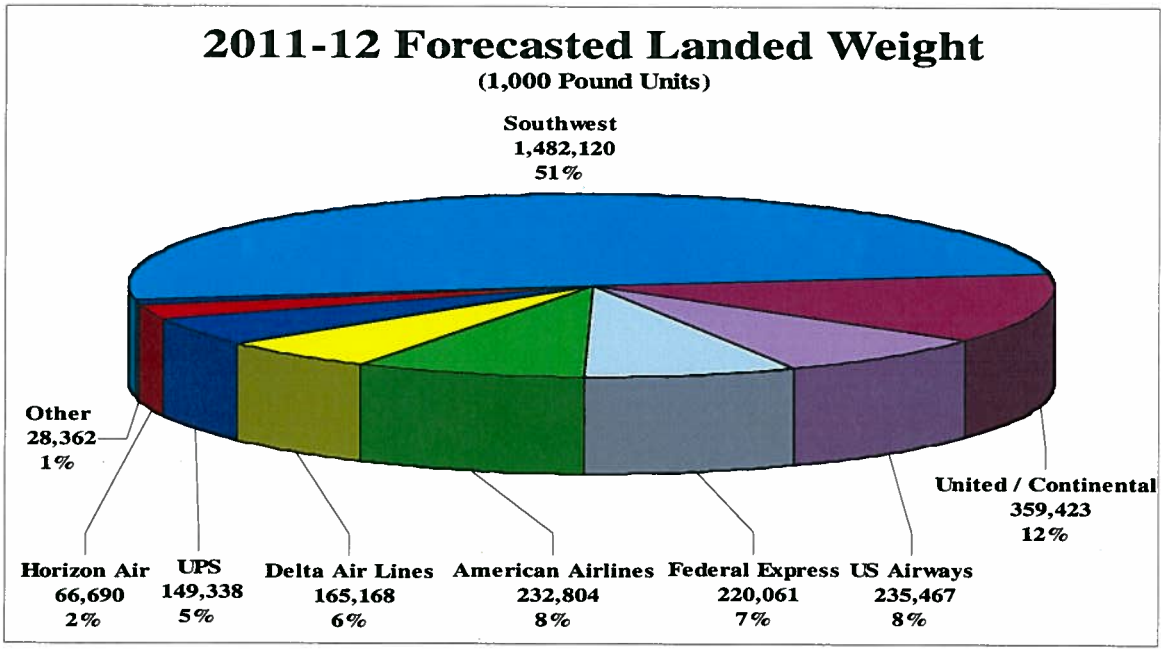
- Through May, 2011, the enplaned passenger (passengers boarding an airline) results for the first 11 months of FY 2010-11 registered an increase of 1.1% over the same period in the previous year.
- Passenger enplanements are projected to increase to 1.933 million or 1.3 percent from the FY 2010-11 projected results.
- The FY 2011-12 Budget reflects the capacity increases and new air service announcements through May 31, 2011



	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12 Budget
Traffic	2,461,694	2,550,273	2,577,546	2,516,232	2,427,364	1,995,412	1,886,677	1,908,075	1,933,238
Percent	8.72%	3.60%	1.07%	-2.38%	-3.53%	-17.80%	-5.45%	1.13%	1.32%

- Landed weight is forecasted to be 2,939,432 lb units in FY 2011-12, an increase of 0.6% from the prior year budget

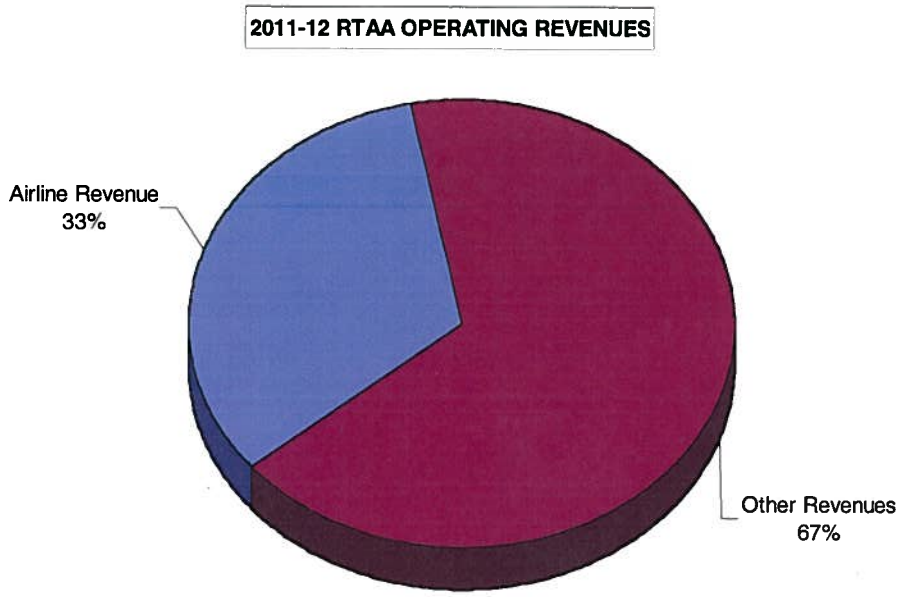
- Southwest continues to be the dominant air carrier in the market; however, cargo carriers are becoming a larger component



Budget Summary

This budget is for the RTAA's 2011-12 fiscal-year, which begins on July 1, 2011 and ends June 30, 2012. RTAA has conservatively based its budget on a forecast of a slight increase in passenger enplanements in FY 2011-12. A 1.3 percent increase in passenger enplanements (passengers boarding an airline) is projected for the FY 2011-12 Budget.

The Total Operating Revenue budget for 2011-12 is $45,597,513. This represents a 1.9 percent increase from the FY 2010-11 Budget. Of the total operating revenues, $15,051,254 or 33 percent are revenues attributed to the airlines such as landing fees and terminal building rents and $30,546,259 or 67 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, terminal building Advertising Concession, and reimbursed services associated with cost recovery of maintenance of the new Baggage Handling System (BHS).



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

Airline Revenues

The airline agreement, discussed earlier in this section as well as in Section 3 Financial Plan, sets forth the rate setting formula by which airlines pay for the facilities and services they use. With Board approval, staff and the airlines have structured a new five (5) year business arrangement and lease that became effective on July 1, 2010. The FY 2011-12 Annual Budget was developed based on the business arrangement specified under this Airline Agreement.

The total FY 2011-12 Airline Revenues are forecasted to be $15,051,254, an increase of $2,195,240 or 17.1 percent over the FY 2010-11 Budget. Airline revenues are primarily comprised of landing fee revenue and terminal building rental revenues.

While this represents a significant increase in airline revenue over the prior year, several incentives, including the following, were provided to the airlines in the first year of the new agreement to reduce costs during this difficult economic period:

1. Defeasance of $4.4 million of FY 2010-11 principal and interest included in airline cost centers

2. The Authority applied its 50% of the FY 2009-10 profit sharing of approximately $1.5 million to reduce expenses recovered in the terminal building cost center in FY 2010-11.

In return, the new airline agreement modified the rate setting methodology to provide for greater upfront recovery of terminal building costs from the airlines prior to the 50 /50 % profit sharing. See Section 3 Financial Plan for additional detail.

Landing Fee

Pursuant to the airline agreement, landing fees are determined by the cost recovery requirements in the Airfield Cost Center. Landing fees are charged to passenger and cargo carriers for each aircraft landing based on the aircraft's Maximum Gross Landed Weight. The detailed landing fee calculation appears in Section 3 Financial Plan.

The budgeted FY 2011-12 signatory landing fee rate is $2.55. This is a $0.54 increase from the budgeted FY 2010-11 signatory landing fee rate of $2.01. Total Landing Fee revenue for 2011-12 is estimated to be $7.35 million as compared to $5.87 million in the FY 2010-11 budget. This significant increase is due primarily to the following factors:

- A reduction in the airfield related revenues of $300,600 being applied as a reduction to airfield costs is due primarily to a reduction in rent received for the Fuel Farm Use Fee.

- The structure of the new Airline Operating Agreement does not apply profit sharing to the Airfield Cost Center as it did in the previous agreement.

- The operation and maintenance costs allocated to the Airfield Cost Center are increasing 6.1 percent over the prior year budget. This is due mainly to increased operating costs now being allocated to the Airfield as a result of the changes in percentages for indirect costs that benefit all Cost Centers.

Terminal Rental Rate

An average terminal building rental rate is set pursuant to the airline agreement, based on the requirements of the Terminal Building Cost Center. Total Terminal Building Rental Revenue for FY 2011-12 is estimated to be $7.70 million as compared to $6.98 million in the FY 2010-11 budget, an increase of 10 percent. The detailed terminal building rental rate calculation appears in the Section 3 Financial Plan.

The average rental rate for 2011-12 is $60.03 per square foot per year. This is a $5.47 increase from the FY 2010-11 budgeted average rental rate of $54.56.

The significant change in average rental rate is due primarily to the following:

- The operation and maintenance budget allocated to the Terminal Building is increasing 4.4% from the FY 2010-11 Budget. This is primarily due to the increase of personnel costs being allocated to the Terminal Building cost center but is partially offset by the reduction in electrical utility costs.

- Lower airline profit sharing credited to the Terminal Cost Center of $247,700 due to the elimination of the one-time application in the first year of the new Airline Agreement of the Authority's 50% share from FY 2009-10.

Non-Airline Revenue

Total Non-Airline revenue for FY 2011-12 is forecasted to be $31.1 million, a decrease of $1.53 million or 4.7 percent below the FY 2010-11 Budget. The drop in non-airline revenues is mainly due to a decrease in reimbursed services, primarily from lower cost recovery from the Baggage Handling System (BHS) Charge as mentioned previously. With passenger traffic forecasted to be 1.3% above the current year forecast, the remaining non-airline revenues are projected to see an increase consistent with the change in enplanements.

A detailed breakdown of the FY 2011-12 non-airline revenue appears in the Section 3 Financial Plan - Revenues.

Operation and Maintenance Budget

The FY 2011-12 Operation and Maintenance budget is increasing 1.8 percent or $651,278 to $36,707,704 from the FY 2010-11 Budget.

- The Personnel Services budget is increasing by 6.4 percent from the prior year budget. This increase reflects modest salary increases as well as a significant increase in the Public Employee Retirement System (PERS) contribution percentage. Health insurance costs are also estimated to increase approximately 2.5% in the next fiscal year.

- The Utilities and Communications FY 2011-12 Budget request is 23.9 percent or $1,083,495 below the FY 2010-11 Budget and 3.6 percent or $129,436 below the projected expenditures for the current fiscal year 2010-11. This is primarily due to more accurate data due to operating the Baggage Handling System (BHS) for an entire year, as well as lighting / electrical upgrades and a solar power project at the Aircraft Rescue and Firefighting facility that allow the Authority to be more energy efficient.

- Purchased Services are decreasing 0.1 percent or $2,509 above the FY 2010-11 Budget and increasing 11.5 percent or $515,078 above the projected expenditures for the current fiscal year 2010-11. While the FY 2011-12 Budget reflects virtually no increase, the increase above current year projected expenditures is primarily due to estimated repairs and maintenance on outlying building such as roof repairs, as well an increase in the contract for BHS maintenance. The BHS contract increase will allow the contractor to hire two additional technicians to enhance preventive maintenance of the system and ensure twenty-four hour a day/ seven days per week coverage.

- Materials and Supplies are increasing 2.9 percent or $51,376 from the FY 2010-11 Budget and decreasing 2.4 percent or $45,228 from the projected expenditures for the current fiscal year 2010-11.

- Administrative Expenses are increasing 11.1 percent or $230,786 above the current FY 2010-11 budget and increasing 10.8 percent or $225,504 above the projected expenditures for fiscal year 2010-11. This increase is primarily due to an accounting treatment change regarding credit card transaction fees associated with the public parking operation. Until recently, these transaction fees were netted out of public parking revenue rather than identified as an operating expense. Starting with FY 2010-11 actual financial results and now incorporated into the FY 2011-12 budget, an estimated expense of $210,000 is being separately reported. In addition to this change, the FY 2011-12 budget also reflects a slight increase in the RTAA's property and liability insurance premiums.

Personnel Complement

267.5 positions are budgeted and/or authorized for FY 2011-12 as compared to 268.5 in the adopted FY 2010-11 Budget. A specific explanation of the deleted position, any frozen positions and the personnel complement by section is provided under Section 2 – Organization Guide.

Debt Service

The debt service included in the FY 2011-12 Budget is based on the existing revenue bond debt scheduled to be outstanding on July 1, 2011 of $26,270,000 plus issuance of 2011 Subordinate Notes in the amount of $30.0 million. The RTAA Subordinate Lien Airport Revenue Notes, Series A and B (Subordinate Notes) was issued on June 1, 2011. Total debt service for FY 2011-12 is budgeted to be $5,090,056.

The debt service coverage ratio (revenue less operating expenses divided by annual debt service) for senior lien debt is estimated to increase from 1.58 times in the FY 2010-11 Budget to 3.88 times in the FY 2011-12 Budget. After payment of the senior lien debt, the debt service coverage ratio on the Subordinate Notes, after inclusion of the Passenger Facility Charge (PFC) pledged toward repayment of eligible debt service, is estimated to be 2.93 times in the FY 2011-12 Budget.

If the minimum coverage requirement of 1.25 times is not met, the airline landing fee and rental rates will need to be increased until net revenues equaled 125% of the senior revenue bond debt service or 100% of all debt service, whichever is greater.

A complete explanation of the new Subordinate Notes and a specific breakdown of outstanding senior lien bonds are provided under Section 3 – Debt Summary.

Property, Plant and Equipment (PP&E)

The PP&E request for FY 2011-12 is $731,450. This is an increase of $219,570, or 43%, from the FY 2010-11 PP&E budget. This increase is primarily to the budgeting of Phase II of the computer replacement program. The computer replacement program was originally budgeted as an O&M equipment lease expenditure in FY 2010-11 but was subsequently transferred to a capital asset as presented at the March, 2011 Board Meeting. Deferral of vehicle purchases in previous years has also necessitated the need to request three vehicles in FY 2011-12. The specific items requested are presented under the Section 3 - Capital Budget tab.

Capital Projects

Capital Projects funded through Authority internal fund balances and that impact the airline profit sharing reflected in the FY 2011-12 budget are estimated to cost $5.7 million. These projects are primarily focused on addressing deferred maintenance of airport infrastructure, such as maintenance of the airfield and landside pavement, sealing a portion of the Parking Garage roof, and installing thermoplastic airfield ground markings. In addition, the Authority has committed to fund and construct two phases of general aviation aircraft apron with the first phase estimated to cost $3.5 million. This investment will be recovered through additional aircraft apron rents over a twenty year period at 4.5% annually. A detailed list of the projects is provided under the Section 3 - Capital Budget tab.

Profit Sharing Credit

All revenues are assigned to a cost center (Airfield, Terminal, Ground Transportation, Other and Reno Stead Airport) with expenses netted against revenues for the cost center. In the Airline Agreement, that became effective July 1, 2010, fifty percent of the Airport System net revenues for the Fiscal Year are applied to reduce Signatory Airlines terminal rental rate in the current Fiscal Year. The remaining 50 percent of the Airport System net revenues for the year are transferred to the Authority's General Purpose Fund. Prior to calculation of the profit sharing credit, 35 percent of gaming revenues in each Fiscal Year are retained by the Authority and not available as part of the reduction in the Signatory Airline terminal rental rate.

Revenue to be shared is projected to be $2,322,171 for FY 2011-12, an increase of $1.24 million as compared to the FY 2010-11 Budget and $1.64 million higher than the current FY 2010-11 estimate. A detailed breakdown of the calculation is included in the Section 3 Financial Plan.

Budget Process

The RTAA, a quasi-municipal corporation, must comply with the Local Government Budget Act, Nevada Revised Statute (NRS) 354 as stipulated in the enabling legislation that created

the Authority (Chapter 474, Statutes of Nevada, 1977, as amended (the "Authority Act"). 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, 2010.
- 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 14, 2011 and May 16, 2011	Public Budget Workshops with the RTAA Board of Trustees
April 15th	April 15, 2010	Tentative budget filed with the Nevada Department of Taxation
Seven to 14 days before the Third Thursday in May	May 6, 2011	Notice of Budget Public Hearing published
Third Thursday in May	May 19, 2011	Hold Public Hearing on the budget
On or Before June 1st	May 19, 2011	Adopt Budget.

The President/CEO begins the budget process in early December with a statement of the goals and priorities established by the Board of Trustees 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.

The President/CEO and the Executive Vice-President/COO conduct a line item review of the Budget before a final draft is completed and submitted for the Board of Trustee's review.

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 FY 2011-12 budgeted net pledged revenues for repayment of the outstanding senior lien bonds and subordinate notes are 263 percent above the debt

service requirements for the fiscal year, which exceeds the 25 percent minimum required. This nature of Authority debt and associated annual debt service 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 the 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.

Planning for the Future

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

RTAA actively plans and prepares for the airport facility needs for both the Reno-Tahoe International and Reno-Stead Airports in order to accommodate future aviation needs.

Currently, the Reno-Tahoe International Airport (RNO) has adequate airfield and terminal facilities to support existing passenger levels as well as long term growth. No significant changes to the airfield are expected; however there is a continuous pavement reconstruction program in place. The terminal building and security checkpoints do require improvement and are being addressed under the Airport Renewal Program. As passenger levels increase in the future, a building expansion including replacement of the existing concourses, expansion of the arrivals (baggage claim) lobby, and new customs and border protection facilities will be needed

RTIA's existing 3,700 public parking spaces in the parking garage and the south surface lot reached capacity on certain peak travel days in 2007. It is recognized that as passenger traffic returns to previous levels reached prior to the recent economic slowdown, additional parking capacity will be needed. Recommended improvements include a three-step process starting with the relocation of tenant employee parking, followed by the relocation of the rental car quick-turnaround facilities and then concluding with the construction of a north garage extension.

As a result of over $40 million invested in airport improvements over the last 6-7 years, the Reno-Stead Airport (RTS) has sufficient airfield facilities to support existing and future airport operations. Airfield improvements to comply with congressional mandates for runway safety area are completed. However, terminal facilities, which are World War II vintage, have exceeded their functional life. This shortfall is being addressed by the Airport Renewal Program previously mentioned on pages 5 to 7 of this section.

In addition to the projects referenced above, several on-going programs which demonstrate RTAA's commitment to strategically plan for future aviation demand are in place:

- **Environmental Programs** – RTAA's environmental programs seek to consistently improve environmental practices, support reduction and prevention while encouraging environmental stewardship. Active programs include an in-house environmental committee, an airport-wide recycling program, the Stead Solvent Remediation program, Storm Water Pollution Prevention initiatives, and the creation of an Environmental Management System. In addition, the Authority completed in 2011 the conversion of the Airfield Rescue and Firefighting Facility to solar electric power and has identified a host of additional facilities for possible conversion.

- **Noise Mitigation Programs** – RTAA's noise mitigation programs seek to mitigate the impact of aircraft noise on the local community. Through participation in the FAR Part 150 program, RTAA receives federal grants which are allocated primarily to the RNO sound insulation program. The sound insulation program is available to approximately 3,800 homes north and south of RNO as well as to eligible schools, churches and a long-term health care facility. Additional noise mitigation programs include the land acquisition program, Airport Noise Advisory Panel, an English and Spanish language noise complaint hotline, and a FAA-funded permanent noise and operations monitoring system which became operational in 2010.

- **Land Development Programs** – RTAA's land development programs include the conversion of under-utilized vacant land and/or facilities into revenue producing use.

Acknowledgments

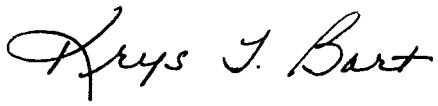
The Government Finance Officers Association of the United States and Canada (GFOA) has presented a Distinguished Budget Presentation Award to the RTAA every year since 1997. In order to receive this award, a governmental or quasi-municipal unit must publish a budget document that meets program criteria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

Authority staff is dedicated to building on RTAA's long tradition of excellence in financial reporting and budgeting. Authority staff believes the current budget continues to conform to program requirements, and the Finance and Budget department will submit the FY 2011-12 Budget to GFOA to determine its eligibility for another award. This document will also be posted on the RTAA's website, www.renoairport.com.

Reno-Tahoe Airport Authority
2011-12
Annual Budget
Section 1 – Introduction and Summary

The RTAA Board of Trustees adopted this budget on May 19, 2011. The production of this budget document then began. The preparation of this document would not be possible without the hard 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, 2010
President
Executive Director

Reno-Tahoe Airport Authority
FY 2011-12
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.

TRUSTEE NAME	REPRESENTING	TERM EXPIRES
John Wagnon, Chair	Reno-Sparks Convention & Visitors Authority	June 2013
Jerry L. Hall, Vice-Chair	City of Reno	June 2013
Dr. Kosta Arger	City of Reno	June 2015
Steve Katzmann	City of Reno	June 2015
Rick Murdoch	City of Reno	June 2013
William "Bill" Eck	City of Sparks	June 2013
Adam Mayberry	City of Sparks	June 2015
Mark Crawford, Treasurer	Washoe County	June 2015
Randi Thompson, Secretary	Washoe County	June 2013

FY 2011-12 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

Air Service Business Development

The Vice-President of Airline Business Development position has been reclassified as the Director of Air Service Business Development to more accurately reflect the duties and responsibilities of the position.

The Air Cargo Manager position has been reclassified as the Manager of Air Service to more accurately reflect the duties and responsibilities of the position.

Marketing and Public Affairs

The Director of Marketing and Public Affairs position has been reclassified as the Vice-President of Air Service, Marketing and Public Affairs to more accurately reflect the duties and responsibilities of the position.

The Customer Service Supervisor position has been reclassified as the Marketing Program Manager to more accurately reflect the duties and responsibilities of the position.

The Public Affairs Coordinator position has been reclassified as the Manager of Public Affairs and Customer Service to more accurately reflect the duties and responsibilities of the position.

Economic Development

The Airport Economic Development Supervisor position has been reclassified as the Airport Economic Development Assistant Director to more accurately reflect the duties and responsibilities of the position.

The two Property Specialist positions have been reclassified as Property Technician to more accurately reflect the duties and responsibilities of the position.

One Airport Economic Development Specialist position has been reclassified as Airport Concession Program Manager to more accurately reflect the duties and responsibilities of the position.

EXECUTIVE VICE-PRESIDENT/COO

Chief Operating Officer's Office

The Senior Program Manager position has been deleted due to the completion of the Airport Baggage Check-In project.

Human Resources

The Benefits Specialist position has been reclassified as a Senior Benefits Specialist to more accurately reflect the duties and responsibilities of the position.

OPERATIONS AND PUBLIC SAFETY

Vice-President of Operations & Public Safety

The Special Projects Manager position has been transferred to the Director of Facilities personnel complement due to changes in the duties and responsibilities of the position.

Airfield Operations

Nine Airport Communication Specialist I/II positions and one Senior Communication Specialist position have been transferred from the Airport Communications department due to the merging of the two departments.

Landside Operations

One Parking Shift Leader position has been reclassified as a Parking Lot Attendant to better serve the staffing needs of the department.

Airport Rescue and Fire
One Driver/Operator position has been reclassified as a Fire Fighter to better serve the staffing needs of the department.

Airport Communications
All positions have been transferred to the Airport Operations Department by consolidating the two departments.

FACILITIES AND MAINTENANCE

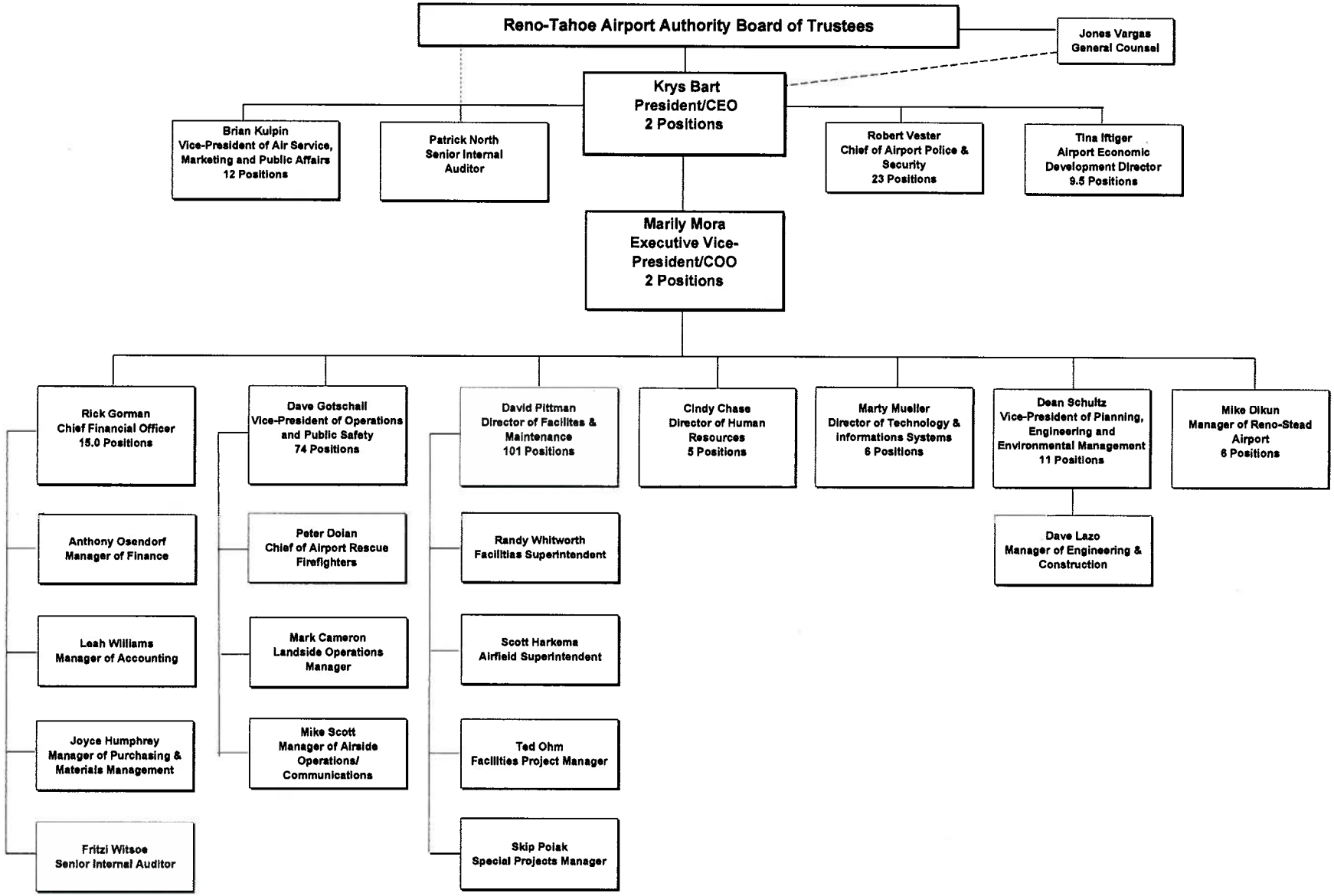
Director of Facilities and Maintenance
The Special Projects Manager position has been transferred from the Vice-President of Operations & Public Safety department due to the duties and responsibilities of the position and the staffing needs of the department.

VACANT POSITIONS

In response to the regional and national economic slowdown, 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 2011-12 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.

FY 2011-12


Reno-Tahoe Airport Authority Board of Trustees
Jones Vargas
General Counsel
Krys Bart
President/CEO
2 Positions
Brian Kulpin
Vice-President of Air Service, Marketing and Public Affairs
12 Positions
Patrick North
Senior Internal Auditor
Robert Vester
Chief of Airport Police & Security
23 Positions
Tina Ittiger
Airport Economic Development Director
9.5 Positions
Marily Mora
Executive Vice-President/COO
2 Positions
Rick Gorman
Chief Financial Officer
15.0 Positions
Anthony Osendorf
Manager of Finance
Leah Williams
Manager of Accounting
Joyce Humphrey
Manager of Purchasing & Materials Management
Fritzi Witsoe
Senior Internal Auditor
Dave Gotschall
Vice-President of Operations and Public Safety
74 Positions
Peter Dolan
Chief of Airport Rescue Firefighters
Mark Cameron
Landside Operations Manager
Mike Scott
Manager of Airside Operations/ Communications
David Pittman
Director of Facilites & Maintenance
101 Positions
Randy Whitworth
Facilities Superintendent
Scott Harkema
Airfield Superintendent
Ted Ohm
Facilities Project Manager
Skip Polak
Special Projects Manager
Cindy Chase
Director of Human Resources
5 Positions
Marty Mueller
Director of Technology & Informations Systems
6 Positions
Dean Schultz
Vice-President of Planning, Engineering and Environmental Management
11 Positions
Dave Lazo
Manager of Engineering & Construction
Mike Dikun
Manager of Reno-Stead Airport
6 Positions

Reno-Tahoe Airport Authority
FY 2011 - 12
ANNUAL BUDGET

Personnel Complement

	Budgeted and/or Authorized FY 2009-10	Budgeted and/or Authorized FY 2010-11	Budgeted and/or Authorized FY 2011-12
Board of Trustees Department			
Board of Trustees *	9.0	9.0	9.0
Internal Audit Section			
Senior Internal Auditor	1.0	2.0	2.0
Internal Auditor	1.0	0.0	0.0
Total Internal Audit Section	2.0	2.0	2.0
Total Board of Trustees Department	2.0	2.0	2.0
President/CEO Department			
President/CEO	1.0	1.0	1.0
Manager of Airline Business	1.0	0.0	0.0
Executive Assistant	1.0	1.0	1.0
Total President/CEO	3.0	2.0	2.0
Air Service Business Development Section			
Vice-President of Air Service Business Development	1.0	1.0	0.0
Director of Air Service Business Development	0.0	0.0	1.0
Manager of Air Service	0.0	0.0	1.0
Air Cargo Manager	1.0	1.0	0.0
Aviation Analyst	0.0	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	6.0	6.0
Marketing and Public Affairs Section			
Vice-President of Air Service, Marketing and Public Affairs	0.0	0.0	1.0
Director of Marketing and Public Affairs	1.0	1.0	0.0
Marketing Program Manager	0.0	0.0	1.0
Customer Service Supervisor	1.0	1.0	0.0
Marketing Coordinator	1.0	1.0	1.0
Manager of Marketing and Public Affairs	0.0	0.0	1.0
Public Affairs Coordinator	1.0	1.0	0.0
Administrative Assistant I/II	1.0	1.0	1.0
Administrative Clerk	1.0	1.0	1.0
Total Marketing and Public Affairs Section	6.0	6.0	6.0
Economic Development Section			
Director of Airport Economic Development	0.0	1.0	1.0
Assistant Director of Airport Economic Development	0.0	0.0	1.0
Airport Economic Development Supervisor	0.0	1.0	0.0
Manager of Property Administration	1.0	0.0	0.0
Concessions Program Manager	0.0	0.0	1.0
Airport Economic Development Specialist	0.0	4.0	3.0
Property Administrator	4.0	0.0	0.0

Personnel Complement

	Budgeted and/or Authorized FY 2009-10	Budgeted and/or Authorized FY 2010-11	Budgeted and/or Authorized FY 2011-12
Property Specialists	2.0	2.0	0.0
Property Technician	0.0	0.0	2.0
Administrative Assistant I/II	1.5	1.5	1.5
Total Economic Development Section	8.5	9.5	9.5
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
Total Airport Police Section	23.0	23.0	23.0
Total President/CEO Department	45.5	46.5	46.5
Executive Vice President/COO Department			
Executive Vice-President/COO	1.0	1.0	1.0
Senior Program Manager	1.0	1.0	0.0
Executive/Board Assistant	1.0	1.0	1.0
Total Executive Vice President/COO	3.0	3.0	2.0
Technology and Information Systems Section			
Director of Technology and Information Systems	0.0	1.0	1.0
Manager of Technology and Information Systems	1.0	0.0	0.0
Telecommunications Technician	1.0	1.0	1.0
Network Administrator II	1.0	1.0	1.0
Network Administrator I	1.0	1.0	1.0
Database Administrator	1.0	1.0	1.0
Computer Application Specialist	0.0	1.0	1.0
Total Technology and Information Systems Section	5.0	6.0	6.0
Reno-Stead Airport Section			
Manager of Reno-Stead Airport	1.0	1.0	1.0
Program Technician	1.0	1.0	1.0
Airfield Maintenance Worker I/II	1.0	2.0	2.0
Equipment Mechanic	1.0	1.0	1.0
Lead Airfield Maintenance Technician	1.0	1.0	1.0
Airfield Maintenance Technician	1.0	0.0	0.0
Total Reno Stead Airport Section	6.0	6.0	6.0
Human Resources Section			
Director of Human Resources	1.0	1.0	1.0
Senior Benefits Specialist	0.0	0.0	1.0
Benefits Specialist	1.0	1.0	0.0
Human Resources Specialist	1.0	1.0	1.0
Training Specialist	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

Personnel Complement

	Budgeted and/or Authorized FY 2009-10	Budgeted and/or Authorized FY 2010-11	Budgeted and/or Authorized FY 2011-12
Total Executive Vice President/COO Department	19.0	20.0	19.0
Finance and Administration Department			
Accounting and Administration Section			
Chief Financial Officer	1.0	1.0	1.0
Manager of Accounting	1.0	1.0	1.0
Accountant	0.0	1.0	1.0
Payroll Administrator	1.0	1.0	1.0
Accounting Technician	0.0	1.0	1.0
Accounting Specialist II	2.0	1.0	1.0
Administrative Assistant II	1.0	1.0	1.0
Total Finance and Accounting Section	6.0	7.0	7.0
Finance and Budgeting Section			
Manager of Finance and Budgeting	1.0	1.0	1.0
Financial Analyst	1.0	1.0	1.0
Total Finance and Budgeting Section	2.0	2.0	2.0
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
Total Finance and Administration Department	13.0	14.0	14.0
Operations and Public Safety Department			
Vice-President of Operations and Public Safety	1.0	1.0	1.0
Special Projects Manager	0.0	1.0	0.0
Administrative Assistant I/II	1.0	1.0	1.0
Total Vice-President of Operations and Public Safety	2.0	3.0	2.0
Airside Operations Section			
Manager of Airside Operations/Communications	1.0	1.0	1.0
Operations Supervisor	0.0	6.0	6.0
Airport Operations Officer	7.0	0.0	0.0
Senior Communications Specialist	1.0	1.0	1.0
Airport Communications Specialist I/II	9.0	9.0	9.0
Total Airside Operations Section	18.0	17.0	17.0
Landside Operations Section			
Manager of Landside Operations	1.0	1.0	1.0
Administrative Assistant I/II	1.0	1.0	1.0
Parking Lot Attendant	8.0	8.0	9.0

Personnel Complement

	Budgeted and/or Authorized FY 2009-10	Budgeted and/or Authorized FY 2010-11	Budgeted and/or Authorized FY 2011-12
Parking Shift Leader	5.0	5.0	4.0
Total Landside Operations Section	15.0	15.0	15.0
Airport Rescue and Fire Section			
Chief of Airport Rescue 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	6.0
Fire Fighter	8.0	8.0	9.0
Total Airport Rescue and Fire Section	20.0	20.0	20.0
Airport Security Section			
Manager of Airport Security	1.0	1.0	1.0
Airport Security Supervisor	1.0	0.0	0.0
Operations Supervisor	0.0	1.0	1.0
Airport Security Specialist	16.0	16.0	16.0
Program Technician	1.0	1.0	1.0
Administrative Assistant II	1.0	1.0	1.0
	20.0	20.0	20.0
Total Operations and Public Safety Department	75.0	75.0	74.0
Planning and Engineering Department			
Planning and Environmental Services Section			
Vice-President of Planning, Engineering and Environmental Management	1.0	1.0	1.0
Environmental Program Manager	1.0	1.0	1.0
Manager of Airport Noice Program	1.0	1.0	1.0
Airport Planner I/II	1.0	1.0	1.0
Noise Analyst	1.0	1.0	1.0
Program Technician	2.0	2.0	2.0
Total Planning and Environmental Services Section	7.0	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
Total Engineering and Construction	4.0	4.0	4.0
Total Planning and Engineering Department	11.0	11.0	11.0
Facilities and Maintenance Department			
Director of Facilities and Maintenance Section			
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	1.0	1.0	1.0

Reno-Tahoe Airport Authority
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Personnel Complement

	Budgeted and/or Authorized FY 2009-10	Budgeted and/or Authorized FY 2010-11	Budgeted and/or Authorized FY 2011-12
Special Projects Manager	0.0	0.0	1.0
Total Director of Facilities and Maintenance Section	4.0	4.0	5.0
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	2.0	0.0	0.0
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	8.0	12.0	12.0
Administrative Assistant I/II	1.0	1.0	1.0
Total Airfield Maintenance Section	25.0	27.0	27.0
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	2.0	2.0	2.0
Airport Facilities Custodian	37.0	37.0	37.0
Total Building Maintenance and Services Section	69.0	69.0	69.0
Total Facilities and Maintenance Department	98.0	100.0	101.0
TOTAL AIRPORT (Does not include the appointed Board of Trustees)	263.5	268.5	267.5

* Appointed positions

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 3 – Financial Plan

As a quasi-municipal corporation, the Reno-Tahoe Airport Authority (RTAA) was created by the Nevada Legislature to acquire, operate, and finance the airports and related facilities for a public and governmental purpose. 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, which in this case is operating an airport system. Enterprise funds are self sufficient, with the enterprise's revenues paying the enterprise's expenses.

Basis of Accounting/Budgeting

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 typically used in fund accounting which is common in the public sector.

Legal Requirements

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 $50,000 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, computer 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.

Revenue

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 terminal 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 and monitoring the profitability of various business products and services. 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.

Airline Agreement

An Airline Agreement is the contract between the airport operator and its tenant airlines that establishes the rights, privileges, and obligations for each party and defines how the airport is to be used by the airlines. In addition, an Agreement also identifies the following:

- Establishes the business arrangement/rate-setting methodology with the airlines
- Identifies the premises and facilities leased by the airlines and defines the degree of control by the lessee (e.g., exclusively-leased, preferentially-leased, leased in common, etc.)
- Defines the level of control over the expenses at the airport, if any (typically capital expenses are those where the airlines may have some control through a majority-in-interest or similar type provision)
- Identifies general party responsibilities and obligations regarding indemnification, insurance, environmental issues, and other governmental inclusion

In addition to the above, an Agreement can also be viewed as beneficial because it symbolizes that the airport operator and airlines have worked together to arrive at a common business relationship.

The two primary rate-setting approaches used in airport-airline business arrangements are the residual and compensatory approaches. A pure residual methodology is where the airlines bear the overall financial risk for the airport operation, and, thus, in turn receive the benefit of all non-aeronautical revenue credited towards the calculation of their rates and charges.

On the opposite side of the spectrum, a pure compensatory rate-making approach is where the airport operator assumes the overall financial risk for the airport operation. As such, the airport operator does not provide any non-aeronautical revenue credits towards the airline rate base.

There is also a third approach, generally called a hybrid methodology, that is any mixture or combination of the prior two approaches and may include a "profit sharing" component of excess net revenues (airport system revenues less operating and maintenance costs less debt service) generated at the airport.

Federal law does not require any single approach to airline rate-setting; however, it does require the methodology used is applied consistently to similarly situated aeronautical users and conforms to the Department of Transportation's Policy Regarding Airport Rates and Charges.

The Authority is currently operating under a five (5) year airline agreement and business arrangement that came into effect July 1, 2010. Prior to the agreement, the prior airline agreement and rate setting methodology was in effect from 1996 through June 30, 2010.

The current agreement is a hybrid of a compensatory rate setting formula with cost center revenues less expenses from all cost centers called net revenues. The RTAA's six cost centers are: Airfield, Terminal Building, Baggage Handling System, Parking and Ground Transportation, Other, and Reno Stead Airport. The net revenues are split equally between the signatory airlines and the RTAA.

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 "rentable" space divisor (total terminal space available that is revenue producing and available for lease).

The current agreement reflects a revised terminal rental rate formula. The previous agreement used a "useable' space (total terminal space less mechanical utility space) divisor in the calculation. With the use of the new "rentable" divisor, a smaller subsection of terminal building space, the rate per square foot is higher than under the previous agreement. With this change, the Authority is recovering more of the operating, maintenance, and development costs of the Terminal Cost Center from the airlines upfront, which will generate greater profit sharing to the airlines after the Authority meets its obligations.

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. Through negotiations with the airlines, the new agreement provides that the first $1 million of projects in the Airfield Cost Center, $2 million in the Terminal Building Cost Center, and $500,000 in the BHS Cost Center will not be subject to a denial vote by the airlines. The airlines will review and vote on the projects over these thresholds in the corresponding airline cost centers. Capital projects over $300,000 must be amortized over the useful life of the asset and cannot be included in its entirety in the year it is placed in service.

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% of the signatory airlines that landed at least 50% of the signatory airline landed weight or 50% of the signatory airlines that landed at least 60% 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.

The RTAA budgeted cost per enplanement for fiscal year 2010-11 was $6.20. Due to the changes in the airline rates and charges methodology, the Authority is estimating a $7.24 signatory cost per enplanement for FY 2011-12. While this represents a significant increase in airline revenue over the prior year, several incentives, including the following, were provided to the airline in the first year of the new agreement to reduce cost recovery during this difficult economic period:

1. Defeasance of $4.4 million of FY 2010-11 principal and interest included in airline cost centers

2. The Authority applied its 50% of the FY 2009-10 profit sharing of approximately $1.5 million to reduce expenses recovered in the terminal building cost center in FY 2010-11.

In return, the new airline agreement modified the rate setting methodology to provide for greater upfront recovery of terminal building costs from the airlines prior to the 50 /50 % profit sharing.

Cost per enplanement is equivalent to a municipal or county government cost per capita as a means of comparing different governments' cost of operation.

Bond Resolution - Trust Funds

To finance capital improvement projects and construct new facilities, the Authority issues Airport System bonds that are special, limited obligations of the Authority paid solely from and secured by Net Revenue (Gross Revenue remaining after the dedication of Operation and Maintenance Expenses) and other funds established by a Bond Resolution. Under the Bond Resolution, the Authority pledges to deposit its revenues and to fund its operations and required reserve accounts as established through a defined priority basis. *Section 3 - Trust Funds Summary* reviews the various reserve bond funds available to limit the impact of revenue shortfalls or unpredicted significant expenditures.

The Authority has pledged that it will adopt, revise, and continue in effect a schedule of rentals, fees, and charges sufficient to generate revenues in an amount equal to or greater than the sum of 1.25 times the amount of annual requirements on the Outstanding Bonds or 100% of the amount required to be deposed in the various funds and accounts as required by the Bond Resolution.

The Authority will seek to maintain a diversified revenue stream with the goal of keeping airline rates, fees, rentals and charges as reasonable as possible.

Investment Policy

The investment policy of the RTAA states that the primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield. The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The "prudent person" standard states that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion

and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Under authority delegated by the Board of Trustees of the RTAA, in accordance with chapter 474, Statutes of Nevada, NRS 354.474 and 355.175, and Bond Resolution 459, the investment of RTAA funds is the responsibility of the President/Chief Executive Officer (CEO). All cash, including bond proceeds, received by the RTAA will be invested by the Chief Financial Officer (CFO). The CFO will maintain a list of approved broker/dealers and financial institutions which are authorized to provide investment services to the RTAA. Authorized broker/dealers will be limited to "primary" dealers or other dealers that qualify under SEC Rule 15C3-1, the Uniform Net Capital Rule. Securities purchased by the RTAA shall be delivered against payment (delivery vs. payment) and held in a custodial safekeeping account with the trust department of a third party bank insured by the Federal Deposit Insurance Corporation designated by the CFO for this purpose in accordance with NRS 355.172.

The CFO, in accordance with the provisions of Nevada Revised Statutes (NRS) 355.170, 355.180, the current bond resolutions, and this investment policy, is authorized to invest in the following: United States Treasury Bills, Notes, Bonds, and Debentures of the United States United States Government Agency Securities Negotiable & Nonnegotiable Certificates of Deposit; Bankers' Acceptances, Commercial Paper, Money Market Mutual Funds, and the Local Government Investment Pool ("LGIP") as established by the Nevada State Treasurer under NRS 355.167

The investment policy shall be reviewed every year by the President/CEO and changes will be presented to the Finance and Business Development Committee of the Board of Trustees.

Debt Management

The debt policies of the RTAA are reviewed in *Section 3 Debt Summary*. This policy is fairly narrow since the RTAA has primarily used 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.

When the Authority finances capital projects by issuing long term debt, it will pay back the bonds within a period not to exceed the estimated useful life of the project. The Authority will not use long term debt for current operations. The Authority will maintain good communications with the bond rating agencies regarding its financial condition and will follow a policy of full disclosure in every financial report and offering prospectus. It will strive to maintain an "A" public rating on its long term debt from Fitch Ratings.

Impact of Mandated Increased Airport Security

With the terrorist attacks on September 11, 2001 the creation of the Department of Homeland Security, and the Transportation Security Administration (TSA) have resulted in federally mandated increases in airport security that have affected the operation and budget of the RTAA. Operational impacts include:

- 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 Airport Security Specialists 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 terminal rental rates have been increased to cover them. The RTAA will work to minimize the fiscal impact of these programs while remaining compliant with all the security directives.

Budget Process

The RTAA's definition of a balanced budget is one in which revenues and other resources equal or exceed expenditures and other uses. A balanced budget is an integral part of maintaining the Authority's financial position. Strategies employed to attain this balance include cost reductions, personnel and service efficiencies, developing and diversifying non-airline revenues and increasing fees to match program expenditures.

The RTAA operating budget is a major factor in the level of airline landing fee and terminal rental rates. Non-airline revenues also affect airline rates through the profit 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 terminal rental rates. Debt service determines when the RTAA's budget is "balanced." Operating Revenues less Operating Expenses, or Net Revenues Available for Debt Service, as mentioned earlier, must equal or exceed 125% of annual revenue bond debt service.

RTAA is continually evaluating whether the refinance of its outstanding debt to take advantage of lower interest rates is economically feasible. At least a three percent (3%) net present value debt service savings is the minimum industry standard necessary to justify such refundings. The RTAA's revenue bonds and associated debt service are discussed further in *Section 3 - Debt Summary.*

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 3 – Financial Plan

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. With a modest improvement in estimated passenger traffic forecasted in the FY 2011-12 Budget, as compared to prior year's activity, the current year's budget addresses some of the critical maintenance projects that were deferred due to the economic slowdown, while retaining a conservative approach to spending. 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.

New 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 terminal 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, 2011. 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 profit 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
- Executive Vice-President/COO

- Finance and Administration
- Operations and Public Safety
- Planning and Engineering
- Facilities and Maintenance
- Non-Departmental

The RTAA budgets into the following six departmental expenditure categories:

1. Personnel Services - salaries, wages, and benefits of RTAA employees.

2. Utilities and Communications - airport system telephone, electricity, water, natural gas, and sewer expenditures.

3. Purchased Services - professional consultants, equipment rental, and other non-professional services needed to augment the RTAA staff.

4. Materials and Supplies - operating and office supplies used by the RTAA staff.

5. Administrative Expense - Board and employee travel, training, air service development, and the largest component, insurance for the operation and property of the RTAA.

6. Property, Plant, and Equipment - equipment, vehicles, and other fixed assets needed to operate and maintain the airport system. The detail for this expenditure category is shown in the Property, Plant, and Equipment section of the Capital Budget.

Included within the major departments are the detailed budgets for the sections that make up the RTAA. 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.

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 Airport Authority
Profit Sharing
Budget Year 2011-12

		Cost Centers						
		Airfield	Terminal	Baggage Sys	Ground Trans	Other	Reno Stead	Total
Airline Revenue (Before Revenue Sharing)		7,495,554	8,966,769	-	-	-	-	$ 16,462,323
Non Airline Revenue		832,300	6,738,210	1,956,549	15,103,900	5,441,000	676,700	30,748,659
Total Revenue		8,327,854	15,704,979	1,956,549	15,103,900	5,441,000	676,700	47,210,982
O&M Expense		$ 7,734,670	$ 16,504,006	$ 1,950,780	$ 5,096,194	$ 3,774,384	$ 1,302,970	$ 36,363,004
Debt Service		-	-	-	2,521,150	1,045,418	1,265,677	4,832,245
Pre Bond Loan		67,726	79,485	-	32,676	41,921	22,152	243,960
O&M Reserve		22,872	48,803	5,769	15,070	12,180	3,853	108,547
Fixed Asset		226,962	280,137	-	94,600	116,097	13,654	731,450
Capital Project		271,000	427,500	-	120,000	444,500	40,000	1,303,000
Amort of Capital Items		207,643	42,857	-	258,000	-	-	508,500
Special Fund			798,105					798,105
LOI Transfer		-						-
Total Requirement		$ 8,530,873	$ 18,180,894	$ 1,956,549	$ 8,137,689	$ 5,434,500	$ 2,648,305	$ 44,888,811
Net Revenues		$ (203,019)	$ (2,475,914)	$ -	$ 6,966,211	$ 6,500	$ (1,971,605)	$ 2,322,171
Airport Share	50.00%							$ 1,161,086
Airline Share	50.00%							$ 1,161,086

RENO - TAHOE AIRPORT AUTHORITY
FY 2011-12
ANNUAL BUDGET
Summary of Sources and Uses of Funds

	Actual 2009-10	Budget 2010-11	Budget 2011-12
SOURCES OF FUNDS			
Revenue Fund			
Landing and Aircraft Fees	$ 9,157,170	$ 6,857,414	$ 8,165,254
Gaming Concession Fees	2,229,927	2,264,100	2,280,300
Food and Beverage Revenue	887,177	832,800	885,800
Merchandise Revenue	1,118,151	1,124,300	1,102,200
Auto Rental Concession Fees	8,729,117	5,788,400	6,123,100
Other Concession Fees	1,435,805	1,632,000	1,389,300
Auto Parking and Ground Transportation	8,738,391	9,326,400	8,980,800
Terminal Rents	4,796,366	6,984,700	7,705,700
Other Rents	5,582,599	6,295,600	6,219,400
Reimbursed Services & Miscellaneous	1,856,655	3,659,582	2,745,659
Non-Operating Pledged Revenue	248,438	371,600	202,400
Total Revenue Fund	$ 44,779,795	$ 45,136,896	$ 45,799,913
Non Rate Base Revenue			
Non-Rate Base Interest	49,210	109,700	68,100
Fuel Tax Revenue	304,912	327,100	329,000
Fuel Tax Interest	1,822	3,900	2,000
PFC Interest	67,138	28,400	28,500
PFC Revenue	7,670,672	6,955,500	7,383,600
Other Revenue	(150,139)	3,900	500
Total Non Rate Base Revenue	7,943,615	7,428,500	7,811,700
TOTAL SOURCES OF FUNDS	$ 52,723,410	$ 52,565,396	$ 53,611,613
USES OF FUNDS			
Operation and Maintenance Fund			
Personnel Services	$ 21,148,848	$ 22,630,580	$ 24,085,700
Utilities	3,234,216	4,526,750	3,443,255
Purchased Services	3,156,401	4,856,056	4,823,547
Materials and Supplies	1,593,776	1,799,844	1,851,220
Administrative Expenses	1,678,306	1,880,496	2,159,282
Total Operation and Maintenance Fund	$ 30,811,547	$ 35,693,726	$ 36,363,004
Bond Fund			
Interest Account	2,188,725	1,543,650	1,276,150
Principal Account	9,080,000	5,350,000	1,245,000
Total Bond Fund	$ 11,268,725	$ 6,893,650	$ 2,521,150
Subordinate Debt Fund			
Interest Account			253,906
Principal Account			2,315,000
PFCs Applied			(257,811)
Total Subordinate Debt Fund	$ -	$ -	$ 2,311,095
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	$ -	$ 109,183	$ 108,547
Short Term Financing			
Prebond Loan	$ 645,614	$ 418,889	$ 243,960
Property, Plant & Equipment	$ 21,220	$ 511,880	$ 731,450
Capital Projects			
Current Year	717,306	1,599,000	1,303,000
Prior year project reimbursement	1,409,040	317,000	508,500
Total Capital Projects	$ 2,126,346	$ 1,916,000	$ 1,811,500
Special Fund			
35 % of projected gaming revenue to Special Fund	$ 780,474	$ 792,435	$ 798,105
General Purpose Fund			
Current Year Profit Sharing Total	2,996,905	1,083,982	2,322,171
Prior Year Profit Sharing Airline Share	(1,516,737)	(2,282,850)	(1,161,086)
Rate Base Excluded Revenue	(1,704,078)	-	-
LOI Transfer	(650,117)	-	-
Air Service Incentive	-	-	(250,000)
Total General Purpose Fund	$ (874,027)	$ (1,198,868)	$ 911,085
Non-Rate Base Interest	49,210	109,700	68,100
Fuel Tax	306,734	331,000	331,000
PFC Fund	7,737,810	6,983,900	7,412,100
Other Revenue	(150,243)	3,900	517
	$ 7,943,511	$ 7,428,500	$ 7,811,717
TOTAL USES OF FUNDS	$ 52,723,410	$ 52,565,396	$ 53,611,613

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 3 – Revenues

The Total Operating Revenue budget for FY 2011-12 is $45,597,513. This is a 1.9% increase from the FY 2010-11 Budget. Budgeted airline revenues are $15,051,254 or 33% of total operating revenues. The total non-airline operating revenue budget is $30,546,259 or 67% of the total operating revenue budget. A pie chart later in this section shows the relative size of general categories of airport operating 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" 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 governmental agencies are facing. The RTAA budget is balanced each year through the airline rate setting and the profit sharing mechanism of the airline agreement. The diversification of revenues, mentioned in this section, provides the profit sharing that assists in balancing the budget and has allowed RTAA's airline rates to be competitive.

With the slowdown in the economy, airline traffic has decreased significantly from 2.43 million enplaned passengers for the pre-recession of FY 2007-08 to 1.89 million for FY 2009-10. This drop was the result of airlines reducing their aircraft capacity nationwide in order to regain profitability through fewer empty airline seats and lower operating costs. Starting in March 2010, RTAA experienced an increase in flights and, in the 3rd Quarter of 2010, the Authority was identified as the #1 airport in recovery of flights as compared to the same quarter in the previous year. The current fiscal year is forecasted to reach 1.91 million enplanements.

For FY 2011-12 the Authority is forecasting a 1.3% increase in enplanements to 1.93 million as compared to FY 2010-11 projected amount and a 0.5% increase as compared to the FY 2010-11 Budget. This modest increase in passenger traffic is the key driving factor behind the forecasted increase in concession revenues and the overall profit sharing with the airlines. In addition, the forecasted increase in airline landed weights impacts the landing fee calculation by increasing the base used to recover airfield costs.

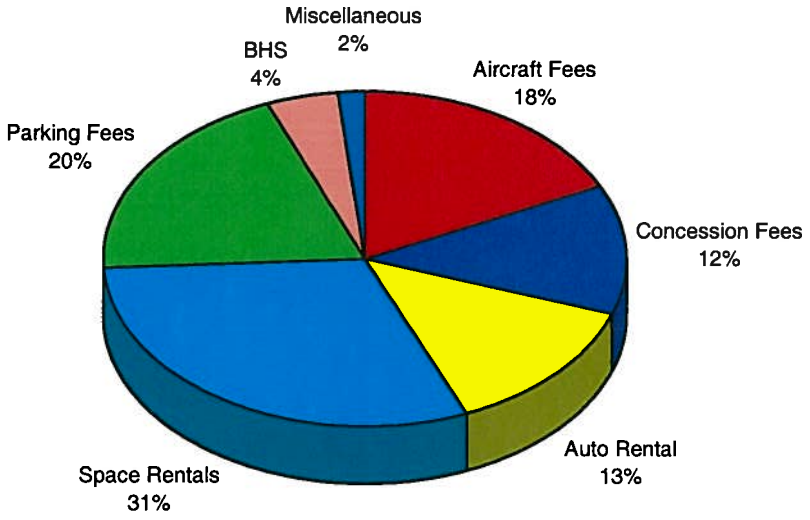
The FY 2011-12 Budget revenue projections are, in many cases derived by applying historical revenue earned and transactions derived by enplaned passenger to the estimate of passenger enplanements. This approach is primarily used to forecast public parking revenue. In addition, existing fixed lease payments established in many rental agreements and minimum annual guarantees established in many concession agreements are considered in estimating fiscal year revenue budgets by revenue source. Last of all, construction project schedules that might affect tenant revenues are also factored in the estimates.

Non-airline operating revenues are forecasted to be $30,546,259 in the FY 2011-12 Budget. This represents an expected decrease of $1,363,023 or approximately 4.3% from the FY 2010-11 Budget. This decrease is due primarily to lower cost recovery through reimbursed services revenues related to the Baggage Handling System (BHS) in light of lower operating costs.

A detailed discussion of the component categories of revenue follows in this section.

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Operating Revenues

FY 2011-12
Operating Revenues

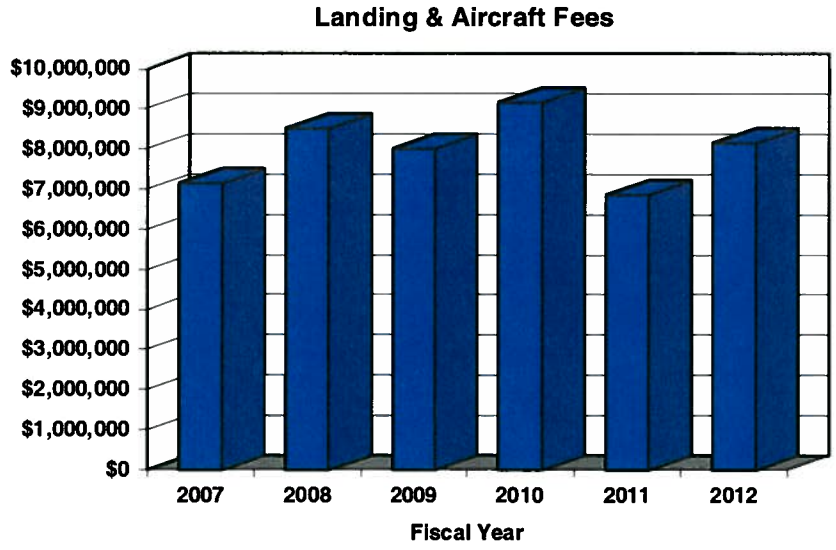


REVENUES	
Aircraft Fees	$ 8,165,254
Concession Fees	5,657,600
Auto Rental	6,123,100
Space Rentals	13,925,100
Parking Fees	8,980,800
BHS	1,956,549
Miscellaneous	789,110
Total	$ 45,597,513

Reno-Tahoe Airport Authority
FY 2011-12
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 1.8% increase in operating revenues for FY 2011-12 as compared to the FY 2010-11 Budget. 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 fiscal years 2006-07 through 2009-10 followed by budgeted revenues for fiscal years 2010-11 and 2011-12.

LANDING AND AIRCRAFT FEES



The Authority currently recovers almost 100% of its airfield costs through the landing and aircraft fees. Landing and aircraft fees in the FY 2011-12 Budget are anticipated to increase 19.1% as compared to the FY 2010-11 Budget due primarily to the changes in the airline agreement and the increase in the operation and maintenance costs allocated to the Airfield Cost Center. The new Airline Operating Agreement no longer applies profit sharing to the Airfield Cost Center the following year as it did in the previous agreement. Profit sharing from FY 2011-12 is being applied to the Terminal Cost Center in the current year and will reduce the terminal rental rate.

The airline agreement reflects an airfield residual approach to the landing fee calculation based on the airfield cost center expenditures. See Section 3 – Financial Plan for a more detailed description of the Airline Agreement. The FY 2010-11 landing fee rate was budgeted at $2.01, while the FY 2011-12 landing fee rate will be $2.55. In the new airline agreement, there is no premium charged for landing fees assessed to non-signatory airlines as compared to signatory airlines. The $2.55 rate will be charged to all airlines, signatory or non-signatory.

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 3 – Revenues

Landing fees are charged to passenger and cargo carriers for each aircraft landing based on the aircraft's Maximum Gross Landed Weight. The Landing Fee Rate is calculated by dividing (i) the total cost of the Airfield as a whole (Operation and Maintenance Expenses, Debt Service Requirements attributable to the Airfield, amortization charges and other funding requirements of Bond Ordinance) less the Airfield non-airline revenues by (ii) the total landed weight of aircraft arrivals.

The following is the detailed landing fee calculations:

CALCULATION OF FY 2011-12 LANDING FEE RATE

		FY 2009-10 Actual	FY 2010-11 Budget	FY 2011-12 Budget	Variance
O&M Expenses		$ 5,898,378	$ 7,287,197	$ 7,734,670	$ 447,474
Debt Service		3,499,300	-	-	-
Coverage		874,825	-	-	-
Pre Bond Loan		205,095	133,816	67,726	(66,090)
O&M Reserve		-	22,067	22,872	805
Fixed Assets		-	165,882	225,422	59,540
Capital Projects		25,630	283,000	271,000	(12,000)
Amortization of Capital Items		233,903	-	-	-
LOI Transfer		(650,117)	-	-	-
Total Requirement		$ 10,087,014	$ 7,891,961	$ 8,321,690	$ 429,729
Total Landed Weight (000s)		2,762,672	2,921,052	2,939,432	18,381
Non-Signatory Landing Fee Rate	A	$ 3.65	$ 2.70	$ 2.83	$ 0.13
Signatory Landed Weight (000s)	B	2,704,939	2,889,528	2,939,432	49,905
Signatory Revenue Prior to Revenue Credits	A * B	$ 9,873,026	$ 7,801,726	$ 8,318,594	$ 516,868
Less: Non-Signatory Landing Fee Revenue		(191,293)	-	-	-
Other Airfield Revenues		-	(1,132,900)	(832,300)	300,600
Signatory Revenue Prior to Profit Sharing		9,681,733	6,668,826	7,486,294	817,468
Less: Profit Sharing (Prior Year)		(1,516,737)	(870,356)	-	870,356
	C	8,164,996	5,798,470	7,486,294	1,687,824
Signatory Landing Fee Rate	C / B	$ 3.02	$ 2.01	$ 2.55	$ 0.54

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 3 – Revenues

The following are significant factors impacting the requirements in the Airfield Cost Center and the calculation of the landing fee in the FY 2011-2012 Budget:

- The operation and maintenance costs allocated to the Airfield Cost Center are increasing 6.1% over the prior year budget. This is due mainly to increased operating costs now being allocated to the Airfield as a result of the changes in allocation percentages for all Cost Centers.

- The new Airline Operating Agreement does not apply profit sharing to the Airfield Cost Center the following year as it did in the previous agreement. Profit sharing from FY 2011-12 is being applied to the Terminal Cost Center in the current year and will reduce the terminal rental rate.

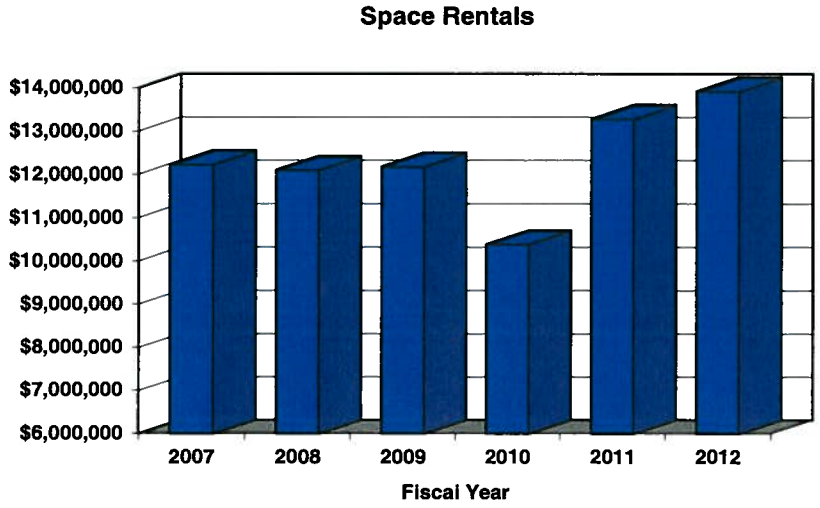
- The FY 2011-12 landing fee rate is projected to be $2.55. This is a $0.54 increase from the budgeted FY 2010-11 landing fee rate of $2.01. To illustrate the impact on landing fees, a 737-700 flown by Southwest Airlines, with a landed weight of 128,000 lbs., will see the cost per landing increase from $257.28 to $326.40, an increase of $69.12.

- Total landing fee revenue is estimated to be $7,345,554 in FY 2011-12, an increase of $1.47 million or 25.1% from the FY 2010-11 Budget.

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 7.2% lower as compared to the FY 2010-11 Budget.

The fuel farm rental amounts are also in this section of the budget. The fuel farm rental rates are based on the fair market value of the facilities and associated land based on independent appraisals. The Landing Fees shown for the Reno-Stead Airport are for the fire fighting aircraft based there.

SPACE RENTALS



Space Rentals for FY 2011-12 are budgeted to reach $13.93 million, an increase of approximately $645,000 or 4.9% as compared to the prior year budget. The revenue source is comprised of airline terminal rents, gate use charges, other non-airline terminal rents, RTIA building and land rents, and Reno-Stead rents.

Airline terminal rentals currently reflect cost recovery of terminal costs allocated to airline occupied facilities (commercial compensatory basis) with total facility costs divided by rentable terminal square footage. The airlines "pay only for what they use" and the Authority is at financial risk if vacant facilities exist. Approximately 55% or $7.7 million of total Space Rents are derived from the airlines.

The Terminal Rental Rate is calculated by dividing (i) the total cost of the Terminal as a whole (Operation and Maintenance Expenses, Debt Service Requirements attributable to the Airfield, amortization charges and other funding requirements of Bond Ordinance) less airline reimbursement for disposal fees and less the Profit Sharing Credit by (ii) rentable square footage. Rentable Terminal Space is the total area of the terminal building available for lease and dedicated to the sole use of the airlines, rental car companies, concessions, aviation service providers, various government agencies, and the Authority for purposes of generating revenue and supporting operations.

The Profit Sharing Credit is calculated as 50% of the Gross Revenues less Operation and Maintenance Expenses, Debt Service Requirements, Bond Ordinance Reserve Requirements, and Repayment of Loans to the Capital Account. The Profit Sharing Credit is applied to reduce Signatory Airlines terminal rental rate in the current Fiscal Year, and the remaining 50% of the Airport System net revenues are transferred to the Authority's General Purpose Fund; however,

35% of gaming revenues in each Fiscal Year is retained by the Authority and not available as part of the reduction to Terminal Rental Rate for the current fiscal year.

For the FY 2011-12 Budget, the average budgeted rental rate is $60.03 per square foot per annum, which in comparison with the FY 2010-11 average budgeted rental rate of $54.56 is a 10.0% increase. Total signatory airlines terminal space rental revenue is estimated to be $7,474,900 in FY 2011-12, an increase of $757,400 or 11.3% higher than the FY 2010-11 Budget.

An average terminal building rental rate is set pursuant to the airline agreement, based on the requirements of the Terminal Building Cost Center. The following is the detailed terminal rental rate calculation:

CALCULATION OF FY 2011-12 TERMINAL RENTAL RATE

	FY 2009-10 Actual	FY 2010-11 Budget	FY 2011-12 Budget	Variance
O&M Expenses	$ 14,955,665	$ 15,794,615	$ 16,504,006	$ 709,391
Debt Service	874,825	-	-	-
Coverage	218,706	-	-	-
Pre Bond Loan	167,494	119,047	79,485	(39,562)
O&M Reserve	-	47,828	48,803	975
Fixed Assets	18,886	80,408	280,137	199,729
Capital Projects	22,280	488,500	427,500	(61,000)
Amortization of Capital Items	581,041	-	-	-
Special Fund	780,474	-	-	-
Total Requirement	$ 17,619,372	$ 16,530,398	$ 17,339,932	$ 809,533
Less: Airline Reimbursements (Disposal Fee)	(198,695)	(388,300)	(301,000)	87,300
Total Net Requirement	$ 17,420,677	$ 16,142,098	$ 17,038,932	$ 896,833
Square Footage	375,581	244,472	245,697	1,225
Average Terminal Rental Rate (Gross)	$ 46.38	$ 66.03	$ 69.35	$ 3.32
Signatory Airline Terminal Leased Space	99,002	123,124	124,528	1,404
Signatory Airline Share of Net Requirement	4,591,713	8,129,900	8,636,000	506,100
Less: Profit Sharing (Current Year)	-	(542,000)	(1,161,100)	(619,100)
Profit Sharing (Authority Contribution)	-	(870,400)	-	870,400
Adjusted Signatory Airline Net Requirement	4,591,713	6,717,500	7,474,900	757,400
Signatory Airline Terminal Leased Space	99,002	123,124	124,528	1,404
Signatory Airline Average Rental Rate (Net)	**$ 46.38**	**$ 54.56**	**$ 60.03**	**$ 5.47**

The following are significant factors impacting the requirements in the Terminal Building Cost Center and the calculation of the terminal rental rate in the FY 2011-12 Budget:

- The operation and maintenance budget allocated to the Terminal Building is increasing 3.4% from the FY 2010-11 Budget. This is primarily due to the increase of personnel costs being allocated to the Terminal Building cost center but is partially offset by the reduction in utility costs.
- The profit sharing credit applied as a reduction to the Terminal Building Cost Center in FY 2011-12 is estimated to be $251,300 less than FY 2010-11.

In addition, RTIA derives space rents from the airlines on a per use basis and rents both terminal and non-terminal space to tenants other than the airlines. The Authority also collects rents at Reno-Stead 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.

RTIA non-terminal rents are forecasted to decrease by $58,400 to $5.0 million, a decrease of 1.2% from the FY 2010-11 Budget. The decrease is primarily a result of lower building rental income from the 1200 Terminal Way facilities as a car rental company is moving to a different location off Authority property. Authority staff has been actively involved in marketing and developing both aviation and commercial development of the property during the past year. While land development activity has reflected the slow economy, several new projects are working towards completion and will be positive contributors going forward.

BAGGAGE HANDLING SYSTEM

The new Baggage Handling System (BHS) Charge reflects 100% cost recovery of the operating maintenance agreement, utilities, supplies, and other direct costs of operating the new integrated explosive detection equipment system. Based on projected operations for FY 2011-12, this revenue is estimated to be $1,956,549. This represents the Authority charging $1.33 per processed bag based on the an estimate of 1.933 million enplaned passengers check-in with 0.75 bags per passenger on average.

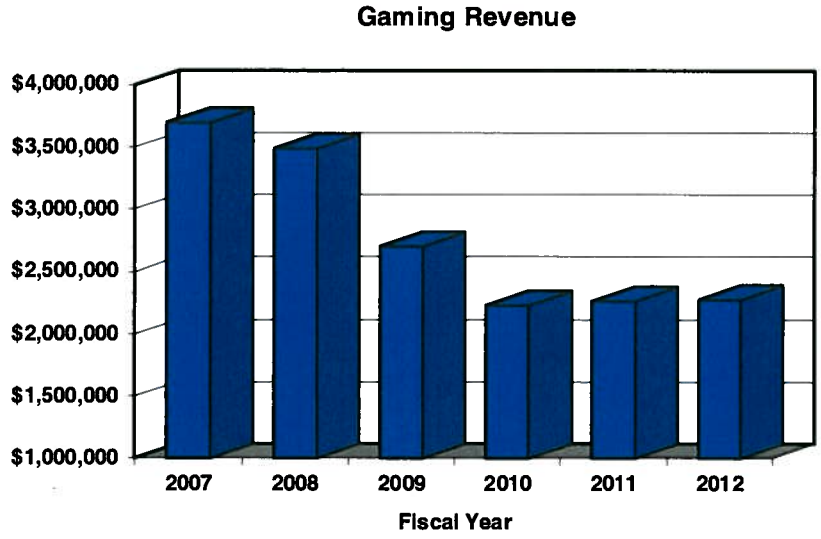
- The Baggage Handling System (BHS) costs of $1,950,780 are included in the FY 2011-12 Budget. This represents approximately 28.2% decrease from the FY 2010-11 Budget due to a more complete cost data with the system being operational for the full year in the current fiscal year.
- The total operation and maintenance costs related to the Baggage Handling System (BHS) are reduced by an estimated $80,900 from reimbursement by the Transportation Security Administration (TSA) for direct costs associated with their screening equipment. This

reimbursement is credited against the Baggage Handling System recovery assessed to the airlines.

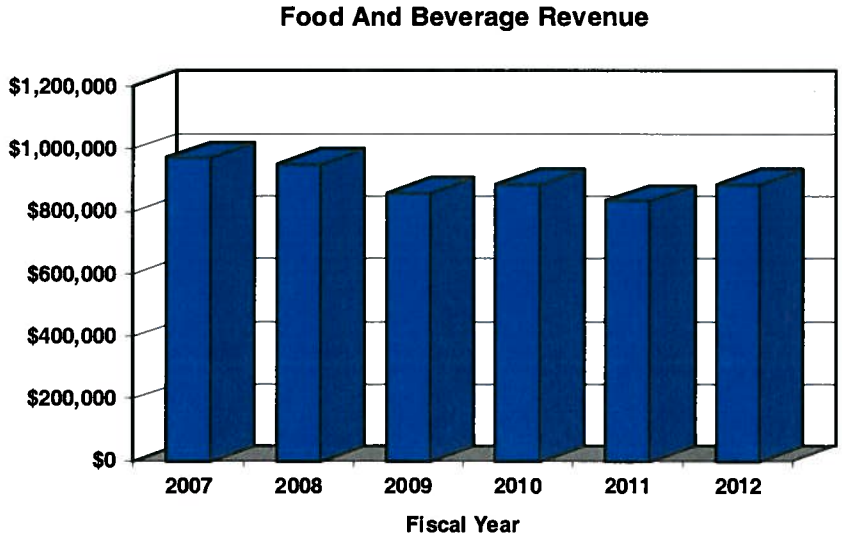
CONCESSION REVENUE

Concession revenues are predicted to increase 1.2% for fiscal year 2011-12 to $11.78 million compared to the budget for fiscal year 2010-11 of $11.64 million. Concession revenue consists of the following: food and beverage, merchandise, gaming, rental cars, advertising, aircraft ground service providers and fixed base operators. This increase is primarily due to the slight improvement in projected revenue per enplanement. See Section 1 Introduction and Summary for an expanded discussion of the history and traffic assumptions used in the FY 2011-12 Budget.

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.

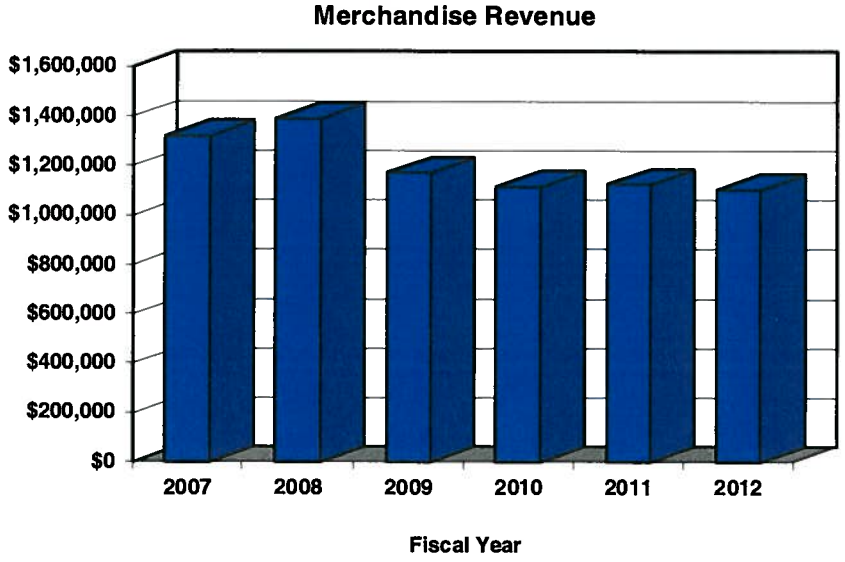


Gaming revenue is a unique source of revenue for Nevada airports. International Game Technology (IGT) operates the gaming concession and their agreement expires on November 30, 2011. The contract states that IGT must pay the RTAA a concession fee of 53% of Net Win up to $350,000 and 75% for Net Win over $350,000. The FY 2011-12 Budget is 0.7% above the prior year budget. For the first time in recent years, revenue per passenger is increasing slightly as passengers are slightly more optimistic about the economy and more willing to spend their discretionary income on non-essential entertainment. The graph depicts actual gaming concession revenues for 4 years and the budgeted amounts for FY 2010-11 and FY 2011-12.



Creative Host Services, Inc. (CHS) was awarded the food and beverage concessions effective October 2001. Formerly Creative Host Services, Inc. by assignment changed its name to SSP America, Inc. (SSP) effective June 19, 2008. The concession agreement calls for SSP to pay the RTAA a percentage of revenues ranging from 8% to 18% depending on product type, or a MAG which is 85% of previous year's payments but not less than $885,800, whichever is greater.

With the projected increase in passenger traffic, revenues are budgeted to increase approximately 6.4% from prior year's budgeted revenues, as revenues per enplaned passenger have seen a slight increase. 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. In an effort to upgrade facilities and expand the products offered, especially the breakfast menu, to the travelling public, Max's Eatz & Coffee and La Brea Bakery were introduced in the past fiscal year. SSP also operates the bars, snack bars, and coffee shops on the concourses.

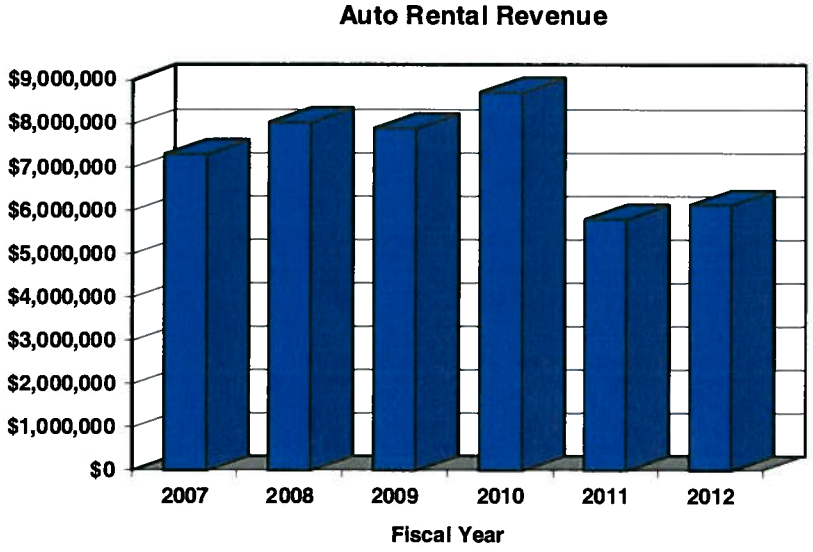


The primary concession agreement for merchandise and news and gift services is with the Paradies Shops. This agreement provides payment to the RTAA based on a percentage of revenues ranging from 12% to 23% depending on product type, or a MAG which is 85% of previous year's payments but not less than $901,000, whichever is greater. Paradies Shop's stores include the Ponderosa Pines, which promotes the outdoor theme of the area, a PGA Golf Shop, Designs by Sue, offering value savings to it's customers by having quality merchandise at prices under $10, and news and gift shops located in the main lobby and on the B and C concourses.

In addition to Paradies Shops, Northwest Duty Free Shops have operated another merchandise alternative on the concourses for passengers since 1996. The store located on the concourse serviced by Southwest has been relocated to a better location past the security checkpoint.

In addition, Caterina's Confections operated a candy store through April 2011. With the departure of this concession, a 2% decrease is merchandise revenue for FY 2011-12 is projected compared to prior year budget. A retail boutique store, Forever Heather, was relocated from the Lear Concourse in May 2011 to occupy the existing vacant space.

Advertising revenues are budgeted to decrease 6.6% from the FY 2010-11 Budget. A three-year agreement was entered into with the Elizabeth Younger Agency that expires December 31, 2012. The decrease from last year's budget is due to renegotiating a number of advertising contracts in light of the economic slowdown. However, the FY 2011-12 Budget is slightly higher than current year forecasted revenues, due to the increase in passenger levels expected for the 2011-12 fiscal year



All of the six auto rental concessionaires servicing the airport have a "check in" counter located at the Reno-Tahoe International Airport. These companies are (1) The Hertz Corporation; (2) Avis Budget Car Rental, LLC doing business as Avis and Budget, (3) Vanguard Car Rental USA, LLC doing business as Alamo and National; (4) DTG Operations, Inc. doing business as Dollar and Thrifty; (5) Enterprise Leasing Company- West, LLC; and (6) Simply Wheelz, LLC doing business as Advantage.

All of these companies, with the except Simply Wheelz (Advantage), also qualified through their bid submissions to lease available ready/return parking, a lane in the quick turnaround facility ("QTA") and a service facility and associated ground located on airport property. The ready/return parking spaces ("Ready/Return Premises") are located in the Parking Structure, across from the Terminal; the overflow or storage space ("QTA Lot Premises") are assigned by square footage in the lot immediately north of the Parking Structure and a lane position in the Quick Turnaround Facility ("QTA Premises") providing fueling and car wash service; and Service Facilities south of the Terminal, as further described herein under a separate Ground Lease.

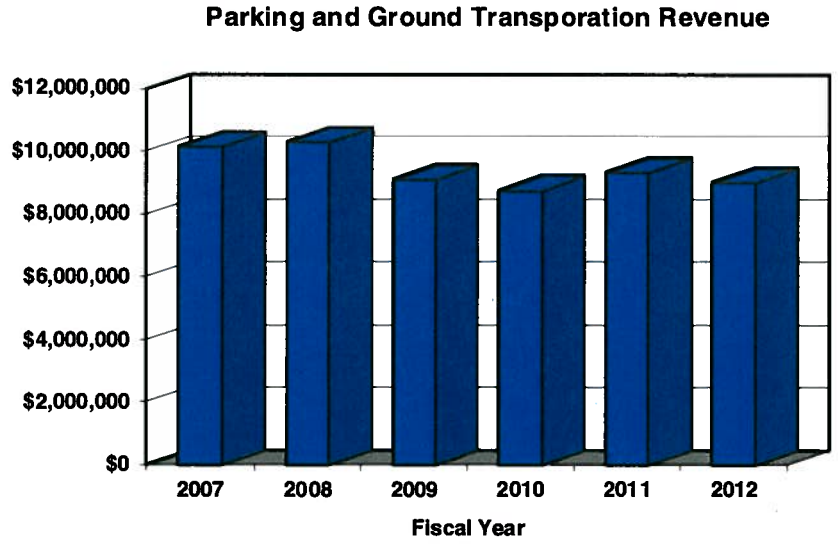
Based on MAG bids, Simply Wheelz (Advantage) continues to be a limited service operator with a check-in counter on the airport; however, all other facilities are located "off airport" with their customers subject to taking a shuttle bus to an off airport site for the rental and return of their vehicles.

Revenues are budgeted at $6,123,100 for FY 2011-12. This amount is based on the concessionaires' current year performance as well as the Minimum Annual Guarantees (MAG) of

the various rental car companies. This concession represents 20% of the Airport's total budgeted non-airline operating revenues.

This budget amount is 5.8%, or approximately $335,000 above the FY 2010-11 Budget. This increase reflects the higher than Minimum Annual Guarantee (MAG) revenues based on current results. Under the current agreement, that started July 1, 2010, the Minimum Annual Guarantee (MAG) is set at $5,076,486, significantly lower compared to the previous agreement. Depending on sales, the car rental companies are either paying the MAG or 10% of gross receipts.

The agreements do have an abatement clause which waives the minimum annual guarantee (MAG) if passenger deplanements fall below 75% of the deplanements for the corresponding month in the preceding year. The FY 2011-12 Budget does not forecast any MAG abatement due to the forecasted increase in passenger traffic.



Total auto parking and ground transportation revenues are budgeted to decrease 3.7% from the prior year budget and 0.5% from the FY 2010-11 projected revenues. The decrease in forecasted revenue from last year's budget is due to the lower facility use per passenger being forecasted based on actual operating results. While the current year's actual results are an improvement over last year, the lower than budget results reflect a less robust recovery in parking transactions than anticipated. With the lingering effect of the economic recession impacting the community during FY 2010-11, the prior year budget was overly optimistic and this is reflected in the lower FY 2010-11 projections and the FY 2011-12 Budget. Auto parking represents 29% of the RTAA's total budgeted non-airline operating revenues.

Ground transportation fees are projected to be $238,500 in FY 2011-12. These fees are paid by transportation operators such as limousines, shuttle buses, and taxicabs. It is projected this revenue budget will increase 1.5% as compared to the prior year's budget.

REIMBURSED SERVICES

Reimbursed services of $2.73 million are budgeted in FY 2011-12 to decrease 25% from the FY 2010-11 Budget. This decrease is primarily due to lower cost recovery from the airlines and the Transportation Security Administration (TSA) related to the Baggage Handling System (BHS) . The lower costs reflect more accurate cost data based on actual operating results for the full year in FY 2010-11. Reimbursed services also include payments from the TSA for RTAA providing police services at the security checkpoints as well as for participation in the National Explosives Detection Canine Team Program. This category also includes reimbursement for waste disposal services and other Authority provided 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 of $533,400 in the FY 2011-12 Budget consists primarily of interest earnings on the surplus and reserve funds the RTAA has available for investment. A decrease of $169,200 is predicted for investment earnings in the FY 2011-12 Budget as compared to the FY 2010-11 Budget.

While average earning balances are forecasted to be $36.5 million in the FY 2011-12 Budget, a decrease of approximately $1.8 million as compared to the prior year, the largest driving force is the historically low earning rates. With the economic recession hitting in full force in late 2008 and early in 2009, the Federal Reserve has implemented steps to lower rates to stimulate the economy. Overall, earning rates are forecasted to drop from 1.00% used in the FY 2010-11 Budget to 0.65% in the FY2011-12 Budget.

The RTAA's bond resolution, state laws, and the RTAA investment policy limit the types of investments permitted for use by the RTAA. The primary objectives, in priority order, of investment activities are safety, liquidity, and yield with most securities or deposits having federal government guarantees.

Non-Operating Revenue also includes Aviation Gas Tax revenues estimated to be $329,000 in FY 2011-12. This revenue represents a $0.01 per gallon fee collected by the State of Nevada and remitted to RTAA through Washoe County on aviation jet fuel sold, distributed, or used in the county. The use of this revenue is restricted to funding transportation projects related to airports including ground transportation improvements and promoting the use of an airport located in a county, including, without limitation, increasing the number and availability of flights at the airport.

NON-RATE BASE REVENUE

Non-rate base revenue of $7.5 million 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 currently 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 restricted 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.

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Summary of Budgeted Revenues

	FY 2009-10 Actual	FY 2010-11 Budget	FY 2011-12 Budget	Percent Change
Landing Fees - Reno-Tahoe				
Signatory Airlines-Scheduled Carriers	$ 7,137,835	$ 5,158,494	$ 6,199,071	
Signatory Airlines - Freight Carriers	931,131	649,457	941,967	
Non Signatory Airlines - Scheduled Carriers	141,984	46,310	182,254	
Charters, FBO's	-	-	0	
Non Signatory Airlines - Charters	14,106	-	0	
Non-Signatory Airlines - Air Freight Carriers	35,202	17,053	22,262	
	8,260,259	5,871,314	7,345,554	25%
Aircraft Fees - Reno-Tahoe				
Fuel Flowage	195,077	200,400	186,000	
Aircraft Parking	101,953	75,200	88,000	
Aviation Gas Tax Refunds	-	-	-	
Fuel Farm Use Fee and Ground Rent- RFFC	514,586	680,800	505,500	
Fuel Farm Use Fee - Jet West	55,060	-	9,000	
	866,676	956,400	788,500	-18%
Aircraft Fees - Reno-Stead				
Fuel Flowage	17,372	16,600	18,100	
Landing Fees	12,864	13,100	13,100	
	30,236	29,700	31,200	5%
TOTAL Aircraft Fees	$ 9,157,170	$ 6,857,414	$ 8,165,254	19%
Concession Revenue				
Gaming Revenue	$ 2,229,927	$ 2,264,100	$ 2,280,300	1%
Food and Beverage Revenue	887,177	832,800	885,800	6%
Merchandising Revenue				
Confection	111,889	111,900	30,000	
Duty Free Shop	89,817	85,000	92,800	
Newsstand and Gift Shop	916,445	927,400	979,400	
	1,118,151	1,124,300	1,102,200	-2%
Other Concession Revenue				
FBO's and Ground Handling				
Fixed Base Operators - Reno-Tahoe	86,310	176,500	43,800	
Security Services	48,223	52,600	50,000	
Ground Handling/Support Services	199,279	208,300	169,700	
	333,812	437,400	263,500	-40%
Stead Concession Revenue				
RARA Concession Revenue	42,034	43,600	39,000	
Fixed Base Operators - Reno-Stead	21,085	19,300	21,600	
Other Concession Revenue	182	300	300	
	63,302	63,200	60,900	-4%
Advertising Revenue	841,150	928,500	866,900	-7%
Miscellaneous Concession Revenue				
Other Concessions	34,208	37,900	33,000	
Luggage Carts	45,000	45,000	45,000	
ATM	118,333	120,000	120,000	
	197,542	202,900	198,000	-2%
Total Other Concession Revenue	1,435,805	1,632,000	1,389,300	-15%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Summary of Budgeted Revenues

	FY 2009-10 Actual	FY 2010-11 Budget	FY 2011-12 Budget	Percent Change
Total Concession Revenue Excluding Auto Rental and Gaming	3,441,133	3,589,100	3,377,300	-6%
On Airport Auto Rental	8,729,117	5,788,400	6,123,100	6%
TOTAL Concession Fees	$ 14,400,176	$ 11,641,600	$ 11,780,700	1%
Auto Parking and Ground Transportation				
Auto Parking/Traffic Control				
Public Parking Lot	8,217,012	8,782,400	8,441,500	
Employee Parking	281,320	295,500	289,200	
Parking Fines	10,336	13,500	11,600	
	8,508,668	9,091,400	8,742,300	-4%
Ground Transportation				
Taxi Loop	94,482	91,700	98,800	
Limousines	5,090	7,000	5,300	
Buses/Courtesy Shuttles	126,347	130,800	130,400	
Permit Fees	3,805	5,500	4,000	
	229,723	235,000	238,500	1%
TOTAL Auto Parking and Ground Transportation	$ 8,738,391	$ 9,326,400	$ 8,980,800	-4%
Space Rentals				
Terminal Rents, Signatory Airlines				
Ticket Counter	241,039	$277,600	$324,600	
Hold Room	1,134,578	1,431,700	1,563,700	
Back Office	477,930	430,200	587,100	
Bag Claim	1,029,439	1,279,300	1,396,800	
Bag Service Office	122,922	150,400	164,300	
Bag Makeup	681,754	1,281,400	1,399,400	
Baggage System	-	862,700	942,200	
Operations Space	575,480	662,500	723,600	
Common Use Drives	292,933	310,700	339,400	
Outside Storage	35,534	30,900	33,800	
Gate Use Charge/ Non-Signatory Use Fees	204,757	267,300	230,800	
	4,796,366	6,984,700	7,705,700	10%
Terminal Rents, Other				
Government Agencies	124,102	208,100	226,100	
Car Rental Counters & Offices	262,885	283,000	305,600	
Welcome Center	66,168	87,500	-	
Other Terminal Rents	58,349	68,100	96,200	
	511,504	646,700	627,900	-3%
Reno/Tahoe Non-Terminal Rents				
Building Rental	1,948,398	1,777,700	1,663,100	
Hangar Rental	-	886,700	858,300	
Land Rental	2,562,657	2,400,800	2,485,500	
Sewer Use Fee	-	100	-	
	4,511,055	5,065,300	5,006,900	-1%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Summary of Budgeted Revenues

	FY 2009-10 Actual	FY 2010-11 Budget	FY 2011-12 Budget	Percent Change
Reno Stead Rents				
Building Rental	79,332	86,400	86,800	
Hangar Rental	246,995	248,800	253,100	
Airfield Rental	56,533	55,500	58,600	
Land Rental	133,979	145,400	141,900	
Sewer Use Fee	7,878	8,800	8,100	
Wash Rack	69	100	100	
Mini Warehouse Rent	11,698	9,900	12,000	
Other Rental	23,556	28,700	24,000	
	560,040	583,600	584,600	0%
TOTAL Space Rentals	$ 10,378,965	$ 13,280,300	$ 13,925,100	5%
Reimbursed Services				
Security Services	504,268	498,300	460,600	
Utilities	134,368	178,300	85,000	
Maintenance	20,124	24,200	10,200	
Disposal Fees	198,695	210,000	216,000	
Other	4,981	6,070	5,310	
BHS Reimbursement - Signatory Airline	925,723	2,595,012	1,875,649	
BHS Reimbursement - Non-Signatory Airline	5,497	-	-	
BHS - TSA Reimbursement	44,699	131,600	80,900	
TOTAL Reimbursed Services	$ 1,838,355	$ 3,643,482	$ 2,733,659	-25%
Miscellaneous Revenue				
Miscellaneous Revenue	18,101	16,100	12,000	
Damage Claim Reimbursement	199	-	-	
	18,300	16,100	12,000	-25%
TOTAL OPERATING REVENUE	$ 44,531,358	$ 44,765,296	$ 45,597,513	2%
Non-Operating Revenue				
Investment Interest	200,069	365,600	200,700	
Investment Interest, CFC	843	6,000	1,700	
Investment Interest, Fuel Tax Fund	1,822	3,900	2,000	
Gain (Loss) on Sale of Fixed Assets	9,641	-	-	
Aviation Gas Tax	304,912	327,100	329,000	
Miscellaneous	37,885	-	-	
TOTAL Non-Operating Revenue	555,172	702,600	533,400	-24%
TOTAL Pledged Revenue	$ 45,086,530	$ 45,467,896	$ 46,130,913	1%
Non-Pledged Revenue				
Investment Interest, Pre-Bond	2,194	4,600	3,000	
Investment Interest, Other Restricted	-	3,900	500	
Investment Interest, Flood Grant	7,339	19,900	12,800	
Investment Interest, Acquisition Fund	1,111	2,000	100	
Investment Interest, Flood Proceeds	38,565	66,200	42,500	
Investment Interest, Consent Decree	-	17,000	9,700	
Investment Interest, PFC	67,138	28,400	28,500	
PFC Revenue	7,670,672	6,955,500	7,383,600	
Gain (Loss) on Investments Value	57,742	-	-	
Gain (Loss) on Debt Defeasance	(207,881)	-	-	
TOTAL Non-Pledged Revenue	$ 7,636,880	$ 7,097,500	$ 7,480,700	5%
TOTAL REVENUES	$ 52,723,410	$ 52,565,396	$ 53,611,613	2%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Non-Airline Revenues

	2009-10 Actual	2010-11 Budget	2010-11 Projected	2010-12 Budget	% Change 2012 Budget to 11 Budget	% Change 2012 Budget to 11 Projected
Aircraft Fees - Reno	866,676	956,400	952,500	788,500	-17.6%	-17.2%
Aircraft Fees - Stead	30,236	29,700	30,700	31,200	5.1%	1.6%
Gaming Concession	2,229,927	2,264,100	2,224,800	2,280,300	0.7%	2.5%
Food & Beverage	887,177	832,800	885,800	885,800	6.4%	0.0%
Merchandising Revenue	1,118,151	1,124,300	1,156,800	1,102,200	-2.0%	-4.7%
Advertising	841,150	928,500	856,800	866,900	-6.6%	1.2%
Other Concessions	594,655	703,500	569,300	522,400	-25.7%	-8.2%
Auto Rental	8,729,117	5,788,400	5,989,400	6,123,100	5.8%	2.2%
Auto Parking	8,508,668	9,091,400	8,798,000	8,742,300	-3.8%	-0.6%
Ground Transportation	229,723	235,000	233,000	238,500	1.5%	2.4%
Other Terminal Rents	511,504	646,700	608,500	627,900	-2.9%	3.2%
Reno/Tahoe Non-Terminal Rents	4,511,055	5,065,300	4,995,900	5,006,900	-1.2%	0.2%
Reno Stead Rents	560,040	583,600	577,200	584,600	0.2%	1.3%
Reimbursed Services	1,838,355	3,643,482	2,674,461	2,733,659	-25.0%	2.2%
Miscellaneous	18,300	16,100	11,800	12,000	-25.5%	1.7%
Total Non-Airline Revenues	$ 31,474,733	$ 31,909,282	$ 30,564,961	$ 30,546,259	-4.3%	-0.1%
Non Operating Revenue	555,172	702,600	521,200	533,400	-24.1%	2.3%
TOTAL REVENUES	$ 32,029,905	$ 32,611,882	$ 31,086,161	$ 31,079,659	-4.7%	0.0%

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 3 – Expenditures

The total Operating and Maintenance (O&M) expenses in the FY 2011-12 Budget are $36,707,704. This is 1.8% above the FY 2010-11 Budget and 6.2% above the FY 2010-11 projected expenditures.

	CURR. YR. BUDGET 2010-11	CURR. YR. PROJECTED 2010-11	BUDGET REQUEST 2011-12	PERCENT CHANGE FY12 BUDGET TO	
				FY11 BUDGET	PROJECTED
Personnel Services	$ 22,630,580	$ 22,498,089	$ 24,085,700	6.4%	7.1%
Utilities & Communications	4,526,750	3,572,691	3,443,255	-23.9%	-3.6%
Purchased Services	5,016,056	4,498,470	5,013,547	-0.1%	11.5%
Materials & Supplies	1,799,844	1,896,448	1,851,220	2.9%	-2.4%
Administrative Expenses	2,083,196	2,088,478	2,313,982	11.1%	10.8%
Total	$ 36,056,426	$ 34,554,175	$ 36,707,704	1.8%	6.2%

The underlying structure of the FY 2011-12 O&M expense budget requests is the departmental work plans. The work plans are detailed lists of the activities performed by each department that will accomplish the goals established by the Board. The departments' work plan and budget were reviewed by a senior management committee during presentations given by each department.

With FY 2010-11 being the first full year of operation of the new Baggage Handling System (BHS), the contractual maintenance agreement and BHS utilities are significantly lower than the estimates included in the FY 2010-11 adopted budget. Based on actual results, the BHS expenses budgeted for FY 2011-12 have been reduced by $767,600 or 28.2% compared to the FY 2010-11 Budget.

The following narrative lists the more significant changes:

- The Personnel Services budget is increasing by 6.4% from the FY 2010-11 Budget and 7.1% above the projected expenditures for the current fiscal year. This increase is due to modest salary increases and unfreezing of four positions. For additional information, please see the Personnel section. This will result in a 1.2% increase in funded positions from the personnel complement approved in the current year budget.

  As part of the FY 2011-12 budget review process, four (4) positions, that were previously unfunded, have had funding reestablished in the budget. With the support of the Board, RTAA management over the past three years has aggressively and proactively taken significant cost reduction steps in response to the recession and its impact on passenger levels and lower spending patterns. These steps included keeping vacant and not funding two police officers and one police sergeant position.

  Effective November 2010, the Transportation Security Administration (TSA) now requires a full time Police Officer presence at the security checkpoints. This requirement,

along with an expanded role for surveillance and response to tenant needs, establishes the need for three (3) Police Officers per shift, twenty-four hours per day / 7 days per week. To meet this requirement, the Authority has required additional overtime from the existing staff, which is both expensive and presents concerns regarding long-term impact on staff. At the February, 2011, Board Meeting, the Trustees approved filling two vacant officer positions as a mid-year request for FY 2010-11. The FY 2011-12 Budget requests funding for the police sergeant position. The full year impact of these needed steps as reflected in the FY 2011-12 Budget is estimated to be $420,000.

Retirement contributions are projected to increase significantly due to increased contribution rates established by the Public Employees' Retirement System (PERS) for Regular members effective on July 1, 2011. The contribution rates under the Employer-paid Contribution Plan will increase from 21.5% to 23.75%. In addition, contribution rates for Police/Fire members will increase from 37% to 39.75%. These rates are established by PERS based on actuarial valuation report adopted by the Retirement Board.

Health insurance costs are also estimated to increase approximately 2.5% in the next fiscal year.

- The Utilities and Communications FY 2011-12 budget request is 23.9% or $1,083,495 under the FY 2010-11 Budget and 3.6% or $129,436 under the projected expenditures for the current fiscal year 2010-11. This decrease in the FY 2011-12 Budget for utilities is primarily due to more accurate data as a result of operating the BHS for an entire year as well as lighting upgrades and solar power installations that allow the Authority to be more energy efficient.

- Purchased Services are decreasing 0.1% or $2,509 below the FY 2010-11 Budget and increasing 11.5% or $515,078 above the projected expenditures for the current fiscal year 2010-11. The increase from current year projections is primarily due to the higher cost of Contracted Services associated with the operation and maintenance of the Baggage Handling System (BHS) of approximately $125,000 and the rehabilitation of the 1280 Terminal Way office building of approximately $200,000.

- Materials and Supplies are increasing 2.9% or $51,376 from the FY 2010-11 Budget and decreasing 2.4% or $45,228 from the projected expenditures for the current fiscal year 2010-11. The largest increase is due to the $45,000 budgeted for runway and taxiway repairs needed at the Reno-Stead Airport. The other significant variation as compared to the previous budget is an increase of $15,000 in Airport Police for the purchase of employee safety equipment (body armor).

- Administrative Expenses are increasing 11.1% or $230,786 above the current 2010-11 fiscal year budget and increasing 10.8% or $225,504 above the projected expenditures for fiscal year 2010-11. This increase is primarily due to an accounting treatment change regarding credit card transaction fees associated with the public parking operation. Until recently, these transaction fees were netted out of public parking revenue rather than identified as an operating expense. Starting with FY 2010-11 actual financial results and now incorporated into the FY 2011-12 budget, an estimated expense of $210,000 is being separately reported.

The following are the strategic goals adopted by the Board, the status of the previous FY 2010-11 key initiatives, and the new FY 2011-12 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.

FY 2010-11 Key Initiatives

- 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 Transportation Security Regulation (TSR) Part 1542 and assist air carriers with requirements for TSR Part 1542 and 154.

  - ***Progress:*** Ongoing. These objectives are being met by highly visible uniformed officers on vehicular and foot patrols of sterile and non-sterile areas; officers also monitor access points to the secure areas.

- Participate in the Transportation Security Administration (TSA) - National Explosive Detection Canine Team Program.

  - ***Progress:*** *Ongoing. RTAA currently has two officers and one sergeant assigned to the TSA explosive canine detection program. RTAA management monitors the needs of the program and is prepared to commit an additional officer to this program if it becomes necessary.*

- Grant general maintenance and schedule inspections for Police Division vehicles and facilities.

  - ***Progress:*** *Ongoing. RTAA police vehicles are purchased and maintained through the Director of Maintenance budget.*

- Sustain Airport Police Division policy and procedure in accordance with the Commission on Accreditation for Law Enforcement (CALEA) standards.

  - ***Progress:*** *Ongoing. RTAA Police Department is currently in the self assessment phase of accreditation which requires a complete review of all departmental policies.*

- Successfully limit access to RTAA information technology resources to authorized users. This includes email, data storage areas, and Internet access.

  - ***Progress:*** *Complete and ongoing. Staff has maintained the security and integrity of RTAA information technology resources through the application of security patches to critical software and through careful configuration and monitoring of Internet firewall technology. Staff also utilizes a variety of third-party tools and technologies to scan systems and incoming data for viruses and other malware. Staff periodically reviews system access logs to determine if employee use is consistent with RTAA's Technology Use Policy.*

- Isolation and Upgrade of the Police Records Management System and the Computer-Aided Dispatch Systems

  - ***Progress:*** *Complete. Staff successfully separated the Police Records Management System and Computer-Aided Dispatch applications from a joint use server.*

- Improved Connectivity to Reno-Stead Airport.

  - ***Progress:*** *Complete. Staff recently negotiated an agreement with Charter Business Services for the delivery of high-speed fiber-optic based connectivity to the Stead Airport. The cost for the service represents an 18% increase over the existing AT&T copper-based services, but results in a six-fold increase in capacity and performance. This service will also position the airport to offer fiber-based services to future tenants.*

- Computer Workstation Replacement.

  - ***Progress:*** *Ongoing. Staff is in the process of evaluating vendor offerings for the replacement of all desktop computer workstations. By the end of FY10-11 or early FY11-12, all workstations will be replaced.*

- Telephone System Replacement.

  - ***Progress:*** *Ongoing. Staff worked with Shared Technologies, Inc. to successfully transition to a new telephone system central processing unit. During the remainder of FY*

2010-11 and FY 2011-12, staff will replace most telephone sets throughout the organization and will extend the new technology to the airport rescue and firefighting building, the airfield maintenance building, and the Stead Airport.

- Maintain software and hardware for airport computer system equipment. Project management for various projects.

  - ***Progress:*** *Ongoing. RTAA Information Systems staff continues to provide ancillary support for major ongoing projects including: ACAMS (Access Control and Monitoring System), ANOMS (Aircraft Noise and Operations Monitoring System), Integrated Financial Accounting System, and other major mission-critical information technologies.*

- Ensure airport is continually in compliance with 14 CFR 139 FAA Certification of Airports 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.

  - ***Progress:*** *Complete and ongoing. Completed the annual FAA Certification inspection with no faults in July, 2010. Updated Airport Certification Manual. Updating Airport Rules and Regulations. Conducted over 1,000 daily and special inspections. Saved approximately $3,000 on FY 2010-11 budget by replacing failed operations vehicle computers with iPads that provide the capability for real-time reporting and common operating picture.*

- Manage Emergency Operations Center (EOC) during emergencies. Activate EOC as required and provide National Incident Management System (NIMS) training to staff. Administer WebEOC. Successfully complete FAA-required annual table-top and Triennial exercises.

  - ***Progress:*** *Complete and ongoing. Established NIMS self-directed training program for selected staff completing two introductory courses for all operations and communications staff, selected Facilities, Airfield, and Planning staff. Organized and conducted annual emergency table-top exercise, implementing NIMS concepts. Redrafting the Airport Emergency Plan for approval by FAA in June, 2011, consistent with new Advisory Circular requirements. Reviewed and updated flood contingency plan in December, 2010.*

- Update Snow and Ice Control Plan. Hold pre-season coordination meetings. Ensure snow is removed from runways and taxiways within 30-minutes of onset of event. Average of 6 events per year. Review snow season activities and prepare for next year. Attend International Snow Symposium.

- **Progress:** *Complete and ongoing. Completed for FY 2010-11 snow season. For the year-to-date, staff conducted 3 snow removal iterations and met the standard of keeping the movement area fully operational. Additionally, staff used preventive application of anti-icing materials to mitigate early-morning surface ice. Attended Snow Symposium held April, 2011.*

❖ Monitor weather for effect on operations, 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.

- ***Progress:*** *Ongoing. Provided timely indications and warning of possible flood conditions in December, 2010. Positioned the facility to react swiftly and mitigate any flooding. Provided daily weather reports and email warning summaries to executive staff.*

❖ 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.

- ***Progress:*** *Complete and ongoing. Surveyed operational activities daily and provide reports.*

❖ 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.

- ***Progress:*** *Complete and ongoing. Attended construction planning and weekly meetings. Prepare and send Tenant bulletins and Advance Notices to tenant users regarding upcoming construction activities the impact operations. Prepare and submit Notices to Airman (NOTAMs) as needed to inform both local and distant users of operational constraints.*

❖ 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. Ensure reduction in population of wildlife on the Airfield in accordance with the Wildlife Hazard Plan. Attend Wildlife Hazard Workshop.

- ***Progress:*** *Complete and ongoing. Continue working closely with USDA/Reno Wildlife Management team to control the impact of wildlife on aircraft operations. Conducted over 115 wildlife control activities. Held a tenant wildlife conference in July, 2010.*

- 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.

  - ***Progress:*** *Complete and ongoing. Year-to-date FY 2010-11 there has only been one vehicle deviation by a tenant. Implemented a movement area checkride program to verify annual proficiency for operations, and coordinating a similar program for Airfield Maintenance. Attended FAA Western-Pacific Region Conference and participated in runway safety seminar.*

- Operate airport telephone paging system, answer questions from the public, direct operational phone inquiries, and operate direct phone lines with FAA Tower and Fire Department.

  - ***Progress:*** *Complete and ongoing. Fielded over 79,000 calls for assistance and service Calendar Year 2010. Completed daily operational checks for the FAA "crash phone" system. An increase of 20%.*

- Advise airlines of ramp freezes and other emergency situations using the airline ring down telephone system.

  - ***Progress:*** *Complete and ongoing. Performed 35 airline ringdown calls to advise airlines on immediate impacts to operations. In January, 2011 operations staff assisted United Airlines with diversion aircraft arriving due to weather impacts at SFO. Additionally, coordinated ramp freezes for flights supporting the First Lady, utilizing email and ringdown notification systems.*

- Complete the installation of an upgraded and improved access control system. This system includes terminal building and airfield perimeter entrances to the secure portions of RTIA.

  - ***Progress:*** *Completed in spring 2011.*

- Monitor and operate the National Crime Information Center (NCIC) computer for incoming information from outside police agencies and for the Department of Homeland Security bulletins. Disseminate information using fax and retain hard copies.

  - ***Progress:*** *Complete and ongoing. Completed NCIC administrator training and successfully passed the state inspection with recognition for management participation.*

- Dispatch all routine and emergency calls for police, security, operations, fire and maintenance. Monitor and maintain radio traffic on seven (7) radio channels, make notifications to management and tenants using email and InfoRad paging system. Log all calls for service in a Computer Aided Dispatch computer program.

- ***Progress:*** *Complete and ongoing. Recorded over 47,000 dispatches of police, ARFF, security, maintenance and operations on responses to alarms and calls for assistance CY 2010. An increase of 7%. Sent 392 informational pages to staff, airlines, and other tenants advising them of unusual/emergency activities and outcomes.*

❖ Identify and implement opportunities to improve runway and ramp safety.

- ***Progress:*** *Complete and ongoing. During a particularly complex construction season, supervised operations with zero deviations or compromising operational safety. Designed a construction management tool that overlayed all project areas, staging areas, and routes to provide the tower, Operations, and users with a common operating picture. Operations developed a winter anti-icing plan to mitigate the formation of surface ice, enhance movement safety, and reduce the use of higher cost de-icing procedures.*

❖ Revise driving regulations and consolidate rules and regulations.

- ***Progress:*** *Ongoing. The target for a draft is September, 2011.*

❖ Lead and organize the planning and training for the Triennial Exercise in May 25, 2011, including the preparation and execution of operations and emergency management functions.

- ***Progress:*** *Complete. Initial staff planning for the Triennial began in December, 2010 and tentative coordination with regional emergency participants began in January with calendar coordination and the actual exercise taking place on May 25, 2011 as planned.*

❖ Transition management of general aviation T-hangars and Fixed Based Operator areas to RTAA oversight.

- ***Progress:*** *Complete.*

❖ Respond to emergencies on RTAA to provide protection of life, property and the environment

- ***Progress:*** *Complete and ongoing. Airport Rescue Fire Fighters have responded to 236 medical emergency calls and 56 aircraft and other fire related calls that occurred at the Reno-Tahoe International Airport. During the 2011 Federal Aviation Administration inspection, fire department records met or exceeded requirements. A timed emergency response drill was conducted in order to test runway response criteria, the test was completed successfully.*

- Provide specified inspections of all buildings, hangars, aircraft refueling vehicles, and other equipment. Provide hazardous operations standbys as required.

  - ***Progress:*** *Complete and ongoing.*

- Conduct quarterly fire and safety inspections on airport property including Reno-Stead Airport and tenants.

  - ***Progress:*** *Complete and ongoing. Facility inspections are performed quarterly at RTIA, as well as the Stead Airport by assigned RTIA certified Fire Inspectors. Inspection documentation is processed starting with contacting customers before the inspection, having them sign the completed Inspection Report by the Fire Inspector. Customers receive a copy of this report and are immediately advised of any violations. Dates are set for follow-up inspections if necessary.*

- Provide aircraft refueling vehicle inspection training for all Airport Fire Division employees due to rotation of inspection program.

  - ***Progress:*** *Complete and ongoing. Aircraft refueling vehicle inspection training is conducted by the shift Fire Captain throughout the calendar year. All shifts have completed the Aircraft refueling vehicle inspection training.*

- Provide supervisory training for Fire Captains to include administrative duties and Incident Commander organizational responsibilities.

  - ***Progress:*** *Complete. All shift fire Captains have completed the NIMS Incident Command training series.*

- Conduct daily airfield inspections to remain in compliance with Part 139, and remain in compliance with future FAA Certification Inspections.

  - ***Progress:*** *Complete and ongoing. This is an ongoing daily task and is in compliance with the stated goal. The daily inspections are in conjunction with the required FAA 139 self inspection performed by the Operations Department. The 2010 annual 139 inspection was successfully passed with no discrepancies.*

- Conduct large area mowing of acquired properties to maintain city code compliance. Perform annual weed abatement on both airside and landside areas. Maintain all irrigation systems for peak performance and water conservation.

  - ***Progress:*** *Complete and ongoing. All large areas were mowed an average of 4 times and vegetation height remained below maximum allowable limits. Weed abatement*

program was completed for both Spring and Fall cycles. Irrigation system repairs were timely and repaired within 24 hours notice of failure to ensure maximum water conservation efforts.

- 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 eleven airport emergency generators, service and maintain all electrically operated perimeter gates.

  - ***Progress:*** *Complete and ongoing. Goal percentages were met or exceeded. Any reported airfield lighting deficiencies were corrected within 12 hours. All other high mast lighting issues were reported and corrected through the Work Order system within 5 days. All eleven generators are maintained and checked weekly and remained 100% operational. All gates periodically checked per the Preventive Maintenance program at 100% scheduled compliance.*

- 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. Maintain Aircraft Operations Area markings to 100 percent compliance with Part 139.

  - ***Progress:*** *Complete and ongoing. Goal of 20% met at RTAA and exceeded at Reno-Stead completing 30% fog seal work plans. The annual preventive maintenance programs continue for crack and spall repairs. All Airside Operations Area (AOA) markings maintained at 100% and passed 2010 annual FAA 139 inspection with no discrepancies.*

- Perform rubber removal as needed per FAA Advisory Circulars, based on Runway Friction Test data to meet Federal Aviation Regulation Part 139 compliance.

  - ***Progress:*** *Completed and ongoing. Performed rubber removal three times so far for this year and kept friction measurements within allowable FAA Part 139 guidelines for safety.*

- Maintain airside, and landside pavements and pavement markings.

  - ***Progress:*** *Completed and ongoing. This annual on-going work plan includes a pro-active in-house landside and airside pavement maintenance program(s). All markings are 100% compliant.*

- Patch and seal cracks in five percent (5%) of roadways and parking lots annually. Maintain roadway and crosswalk markings as required, including the new long term parking walkway.

- ***Progress:*** *Completed and ongoing. Goal exceeded. 100% of the Cell Phone Waiting Lot, Transportation Security Administration Lot and South Employee Parking lot were seal coated and crack sealed. All markings and signage were maintained with several signs being replaced and updated.*

❖ Efficient removal of snow and ice as needed from aircraft, vehicle, and passenger movement areas.

- ***Progress:*** *Complete and ongoing. Snow Crews responded to five (5) snow events requiring activation of snow removal crews and operations.*

❖ Vehicle upgrades will be evaluated for performance as well as fuel efficiency, maintenance costs, and overall value to RTAA.

- ***Progress:*** *Complete and ongoing. This is an annual program and 90% of the vehicle and maintenance fleet has been assessed and evaluated. A new Fuel Management system has been installed that provides comprehensive fuel efficiency, consumption records and reports to the Computerized Maintenance Management System.*

❖ An Airport Markings Best Practices conference was held in Reno in 2010 and a session is also scheduled for September 2011, where RNO facilities, operations and procedures will be used to demonstrate "how it should be done."

- ***Progress:*** *Complete. This was the third year that the Marking Symposium was held in Reno and was a success. RTAA Airfield staff participated and a second thermoplastic marking was donated and applied on the RTAA airfield as part of the "How to" demonstration.*

❖ A snow removal equipment storage building will be constructed during FY 20101-12.

- ***Progress:*** *Ongoing. The project is moving forward and a Construction Management Company has been retained and the design is currently at approximately 60% and the building is scheduled to be constructed and completed by spring 2012.*

❖ New snow removal equipment will be procured over the next three years to upgrade the current fleet.

- ***Progress:*** *Ongoing. Two vehicles have been purchased from the Passenger Facility Charge program #10. Additional purchases from PFC will occur over the next year as collections are received. 100% of the FY2010-11 O&M Fixed Assets for snow removal equipment have been purchased.*

- Maintain all signs so they are 100 percent functional and visible.

  - ***Progress:*** *Complete and ongoing. A new sign management program will be put into place to be compliant with the new Department of Transportation (DOT) regulations for such.*

- 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.

  - ***Progress:*** *Complete and ongoing. These are regular routine requirements and all are current with the Computerized Maintenance Management System (CMMS) programmed work orders.*

- Inspect, and perform preventive maintenance or service on RTAA building systems, and operate the Terminal Building heating, ventilation, and air conditioning system.

  - ***Progress:*** *Complete and ongoing. The work plan objective is 100% complete based on CMMS reports and work order scheduling. Continued progress has been made to improve the Building Management System to modern efficient standards. Continue to improve efficiency and reporting capabilities of the CMMS and Building Management System.*

- Maintain a high standard of cleanliness in the Terminal Building and other RTAA facilities.

  - ***Progress:*** *Complete and ongoing. The Facilities Department has received numerous compliments as to the cleanliness of the facilities. The high standard has been met or exceeded the expectations. Continuous improvement in the program is to exceed expectations.*

- Ensure that terminal building public restrooms are checked hourly, and cleaned prior to each day's peak and post peak usage time, supplemented with a mid-peak inspection.

  - ***Progress:*** *Complete and ongoing. The work plan objective has been met based on CMMS reports, daily logs and compliments about the condition of our facilities.*

- Maintenance and Inspections of regulatory systems such as Fire Sprinklers, Fire Alarms, Boilers, Locks, Security, Environmental, Elevator and Escalator Systems.

  - ***Progress:*** *Complete and ongoing. State and Environmental inspections are up to date and no deficiencies are noted.*

- Provide contractors and vendors escorting for RTAA and tenant projects as required.

  - ***Progress:*** *Complete and ongoing. Escorts and support for Authority and tenant requirements have been met as required.*

2011-12 Key New Initiatives

- During FY11-12, the Parking Revenue Control System (PARCS) will switch from a dedicated leased line service to an Internet-based service. RTAA will implement two diverse routes to ensure that this revenue stream is not interrupted.
- Implement an email archival system capable of retaining email messages up to three years.
- Implement technology designed to prevent the intentional or accidental loss of sensitive organizational data. This technology secures and monitors removable data storage devices such as USB drives and optical media.
- Install a digital discussion management system to improve the quality of the meeting audio. This will also improve the quality of recordings used to transcribe meeting minutes. The system will also provide listening assistance for the public.
- Upgrade the Computerized Maintenance Management System (Maximo Version 6.25 to version 7.1).
- Police Records Management System and Computer-Aided Dispatch Replacement.
- Upgrade all computer workstation software to Microsoft Windows 7 and Microsoft Office 2010.
- Automate the electronic production and distribution of board documents using IPads.
- Ensure the RTIA is continually in compliance with 14 CFR 139 FAA Certification of Airports and FAA Certification Inspection is passed.
- Ensure effective communications support to RTAA during routine and emergency operations, resulting in a clear common operating picture at all times.
- Coordinate and publish revised Airport Rules and Regulations.
- Implement an AOA driver's checkride program based on revised rules and regulations.
- Track the rule making for the Safety Management System (SMS)
- Develop, coordinate, and publish a Continuity of Operations Plan consistent with Homeland Security Presidential Directive (HSPD)-20, *National Continuity Policy* and FEMA Continuity Guidance Circular 1, "Continuity Guidance for Non-Federal Entities", and regional and tenant plans.
- Develop a Landside Operations manual that will establish regular landside facility inspections, identify maintenance needs, facilitate repairs and provide data for budget planning.
- Enhance fire prevention inspection program for Reno-Tahoe and Stead Airports.
- Maintain high priority focus of safety during firefighting operations and for airport employees during their daily assigned duties.

- Meet requirements of 14 CFR Part 1542 and other Transportation Security Administration (TSA) security directives
- Develop security plans to serve as guidelines to airport employees, tenants and contractors to meet the applicable standards of the TSA and the airport.
- Write, maintain and ensure compliance with TSA approved Airport Security Program.
- Ensure all RNO security access badge applicants meet TSA requirements with regard to Criminal History Records Checks and Security Threat Assessments
- Conduct annual aviation security tabletop exercise
- Provide input and review construction plans of airport projects to ensure the physical security and Transportation Security Administration requirements for protecting facilities and resources of the airport are met.
- Provide for the security of the traveling public through responses to door alarms, inspections of badges, badge holders and deliveries.
- Ensure relevance of content of Interactive Employee Training
- Attend necessary meetings both within and outside RTAA to provide input and gather information on security related matters.
- Implementation of the Construction Manager At Risk (CMAR) project delivery method for various capital projects in FY 2011-12.
- Implement newly mandated DOT sign maintenance management program.
- Provide programming and project support for the Bag Claim Remodel, TSA "Checkpoint of the Future", Taxiway C Extension, Stead Terminal and EOC Center, and the Snow Removal Equipment Building projects.
- Continue to investigate energy efficiency improvements.
- Replace all 39 Runway Hold Position markings with thermoplastic materials.
- Continue PFC 10 "Snow Removal Equipment" acquisitions.
- Continue 100% goal of annual preventive maintenance program schedules.
- Paint interior airfield vehicle repair shop and Annex walls and apply an epoxy floor coating on both building bay floors as requested in an O&M Contracted Services request.
- Initiate program to replace 25% of aged underground irrigation per year.
- Replace vehicles that have exceeded the replacement criteria and have experienced increased dramatic maintenance costs due to age and use.
- Continue to provide snow removal duties to maintain 100% Airside Operations Area availability.
- Continued assistance at Reno-Stead for pavement maintenance, airfield markings and the National Championship Air Races.
- Seal coat 30% of the asphaltic pavements at both airports.
- Provide project support for the construction of the Snow Removal Equipment building.
- Crack sealing, seal coat and striping of the proposed Airport Police Department parking lot areas.

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.

2010-11 Key Initiatives

- Enhance service through customer service feedback program, including the answering of more than 1,000 Ask the Airport questions.

  - ***Progress:*** *Complete and ongoing.*
    - *Customer Service Survey completed in summer 2010. KPS3 presented survey results to the Board of Trustees in December 2010. Additional presentations given internally to RTAA staff, as well as to external groups such as the Community Outreach Committee. In addition, survey results have led to discussions and possible actions items on a number of topics. (Specific "action items" to be determined in fiscal year 2011-2012.)*
    - *"Ask the Airport" - This year staff responded to 600 requests for information. This was approximately 50% of the estimated number due to better information availability through the redesign of RTIA website & addition of search engine function.*

- Showcase four (4) art exhibits annually.

  - ***Progress:*** *Complete and ongoing.*
    - *Art Exhibits*
      - *Connector Collections Gallery*
        - *Marilyn Newton Photography*
        - *From Playa to Runway: The Culture of Burning Man*
        - *4th Annual Employee Art Show*
        - *Carson Valley Quilt Guild*
      - *Other Terminal Areas*
        - *Olympic Heritage Museum*
        - *Renown Health Artwork by Phyllis Shafer*
        - *Reno Open Studios*

- Implement a new media marketing program (Facebook, Twitter, and airport blog) that will save costs and improve communication with our passengers over traditional avenues.

  - ***Progress:*** *Complete and ongoing. Samples of RTIA Facebook & Twitter pages include:*
    - *2010 Artown at the Airport*

- *Southwest Airlines Second Denver Flight Addition*
- *Forever Heather Promotions*
- *Continental Airlines Houston Service*
- *Southwest Airlines Fare Sales*
- *Brighton Promotions*
- *Southwest Airlines 20th Anniversary*
- *Alaska Airlines/Horizon Air Fare Sales*
- *PGA TOUR Shop Grand Opening & Promotions*
- *TSA Airport of the Year Awards*
- *Squaw Valley Fly-n-Ski Promotion*
- *2010 Air Cargo & Passenger Statistics Increase*
- *June 2010 Passenger Statistics Increase*

❖ Work with RTAA staff, airlines, tenants and community partners to create targeted customer service programs that help passengers have a positive travel experience, especially during peak travel times.

- ***Progress:*** *Complete and ongoing.*
  - *2010/2011 Customer Service & Coordination for:*
    - *U.S. Marines*
    - *Burning Man attendees (Air Playa Info)*
    - *Reno Aces*
    - *Reno-Tahoe Open*
    - *American Celebrity Golf Championship*
    - *National Association of Counties*
    - *Pole Vault Summit*
    - *Safari Club International*
    - *United States Bowling Congress (USBC) Open*
    - *UNR Wolf Pack Football Team*

❖ Provide RTIA's Holiday decorations and entertainment program(s) each year.

- ***Progress:*** *Complete and onging. Holiday decorations were completed according to RTAA standards, as well as a full calendar of holiday entertainment programs. As a result of the integration between Air Service Development and Marketing/Public Affairs, many of these responsibilities were shifted to the existing MPR staff.*
  - *Holiday Performances*
    - *Swope Middle School*
    - *Advanced Band*
    - *Jazz Band & Strings*
    - *Pine Middle School*

- *Ricky Raul (Galena High School student singer)*
- *Holiday Decorations (In-terminal, center curb banners & dog park)*

❖ Work with Paradies, the Specialty Retail Concessionaires, and various retail and specialty vending operators to make adjustments to the retail offerings to improve the shopping experience and opportunities to increase sales.

- ***Progress:*** *Complete and ongoing. Airport Economic Development meets regularly with Paradies, the Specialty Retail Concessionaires, and various retail and specialty vending operators to provide customer service feedback on the products offered at their respective locations. Staff will continue to monitor status, review concession sales and recommend opportunities, as appropriate.*

❖ Capitalize on the opportunity to work closely with Paradies, the Specialty Retail Concessionaires, and various retail and specialty vending operators to refresh the retail offerings as part of the "Airport Renewal Program" with the goal to improve customer satisfaction and increase sales.

- ***Progress:*** *Complete and ongoing. Design began in January 2011. During stakeholder meetings, a number of news and gifts concepts and opportunities have been discussed. However, at this stage of stakeholder meetings, it is premature to speculate on what concepts will be presented for executive level and Board approval.*

❖ Work closely with SSP America to supply high quality food and beverage offerings that provide value and customer satisfaction to increase sales.

- ***Progress:*** *Ongoing. Airport Economic Development Staff have met with representatives from SSP America to discuss expanding the menu offering at the Brew Brothers restaurant. SSP America indicates its interest in making menu modifications that offer a more diverse menu; menu changes are expected to be reviewed and approved by RTAA staff, and implemented by SSP America in the first quarter of 2012.*

❖ Capitalize on the opportunity to refresh the service providers/menu offerings and improve the dining environment and customer satisfaction as part of the "Airport Renewal Program".

- ***Progress:*** *Ongoing. Design began in January 2011. During stakeholder meetings, a number of new food and beverage concepts and opportunities have been discussed. However, at this stage of stakeholder meetings, it is premature to speculate on what concepts will be presented for executive level and Board approval.*

❖ Work with International Game Technology (IGT) to make adjustments to the game offerings to improve the customer experience and opportunities to increase sales.

- ***Progress:*** *Complete and ongoing. Airport Economic Development staff meets regularly with IGT to provide customer service feedback on the products offered at many airport locations. Staff will continue to monitor status, review concession sales and recommend new game opportunities or new locations, as appropriate.*

❖ Capitalize on the opportunity to work closely with International Game Technology (IGT) to refresh the game locations as part of the "Airport Renewal Program" with the goal to improve customer satisfaction and increase sales.

- ***Progress:*** *Ongoing. Design began in January 2011. During stakeholder meetings, a number of locations for game machines have been identified and discussed. However, at this stage of stakeholder meetings, it is premature to speculate on what final game locations will be presented for executive level and Board approval.*

❖ Flight Information Display System (FIDS) Upgrade

- ***Progress****: Complete. Staff has prepared the computing infrastructure to receive an upgrade of the Flight Information Display system. By the end of FY10-11, ComNet Technologies implemented their EclipsX version 6 FIDS product.*

❖ Input, modify and assist in entering accurate and timely information in the Flight Information Display System.

- ***Progress:*** *Complete and ongoing. Staff cooperates on an ongoing basis with airlines, tenants, and community organization to display current and accurate flight, informational, and promotional messages on FIDS screens throughout the terminal facility.*

❖ Provide and maintain all aspects of Ground Transportation to provide services and maintain compliance with all regulations.

- ***Progress:*** *Completed and ongoing. Landside Operations continues to provide and maintain all aspects of Ground Transportation services to the traveling public as well as airport staff and tenants. Landside ensures the compliance of all rules and regulations that are currently in effect; and reviews potential regulatory changes.*

❖ 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.

- ***Progress:*** *Completed and ongoing. Landside Operations continues to consistently provide the traveling public with high quality parking services by providing outstanding customer service. Through the daily review of the parking computer data systems reports, Landside Operations has the ability to monitor parking entry and exit times, review revenue and monthly parking statistics. Staffing compliment and shift schedules have been adjusted in order to remain within the budget while at the same time providing ample staffing levels to satisfy inbound and outbound passenger demand on the parking facilities.*

❖ Develop a ground transportation education and customer service program that establishes guidelines for operating on the airport.

- ***Progress:*** *Completed and ongoing. On an annual basis, a letter is distributed to ground transportation providers recapping the ground transportation rules and emphasizing the need to provide exceptional service to our customers. In addition, an ongoing Landside staff customer service training program, developed in conjunction with the RTAA Human Resources Training Specialist, is currently being applied to increase customer service awareness.*

❖ Complete the rehabilitation of an additional 20,000 square feet of long term parking pavement with a minimal impact of the traveling public.

- ***Progress:*** *Complete. The "Old TSA" lot and "Cell Phone" lots were crack sealed and fog sealed and repainted and is 100% complete. Additional pavement maintenance treatments in the long term surface lot were reduced in the programmed schedules to accommodate the TSA parking and cell phone lot rehabilitation and reconfiguration request.*

❖ Ensure a quality passenger experience by monitoring the daily operations and maintenance of the terminal building, operating systems and equipment.

- ***Progress:*** *Complete and ongoing. The Computerized Maintenance Management System (CMMS) continues to improve in efficiency. Numerous inspections of the facilities and equipment are accomplished daily by the supervisory staff.*

2011-12 Key New Initiatives

❖ Adopt social media as a full fledged marketing, public relations, and customer service tool
❖ Develop a mobile version of the web site
❖ Create a communications program for Airport Renewal Program

- Concessions participation in the Airport Renewal Program (Terminal Refurbishment Project and Security Checkpoint of the Future Project) including design review, stakeholder coordination, and customer communication.
- Negotiate new leases with SSP America, Paradies, *the Specialty Retail Concessionaires, various retail and specialty vending operators,* and International Game Technology, as part of Airport Renewal Program (Terminal Refurbishment Project and Security Checkpoint of the Future Project).
- Design and install a visual paging component to the existing terminal public address system.
- Schedule quarterly Security Consortium meetings for effective internal communications between Airport tenants, Airlines and Transportation Security Administration.

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.

2010-11 Key Initiatives

- Remain informed on media issues, record news stories and share monthly media reports with staff.

  - ***Progress:*** *Complete and ongoing. Staff has sent out articles of interest to the Community Outreach Committee, Regional Marketing Committee, Air Service Task Force, RTAA Board of Trustees, Executive Forum, Management Roundtable & all RTAA Employees as applicable*

- Coordinate four (4) quarterly All-Employee Meetings.

  - ***Progress:*** *Goals partially met, ongoing. Successful in completing 3 of the 4 quarterly meetings (missed 3rd quarter 2011). In addition, staff has coordinated over 100 employee bulletins.*

- Attend classes to develop in-house graphic skills.

  - ***Progress:*** *Complete and ongoing. Staff attended the following professional development classes:*
    - *Advertising Association of Northern Nevada - Bags Fly Free: Branding From the Inside Out - November 2010*
    - *Advertising Association of Northern Nevada - Marketing Reno/Sparks Special Events: Tackling New Challenges in a Tough Economy - October 2010*
    - *Beginning Photoshop - August 10 - 19, 2010*

- *Reno-Tahoe American Marketing Association – Mobile Apps, Mobile Technology & YOU - February 2011*
- *Reno-Tahoe American Marketing Association – The Online User Experience and You - August 2010*

❖ Improve communication, service and product delivery to customers, stakeholders and internal RTAA departments through professional development of Airport Economic Development staff.

- ***Progress:*** *Complete and ongoing. Airport Economic Development staff is engaged in a series of professional development workshops throughout 2010/2011, created by the RTAA Training Coordinator. This training is designed to enhance communication skills and business writing skills. In addition, plans are being created to improve tenant relations with outside properties, general aviation, and Reno-Stead Airport tenants.*

❖ Provide frontline Airport Economic Development staff with skills training to ensure the basic suite of business software training is current, and ensure that administration and property management functions are consistent with RTAA policies and practices.

- ***Progress:*** *Complete and ongoing. Airport Economic Development staff members with responsibilities related to the Airport Warehouse, 1280 Terminal, and general aviation tenants will receive "CenterShift" software training, the new business software application. This software is designed specifically to manage facilities, accept credit card payments without staff interface, and account for self-storage facilities with possible application to office space and aircraft hangars. In addition, when training opportunities for Word, PowerPoint, Excel, etc. are made available, training will be scheduled.*

❖ Provide recurrent police officer 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).

- ***Progress:*** *Complete and ongoing. This objective has been enhanced and improved through the RTAA Police Department's affiliation and membership with Regional Training Academy.*

❖ Provide Field Training Officer Program for new polic officer(s) and continue professional development training.

- ***Progress:*** *Complete and* ongoing. New officers participate in a field training program consisting of 13 weeks of on the job training. Professional development training is conducted internally by trained members of the department as well as attending classes/seminars throughout the community.

- Provide meaningful training for all RTAA employees to enable successful performance of their jobs.

  - ***Progress:*** *Complete and ongoing. Over 55+ classes and workshops were offered on a myriad of topics in broad categories: employee development, leadership/management development, compliance and safety/security.*

- Conduct a review of all existing human resource policies to ensure the latest changes in the law are appropriately incorporated into the policies.

  - ***Progress:*** *Complete and ongoing. Reviewed each organizational policy and modified as necessary. Policies modified included: Sexual Harassment, Equal Employment Opportunity (EEO), Vehicle Use, Business Casual Dress and Technology Use.*

- Conduct employee evaluations in a timely manner.

  - ***Progress:*** *Complete and ongoing. Continual communication with supervisors regarding upcoming employee evaluations. Presented annual measure of organizational wide overdue evaluations. Provided follow up communication to each supervisor to ensure completion of timely evaluations in the future.*

- Develop human resource policies and programs that reflect the changing cultural and social trends reflected throughout our society.

  - ***Progress:*** *Complete and ongoing. Developed new employee recognition program incorporating industry trends and best practices to recognize and reward employees at all different levels of the organization. FY 2011 mentorship program developed and implemented the new incentive plan as a means to provide the participants an opportunity to work on an important organizational program.*

- Provide employee support and assistance to those departments that are expected to undergo restructuring and reorganization.

  - ***Progress:*** *Complete and ongoing. Identified and developed employee skill gaps due to the newly restructured Airport Economic Development Department by developing a series of workshops to address new expectations. Continued to support and assist specific departmental reorganization plans.*

- Customize and present the Supervisory Training program to departmental supervisors.

- ***Progress:*** *Complete and ongoing. Twelve supervisors completed the supervisory Training program. Each interactive and highly participatory class session taught by a variety of organization leaders, provided leadership development exercises as well as fundamental lessons on policy, law, compliance and best practices.*

❖ Participate in the Airport Council International (ACI) compensation survey and apply the data to improve recruitment effort for difficult to fill organizational positions.

- ***Progress:*** *Complete. Completed the Airport Council International (ACI) compensation survey in October 2010. Reviewed market competitiveness with benchmark airports upon receipt of completed data. Reviewed collective bargaining agreement covered job classifications for market competitiveness in anticipation of negotiations.*

❖ Implement any applicable initiatives that are generated through legislative health care reform measures.

- ***Progress:*** *Ongoing. Staff attended several informational sessions to develop a clear understanding of health care reform provisions. Initiated employee communications to convey the upcoming impacts to RTAA health coverage. Incorporated required changes into RTAA health coverage plan design.*

❖ Negotiate the collective bargaining agreement for the Police employees as well as any re-opener articles brought forward from the Fire employees.

- ***Progress: Ongoing.*** *Scheduled ongoing meetings with RTAA Management Negotiations Team to review collective bargaining agreements and identify priorities and areas of opportunity. Commenced negotiations in February 2011. Successfully concluded Teamster negotiations.*

❖ Conduct disaster training as required by the FAA, and provide required OSHA safety training.

- ***Progress:*** *Complete and ongoing. Participated in the Security table-top in August, 2010, presented an overview of the Emergency Plan Draft to the Management Roundtable in September; conducted training on the Terminal Evacuation Plan in September; conducted flood planning and facilitated flood discussions in December; coordinated and conducted a Terminal Evacuation communications drill in January, 2011. Drilled aircraft alert responses for two new Operations Supervisors in November/December, 2010. Reviewed severe weather, flood, and building evacuation checklist and procedures with Operations staff October-December, 2010. The Triennial on May 25, 2011 satisfied the FAA requirement.*

- Provide job-related training, including training on the new systems and requirements in the Airport Communications Center (ACC); provide cross-familiarization training to elevate knowledge and skills.

  - ***Progress:*** *Complete and ongoing. Conducted new system training on access control system for all ACC staff. Performed cross-familiarization training for 7 of 9 ACC staff in operations and security. Completed a 100% orientation on general aviation facility management and requirements. Training in progress for two new communications specialists. Four communications specialists have completed basic non-movement area drivers' training to assist operations with routine functions outside of the runway environment.*

- Conduct training on Safety Management System (SMS) and Operational Risk Management. Assess and mitigate hazards.

  - ***Progress:*** *Complete and ongoing. Completed training for 100% of operations staff on SMS Risk Management and operational safety. Monitoring the FAA Notice of Proposed Rule Making on implementation of Airport SMS. Participated in the SMS process for the new FAA tower.*

- Ensure all team members are capable of independently facilitating communications for the first 45 minutes of an Alert III response, and capable of operating communications as part of the incident command staff in the Mass Casualty Vehicle (MCV).

  - ***Progress:*** *Ongoing. Performed 30 aircraft alert responses (Alert I and II) in Calendar Year 2010. Operations staff performed the communications function for these alerts for approximately 20 – 25 minutes. No Alert III's. Staff practiced operations in the mobile command vehicle, including set-up, employing systems, and testing. Participated in regional command vehicle rodeo to verify system readiness.*

- Monitor the usage and function of the 800 MHz radio system and manage the Inter-local agreement with Washoe County Regional Communications System.

  - ***Progress:*** *Complete and ongoing. Completed re-banding of all RTAA radios. Completed upgrading radio batteries and charging stands. Provided 100% of RTAA line staff new user and continuation training on how to use the system.*

- Make all employees aware of proper safety and fire prevention practices.

  - ***Progress:*** *Complete and ongoing. All RTIA employees {and tenants} are made aware of proper safety, fire prevention and fire extinguishers through annual training.*

- Ensure operational status of all Airfield Rescue and Firefighting (ARFF) department vehicles, tools and equipment. Ensure a safe, clean and operational station. Order supplies and equipment as needed.

  - ***Progress:*** *Complete and ongoing. Department vehicles, tools and other equipment are on a routine inspection schedule. To ensure a safe, clean and operational station each shift must adhere to a cleaning standard operating procedure schedule and the compliance thereof is enforced by the shift Captains.*

- Maintain ARFF proficiency as required by standards and codes.

  - ***Progress:*** *Complete and ongoing. Airport Rescue and Firefighters continue to maintain proficiency in their daily operations as required by all standards and codes.*

- Validate effectiveness of Driver/Operator and Acting Captain certification training programs.

  - ***Progress:*** *Complete. Training certification program agendas for Driver/Operator and Acting Captains have proven to be successful. Several levels of supervision within this process have proven to ensure this program efficient and costs effective.*

- Expand participation in external training in current fire and emergency services certifications.

  - ***Progress:*** *Complete and ongoing. All 18 line Fire Fighters at RTIA have completed the FAA required annual Live Fire training held in Salt Lake City. Additionally, staff attended a Health and Safety training course to become more involved in the airports safety program.*

- Expand training of airport employees in fire prevention practices; confined space, fire extinguisher and hazardous materials subjects.

  - ***Progress:*** *Complete and ongoing. Expanded training of airport employees in fire prevention practices; confine space procedures, hands-on use of fire extinguisher and hazardous materials awareness training. Advanced Airport Fire department instructors used video material and extensive experience to train airport employees.*

2011-12 Key New Initiatives

- Continue Internal Audit professional development and improvement through interaction with audit groups and other audit professionals.
- Use in-house graphic skills to enhance presentations, web site, social media, invitations, economic development promotions and advertisements.

- Implement new financial and lease management software, "Centershift"; provide staff with skills training to ensure the basic suite of business software training is current.
- Conduct the biennial Fair Labor Standards Act (FLSA) overtime eligibility review on all positions.
- Transition the RTAA's position control number history and records from paper to electronic format.
- Review and update as necessary the RTAA Supervisory Recruitment Manual in support of employee recruitment and retention efforts.
- Provide training to ensure proper administration and supervisory oversight of any new provisions to the collective bargaining agreements.
- Provide management training on the updated performance appraisal system. Support managerial efforts to review and update as necessary performance factor applicability to current positions.
- Refresh and update the RTAA employee intranet to provide for enhanced ease of use and greater usefulness. Present the updated intranet to individual departments throughout the organization.
- Posture RTAA Operations staff for probable Safety Management System implementation in late FY2011-12.
- Publish and train staff on the revised Airport Emergency Plan.
- Conduct quarterly Emergency Operations Communications training drills.
- Simplify and, where possible, expand the use of WebEOC software as a daily, common operating picture tool for RTAA staff and tenants to promote familiarity with the system for emergency use.
- Train an Operations Supervisor as a Communications Training Officer (CTO) to enhance professionalism in the Airport Communications Center.
- To improve knowledge and professionalism, prepare Operations Supervisors (and other interested supervisory staff) for the AAAE Certified Member exam.
- Certify two communications specialists as Communications Unit Leaders.
- Obtain American Association of Airport Executives (AAAE) Airport Certified Employee (ACE) Certification for two Communications Specialists
- Review existing Landside policies and procedures in order to develop a unified Standard Operating Procedures manual that will be used to ensure continuity of staff processes such as cash handling, customer service and minor system maintenance and repairs.
- Prepare all firefighters for bi-annual Emergency Medical Technician recertification through the State Fire Marshals office.
- Encourage firefighters to develop study habits, which will assist them in the event of future promotion opportunities.
- Participate in national Security Conference to maintain currency on aviation security issues and topics.
- Provide for the professional growth of Security Specialists through training, staff committees, and feedback on work performance.

- Implementation of an automated web based certified payroll tracking system for construction projects subject to prevailing wage rates.

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.

2010-11 Key Initiatives

- Conduct six audits that focus on value-added auditing techniques.
  - ***Progress:*** *Completed and Ongoing. Four of six audits complete. Reviewed energy saving potential with IT equipment and Airfield Inventory Tracking report improvements. Recommended and implemented charges such that Electronic Fund Transfers appearance on monthly A/P report and reviewed rental car company compliance with terms of lease that became effective July 1, 2010.*
- Conduct four Lease Compliance audits.
  - ***Progress:*** *Completed and ongoing. Two lease agreements substantially complete, with no monetary findings - both were paying Minimum Annual Guarantee rates. The remaining two (2) lease compliance audits are anticipated to be on schedule and completed prior to end of fiscal year.*
- Oversee Public Parking Activities – Perform on-going monitoring of revenue control and operational activities specific to the parking audit program.
  - ***Progress:*** *Completed and ongoing. Continuous 365 day auditing of parking revenue and ticket use to minimize risk and offer assurance of internal controls. It was a goal of the Audit section to reduce the use of paper resources within the reporting process and attendant transaction reviews. A collaborative effort between the Landside Parking Manager and the Internal Audit staff made it possible to achieve this goal by reducing the manual reporting and review processes substantially. Additionally, a collaborative effort to eliminate redundancy in some of the reporting requirements has contributed to a reduction in parking staff and internal audit time utilized to generate common reports.*
  - *Progress: Collaborative efforts between the Internal Audit Section, TIS, and Landside Operations continues to enhance the Payment Card Industry Standards (PCI) requirements to protect customer credit card information. Anticipate a system software*

and equipment upgrade of the Parking Automated Revenue Control System, as per parking industry standards, in FY 2001-12.

- Negotiate SSP America lease documents, as appropriate, as part of the "Airport Renewal Program" (Terminal Refurbishment project and Security Checkpoint of the Future project).

  - ***Progress:*** *Ongoing. Design began in January 2011. When design has been finalized, Airport Economic Development staff will work directly with SSP and various retail and specialty vending operators that may be affected and as appropriate, on amendments to their respective lease documents.*

- Negotiate Paradies and other news and gifts vendors' lease documents, as appropriate, as part of the "Airport Renewal Program" (Terminal Refurbishment project and Security Checkpoint of the Future project).

  - ***Progress:*** *Ongoing. Design began in January 2011. When design has been finalized, Airport Economic Development staff will work directly with Paradies and various retail and specialty vending operators that may be affected and as appropriate, on amendments to their respective lease documents.*

- Negotiate International Game Technology (IGT) lease documents, as appropriate, as part of the "Airport Renewal Program" (Terminal Refurbishment project and Security Checkpoint of the Future project).

  - ***Progress:*** *Ongoing. Design began in January 2011. When design has been finalized, Airport Economic Development staff will work directly with International Game Technology, as appropriate, on an amendment to their lease document.*

- Work closely with the Younger Agency to update the advertising master plan.

  - ***Progress:*** *Ongoing. Design began in January 2011.*

- Complete Million Air long-term ground lease negotiations for the green field development of a Fixed Based Operation (FBO).

  - ***Progress:*** *Complete.*

- Negotiate Atlantic Aviation lease extension and capital improvements.

  - ***Progress:*** *Ongoing.*

- Negotiate Dassault Falcon ground lease and capital investment for operation expansion on vacant parcel south of current leasehold.

  - ***Progress:*** *Ongoing. Staff submitted a Letter of Intent to Dassault in March 2011.*

- Support the continued development of general aviation hangars at Reno-Stead Airport; work closely with potential developers with the goal to secure long-term leases and ensure financial stability for the RTAA.

  - ***Progress:*** *The Request for Proposal for hangar development at Reno-Stead Airport did not produce a successful proposer by the final submittal date of February 15, 2011.*

- Optimize the use of the GCR Airport Business Manager software, and focus on system updates and data monitoring to ensure accurate billing statements each month to ensure revenue stream; ensure that all active lease information is entered, monitored and maintained and that lease compliance activities are managed effectively to protect the RTAA from adverse financial exposure.

  - ***Progress:*** *Ongoing. In October 2010, the Airport Economic Development staff initiated an internal audit to verify complete, correct, and current tenant records were in hard copy as well as properly entered into the Airport Business Manager database. Issues that involved contractual non-compliance were corrected. Lease content and the overall lease update procedures are under review to ensure that the RTAA is protected from adverse financial exposure.*

- Improve the Airport Warehouse, 1280 Terminal, and GA tenant business operations by implementing new financial and lease management software ("Centershift") that will integrate with the RTAA's GCR Airport Business Manager software to comply with standard accounting practices and procedures.

  - ***Progress:*** *Ongoing. "CenterShift" software was installed in 2011. This software is compatible with the GCR Airport Business Manager software, and allows for information to be migrated from the CenterShift application to the GCR application in accordance with standard accounting practices and procedures. It is expected that full integration of data will continue through the balance of 2011.*

- Continue to market the Airport Warehouse and 1280 Terminal facilities to take advantage of location and leasing opportunities to ensure financial stability for the RTAA.

  - ***Progress:*** *Ongoing. In collaboration with the Marketing and Public Relations Department, Airport Economic Development staff has created information that promotes the facilities and leasing opportunities, which is posted on the RTAA website.*

- Work closely with the state and local associations, economic development agencies, existing companies, and the broker community to pursue possible business opportunities that draw interest to Northern Nevada, and to potential new tenants, in an effort to secure long-term relationships and leases at Reno-Tahoe International Airport and Reno-Stead Airport to ensure financial stability for the RTAA.

  - ***Progress:*** *Ongoing. Staff will serve on the Board of National Association of Industrial and Office Properties and is a member of the Economic Development Authority of Western Nevada.*

- Reduce telecommunications costs through contract negotiation

  - ***Progress****: Complete. Staff has successfully conducted negotiations with several telecommunications vendors to improve reliability, performance, and to reduce overall cost. By fall 2011 a high-speed fiber-optic connection will triple the speed of RTAA's Internet connectivity, while reducing the annual cost by $4,800.*

- Obtain both the Government Finance Officer Association (GFOA) awards for Budget and Financial Statement Presentation Reports.

  - ***Progress:*** *Completed and ongoing. Obtained both GFOA awards for both budget and financial statement reports dated June 30, 2010.*

- Develop and issue quarterly financial statement and revise monthly management reports provided to Airport senior management and the Board of Trustees.

  - ***Progress:*** *In progress. Staff is working on developing new procedures and job assignments to ensure financial records and accruals are up to date on a monthly basis for accurate reporting of quarterly financial status.*

- Continue to expand utilization of the MAS500 inventory and fixed asset modules including the bi-annual physical fixed asset inspection and count.

  - ***Progress:*** *Complete. Bi-annual physical fixed asset inspection and count completed and fixed asset listing updated monthly and depreciation calculated and reported monthly.*

- Continue monitoring usage of and updates to the Bank of America Works procurement card system and its interface with the MAS500 system.

  - ***Progress:*** *Complete and on-going. Staff has fully implemented utilization of the automated "Works" program online for account reconciliation, account coding and management approvals for all purchases on procurement cards. Continued training and*

maintenance ongoing to ensure policy compliance and timely interface with MAS500 software.

- Maintain a low cost per enplaned passenger despite the current economic slowdown and its impact on passenger activity levels.

  - ***Progress:*** *Complete and ongoing. Preliminary unaudited financial information projects a cost per enplaned passenger of $5.12 which is significantly below the budgeted amount of $6.20.*

- Continue to aggressively apply for federal grants and maximize use of Passenger Facility Charge (PFC) fees to fund capital improvement projects.

  - ***Progress:*** *Complete and ongoing. In FY 2010-11, $5.9 million in Federal Aviation Administration (FAA) grants were received and more are expected by the end of the Federal Fiscal Year ending September 30th. PFC funding of $1.5 million was applied to eligible capital improvement projects .*

- Prepare 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.

  - ***Progress:*** *Complete and ongoing. Reports were prepared and presented to the Finance Committee on a monthly basis.*

- Update FAA Grants status reports and assist auditors with annual Single Audit.

  - ***Progress:*** *Complete and ongoing. Grant status report was updated at least monthly and audit was completed and an Unqualified Opinion was given.*

- Complete insurance applications, provide insurance company tours, administer RTAA liability claims, and review RTAA contract insurance requirements.

  - ***Progress:*** *Complete and ongoing. Completed insurance applications with updated vehicle and equipment schedules, coordinated annual property inspections, administered RTAA liability claims including mediation.*

- Complete Passenger Facility Charge Application #11 and amend other open applications to reflect update project status.

  - ***Progress:*** *Complete and ongoing. Consultation meeting with the airlines was held January 25, 2011 and application was submitted to the Federal Aviation Administration*

where it is currently under review. Amendment of other open applications will take place once final notice of approval is received from the FAA

- Prepare a financial credit package and secure medium term financing for proposed capital improvement projects.

  - ***Progress:*** *Complete. A Request for Proposal was completed and Subordinate Lien Airport Revenue Notes were issued on 6/1/2011 to fund the Airport Renewal Program Plan, which includes the following projects: (1)Security Checkpoint of the Future; (2) Snow Removal Equipment Building; (3) Terminal Refurbishment Program; (4) Emergency Operations Center/ Terminal at Reno-Stead Airport; and (5) the extension north of Taxiway "C".*

- Develop and issue quarterly financial statement and revise monthly management reports provided to Airport senior management and the Board of Trustees.

  - ***Progress:*** *Ongoing. The report writing module has not yet been installed by the Airport's vendor pending an needed upgrade to the Accounting Software module. Staff will be trained on a new financial reporting module and "dashboard" information is expected to be installed on the desktops of Executive Management in FY2011-12*

- Dispose of Surplus property at public auctions pursuant to the requirements contained in Nevada law.

  - ***Progress:*** *Complete and ongoing. Semi-annual public auctions of surplus property were held. Disposition of surplus property by auction complies with requirements contained in NRS 332.*

- Comply with the requirements for competitive bidding contained in NRS 332 and 338 and the Airport Improvement Project Handbook by preparing equipment, concession, small capital projects, AIP-funded bids, and maintenance bids and proposal requests that are budgeted in the Fiscal Year 2010-11 budget.

  - ***Progress:*** *Complete and on-going. Purchasing and Materials Management (PMM) issued the following bids for materials, (1) supplies, equipment, capital projects, and maintenance bids in this fiscal year to date: (2) parking deck coating project; (3) emulsified oil (SS1H), de-icing liquid; (4) bag belt parts; (5) oversized luggage check-in service contract; (6) herbicides and fertilizers; (7) paper products and can liners; (8) copiers; (9) LED lights/fixtures; (10) main terminal re-roof; (11) sprung structure surplus; and (12) stone/stucco work on the front of the main terminal.*

- Continue to expand utilization of the MAS500 inventory and fixed asset software modules including the bi-annual physical fixed asset inspection and count.

  - ***Progress:*** *Completed. MAS500 inventory modules are being utilized to order, track, and issue all warehouse inventory items. The fixed asset module is being maintained and utilized exclusively by the Finance Division staff.*

- Ensure compliance with Disadvantaged Business Enterprise Program.

  - ***Progress:*** *Complete and ongoing. Monthly DBE utilization reports were complied for all AIP funded construction projects and professional services contracts. The Annual DBE Goals Report was completed and submitted. DBE Project Goals for FY 2011 was completed and under review. Ongoing participation in the State of Nevada Uniform Certification Program (UCP).*

2011-12 Key New Initiatives

- Quarterly auditing of Rental Car Companies for agreement compliance to minimize effects of paperless financial record keeping.
- Conduct six audits that focus on value added audit techniques for improved efficiency as well as financial accountability.
- Conduct three Lease Compliance audits in addition to the Quarterly Rental Car Company audits
- Create existing facilities utilization and marketing plans to develop targeted messaging and collateral materials; determine the highest and best land uses, and develop and implement a recruitment campaign. Pro-actively market all properties to take advantage of location and leasing opportunities to increase revenue and occupancy rates.
- Negotiate an Atlantic Aviation lease extension and capital re-investment.
- Facilitate possible Dassault Falcon expansion through execution of a new ground lease and capital investment.
- Implement enhanced risk management practices related to lease management to achieve the following: (1) effective and efficient management: (2) evaluate and address any potential liability and exposure; manage cash flow and forecast future cash flow based on property occupancy rates and/or lease term expiration dates; and (3) manage a property inventory database to protect the RTAA from potential financial exposure and ensure long-term financial stability.
- Support the Nevada Army National Guard (NANG) expansion of their leasehold at Reno-Stead Airport (design review, stakeholder coordination, lease modifications, etc.).
- Optimize the use of the GCR Airport Business Manager software, and focus on system updates and data monitoring to ensure accurate billing statements each month to ensure and protect the RTAA revenue stream.

- Audit all active lease information entered into the GCR Airport Business Manager database; ensure that lease compliance activities, i.e., letters of credit, insurance certificates, etc., are current and managed effectively to protect the RTAA from adverse financial exposure.
- Audit administration and property management functions for all properties to ensure consistency with RTAA policies and practices.
- Assist in the implementation and management of new accounting software for Terminal Mini-Warehouse including development of policies and procedures.
- Implement Government Accounting Standards Board Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions.
- Learn and enhance management reporting abilities through MAS Intelligence Report Writing. Develop new reports and train selected RTAA management staff in "real time" viewing information.
- Prepare a Request for Proposal (RFP) and negotiate a new contract for insurance brokerage services.
- Manage and administer the 2011 Subordinate Lien Airport Revenue Notes including closely monitoring the variable rate series of notes whose interest costs is linked to the London Interbank Borrowing Rate (LIBOR).
- Research and develop a business case, if fiscally feasible, to purchase software to automate the purchase order and requisition approval process.

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.

2010-11 Key Initiatives

- Communicate current airport status and promote air carriers and their destinations serving RTIA to regional customers.

  - ***Progress:*** *Complete and ongoing. Four Air Service Task Force meetings were held in FY 2010-11. In addition, bi-monthly (or as needed) Regional Marketing Committee meetings were attended, during which multiple marketing programs were established, including Los Angeles and Houston.*

- Develop and present to airlines route analysis and business plans designed to maintain existing air service. Shift to development of new markets only when the economy and economic conditions allow the airlines to grow.

- ***Progress:*** *Complete and ongoing. Staff conducted 38 passenger meetings in fiscal year 2010-11 focusing on maintaining existing routes and expanding service to underserved routes, when applicable.*

❖ Continue to pursue or expand low cost carrier air service from airlines such as Southwest, AirTran, JetBlue and Virgin America.

- ***Progress****: Complete and ongoing. Staff met with each airline twice during the course of the year. Meetings were focused on expanding air service options while promoting marketing opportunities, such as with the United States Bowling Congress (USBC).*

❖ Develop international air cargo carriers at RTIA.

- ***Progress:*** *Ongoing. Over 40 meetings were held with international all-cargo carriers, as well as international freight forwarders, during events such as Network USA, World Routes Development Forum, Sino-International Freight Forwarder conference and The International Air Cargo Association's (TIACA) Air Cargo Forum.*

❖ Support community organizations that contribute to the economic welfare of RNO – Regional Marketing Committee (RMC), Economic Development Authority of Western Nevada (EDAWN), Northern Nevada Development Authority (NNDA), Reno Sparks Convention and Visitors Authority (RSCVA), and Nevada Commission of Tourism (NCOT), etc.

- ***Progress:*** *Complete and ongoing. RTIA staff has continued to forge relationships with both existing and new regional organizations. Numerous meetings with RSCVA and RMC were held over the past year, focusing on specific convention traffic or industry updates, as well as potential marketing programs. In order to focus on cargo development, staff worked with both NNDA and NCED, and was named as a representative of the Feasibility and Analysis Committee for NNDA.*

❖ Determine and report the level of air carrier activity at RTIA by completing a Monthly Flight Schedule.

- ***Progress:*** *Complete and ongoing. The monthly flight schedule continues to be produced and has been refined to reduce staff work time each month, while enhancing the functionality and use of each report.*

❖ Research and report the monthly and year-to-date Passenger and Air Cargo Statistics.

- ***Progress:*** *Complete and ongoing. Monthly statistics reports have been produced on a monthly basis, generally by a previously provided due date. In addition, a new format was created for the Monthly Report, which was implemented in early 2011.*

❖ Support business and professional organizations that are related to the travel industry – American Association of Airport Executives (AAAE), Airports Council International- North Amerca (ACI-NA), and Network USA.

- ***Progress:*** *Complete and ongoing. Staff continued its relationship with AAAE, ACI-NA, The International Air Cargo Association (TIACA) and the Transportation Research Board's Airport Cooperative Research Program (ACRP), in which staff participates on a panel for ACRP Project 03-16, estimating the Economic Impact of Air Cargo on Airports.*

❖ Air Service Development department team to increase knowledge of air passenger, air cargo and travel industry by participating in professional training. (AAAE, JumpStart, Network USA, National Transportation Safety Board (NTSB) training.

- ***Progress:*** *Complete and ongoing. Staff attended JumpStart, Network USA, World Routes Development Forum, The International Air Cargo Association's Air Cargo Forum and the Sino-International Freight Forwarder Conference.*

❖ Focus Airline Business Development strategy to concentrate on low cost, growing airlines that fit RTIA's market.

- ***Progress:*** *Complete and ongoing. Air Service meetings were arranged with Southwest, AirTran, jetBlue, Virgin America and WestJet over the course of the past year, at several different venues (as noted above in third progress point).*

❖ Continue the existing effort on increasing air service in Chicago and the Western markets.

- ***Progress:*** *Complete and onging. Air service was increased to LAX, SEA, PHX, DEN and IAH. Efforts to increase service to Chicago continue.*

❖ Proactively seek unexpected ad hoc opportunities (extra sections) dealing with maintaining or increasing air passenger and/or cargo service i.e. charters, extra sections, upgauged aircraft)

- ***Progress:*** *Complete and ongoing. Ad-hoc opportunities for charters and increased capacity during specific conventions were completed numerous times during the course of the year. Staff worked closely with golf, casino and sports charters to ensure all*

compliance items were fulfilled, landing fees were collected, and a positive customer service experience was had.

- *Example: With Safari Club International Convention, Delta Air Lines and US Airways added capacity (seats) in both directions, on all peak days, as warranted by their booking outlook. United Airlines added capacity on the outbound side, primarily on Saturday. In total, carriers added about 375 seats over the normal January schedule for the peak inbound, as well as the peak outbound days. This represented a 2.6% increase in capacity for this event.*

❖ Pursue international air service as secondary priority.

- ***Progress:*** *Complete and ongoing. Staff met with WestJet, Aeromexico and Mexicana to explore opportunities to expand into international markets.*

❖ Conduct a relationship building with RTIA airline station managers to maintain a relationship at the local level.

- ***Progress:*** *Complete and ongoing. Airline station managers were included in numerous events, such as the Reno Air Races, Pops on the River, RSCVA's BLC Golf Tournament and various table sponsorships.*

❖ Manage a community Air Service Task Force (ASTF) Steering Committee.

- ***Progress:*** *Complete and ongoing. Four quarterly meetings were arranged. Program will continue moving forward.*

❖ Participate in Regional Marketing Committee (RMC) as RTAA representative.

- ***Progress:*** *Complete and ongoing. Staff continues to participate in RMC meetings, typically scheduled on a bi-monthly basis, or as needed.*

❖ Focus on minimizing capacity reductions at RTIA and maintaining air service at the June 2010 level of 68 daily departures and 8,150 seats.

- ***Progress:*** *Complete and ongoing. Service levels for June 2011 is 70 daily departures with 8,116 seats.*

❖ Secure non-stop service to major eastern U.S. markets.

- ***Progress:*** *Complete and ongoing. Staff continues to meet with carriers such as Delta, United, Southwest and US Airways to pursue service to the east coast*

2011-12 Key New Initiatives

- Approach specific airlines to serve RNO-LA Basin market but not Los Angeles International Airport (LAX).
- Work with airline properties to obtain new air service in Vancouver, B.C. or Bellingham, Washington.
- Foster a relationship between an airline and the United States Bowling Congress.
- Work closely with Southwest/AirTran and United/Continental to bring new service to RTIA following mergers.
- Focus on minimizing capacity reductions at RTIA and maintaining air service at the June 2011 level of 70 daily departures and 8,116 seats.

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.

2010-11 Key Initiatives

- Support the expansion of the Reno Fuel Facility Corporation (RFFC) consolidated fueling facility by providing the requisite professional support, as needed, and documents, as required, to ensure the RTAA has a solid commercial development with a long-term lease to ensure financial stability for the RTAA.

  - ***Progress:*** *Completed. The RFFC Expansion Project began in July of 2010, with the demolition of a building located at 1140 Telegraph Way. Construction is expected to be completed by August of 2011.*

- Actively market available land at Reno-Tahoe International Airport and Reno-Stead Airport for airport economic development opportunities through the RTAA website, and other collateral materials, to business leads that seek proximity to or on an airport as part of their business requirement in an effort to secure long-term leases to ensure financial stability for the RTAA.

  - ***Progress:*** *Complete and ongoing. In collaboration with the Marketing and Public Relations Department, Airport Economic Development staff has created information that actively promotes the available land at both Reno-Tahoe International Airport and Reno-Stead Airport for development opportunities.*

- Submit to the FAA the annual Airport Capital Improvement Program (ACIP) for Reno-Tahoe International Airport (RTIA) and Reno-Stead Airport (RTS).

- ***Progress:*** *Completed and ongoing. For FY 2010-11, the Airport Capital Improvement Programs (ACIP) for RTIA and for RTS were submitted to the FAA on January 15, 2011.*

❖ Continue coordination with Federal Aviation Administration (FAA) on various projects including the Low Cost Ground Surveillance (LCGS) Radar Pilot Program and Airport Surveillance Radar (ASR) -11 installation.

- ***Progress:*** *Ongoing. Participated in FAA environmental and scoping meetings in FY 2010-11 for ASR-11 installation. Due to a number of issues with the preferred off-airport site, assisted FAA in determining a new preferred on-airport location for the ASR-11 and will continue to coordinate with the FAA to install the ASR-11 through FY 2011-12. LCGS project slowed down during FY 2010-11 as a result of FAA prioritizing the Air Traffic Control Tower which became fully operational in October, 2010. Staff will continue to assist with the LCGS installation at the Reno-Tahoe International Airport. LCGS expected to be fully operational before end of FY 2010-11.*

❖ Assist with conversion of under-utilized vacant land into revenue producing use.

- ***Progress:*** *Completed and ongoing. Assisted with efforts to develop Reno-Tahoe International Airport northeast property for fixed based operations (Million Air). Assisting with efforts to market and develop former Reno-Tahoe International Airport Brookside property, the southwest quadrant property and the general aviation west property into revenue producing use. Also assisting with efforts to develop under-utilized land at Reno-Stead Airport into revenue producing use.*

❖ Coordinate multiple phases of the Sound Insulation Program, which will insulate homes impacted by aircraft noise.

- ***Progress:*** *Completed and ongoing. Progress was made in FY 2010-11 continued work on Phase 17 and 18 of the Sound Insulation Program. Both of the programs should be completed and closed by the end of FY 2011-12. In addition, continued design and construction will be completed on Phase 19, 20, and 21 during FY 2011-12.*

❖ Operate and maintain the permanent noise and operations monitoring system.

- ***Progress:*** *Ongoing. The public component of the permanent noise and operations monitoring system (NOMS) was introduced to the public in March 2010. The NOMS collects and stores aircraft operational and noise data for use in creating noise contours, responding to noise complaints, tracking runway use, aircraft flight paths and fleet mix data. Maintenance and performance of the NOMS and each of the fourteen off-site noise monitor stations. On a regular basis, data generated by the NOMS is monitored,*

comparatively analyzed with the FAA Air Traffic Activity Data System and the RTAA Accounting Landing Report data, and corrected and updated as needed.

- Conduct and coordinate with outside agencies and internal stakeholders regarding aviation development planning.

  - ***Progress:*** *Completed and Ongoing. Participated in and will continue to participate in aviation development related planning meetings and conferences through Federal Aviation Administration (FAA), American Association of Airport Executives (AAAE), Airports Council International – North America (ACI-NA), Airports Consultants Council (ACC), Southwest Chapter of American Association of Airport Executive (SWAAAE), Airport Cooperative Research Program (ACRP) and other similar organizations. Participated in and will continue to participate in planning meetings related to potential Reno-Tahoe International Airport air space modifications transitioning to the newer technology Required Navigation Performance (RNP) approach procedures (NextGEN). Staff coordinated presentations on the proposed airspace modifications at the December 9, 2010 Airport Noise Advisory Panel meeting and February 10, 2011 RTAA Board of Trustees meeting. Initiation of detailed design of an extension to Reno-Tahoe International Airport Taxiway "C", which will improve airfield access for airport users from general aviation east in FY 2011-12. A design team consultant selection process was completed in spring 2011. Construction is expected to be complete in FY 2012-13. Creation of a RTIA planning document which encapsulates previous planning efforts and was submitted for conformance review with the Truckee Meadows Regional Plan. The final document was found in conformance in July, 2011.*

- Conduct and coordinate with outside agencies and internal stakeholders regarding land development and land use planning.

  - ***Progress:*** *Completed and ongoing. Reviewed and will continue to review off-airport proposed new development projects and regulation / code changes that could impact the safe and efficient operations at RTIA and RTS as a result of noise, height or safety issues. As needed, responded appropriately to issues of concern. Key projects coordinated with outside agencies in FY 2010-11 include the NDOT US395 northbound widening project, the Regional Transportation Commission (RTC) South McCarran widening project, the City of Sparks Legends Expansion, the Washoe County Wind Machine related regulatory changes, and the Regional Utility Corridor Report update. Participated on and will continue to participate on the Regional Transportation Commission's Technical Advisory Committee which met monthly to discuss various issues. Participated on and will continue to participate on the Truckee Meadows Flood Project Coordinating Committee (as a non-voting member) which met monthly to discuss various issues.*

- Complete the projects indicated by the airside and landside pavement evaluations.

- ***Progress:*** *Complete and ongoing. Airfield and Landside Pavement inspections and evaluation reports were completed. Pavement repairs are scheduled for spring and summer of 2011.*

❖ Initiation of the runway safety area improvements construction for Reno-Stead Airport (RTS).

- ***Progress:*** *Complete. Construction completed in May, 2011.*

❖ Initiation of the centralized security checkpoint development project.

- ***Progress:*** *Ongoing. The Conceptual Design was completed in November 2010. The professional services agreement for preliminary design services was awarded in January 2011. The Request for Qualifications for Construction Manager At Risk services was issued in January 2011 and selection of the contractor was approve by the Board in May 2011. The design is scheduled for completion on December 15, 2011 and construction is expected to begin January 2012, with completion in April 2013.*

❖ Engineering and construction management for RTIA and RTS capital projects.

- ***Progress:*** *Complete and Ongoing. The Airfield and Landside Pavement Management inspections and evaluation reports were completed in December 2010.*

❖ Engineering and construction management of capital projects including a Snow Removal Equipment Building and Terminal Refurbishment Program at RTIA and an Emergency Operations Center/Terminal at RTS.

- **Progress:** *Ongoing.*
  - *The design for the Snow Removal Equipment Building is in progress. The Construction Manager at Risk Pre-Construction services were awarded in January 2011. The design was finalized in May 2011, and construction will begin in August 2011 with completion scheduled for spring 2012.*
  - *The Conceptual Design for the Terminal Refurbishment was completed in November 2010. The Request for Qualifications for Construction Manager At Risk (CMAR) services was issued in January 2011. The final selection and award of pre-construction phase services was awarded in May 2011. The design will be finalized in October 2011, and construction will begin in November 2011 with completion scheduled for summer 2012.*
  - *The Planning & Programming Study for the Stead Terminal/EOC was completed in 2009. With the project funding established, the Request for Qualifications for design services was issued in January 2011. A separate RFQ for CMAR services was*

subsequently issued and the contractor selection is scheduled to be approved by the Board in September 2011. Construction is scheduled to begin in March 2012 and the facility is scheduled for completion in April 2013.

2011-12 Key New Initiatives

- Pro-actively market all properties to take advantage of location and leasing opportunities to ensure financial stability for the RTAA.
- Support the Reno-Stead Airport Emergency Operations Center (EOC)/Terminal Project (design review, stakeholder coordination, etc.)
- Create a Reno-Stead Airport planning document which encapsulates previous planning efforts and will be found in conformance with the Truckee Meadows Regional Plan.

7. Reno-Stead Airport (RTS) Operations

Lead all aspects of Reno-Stead Airport 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.

2010-11 Key Initiatives

- Random inspection of the airfield, tenant and public areas with sweeping as necessary.
  - ***Progress:*** *Complete and ongoing. Airfield is inspected at least once daily, often more than once. Other areas are inspected frequently (at least twice a week) and maintenance is initiated as needed.*
- Conduct daily airfield inspections during the peak summer months.
  - ***Progress:*** *Complete and ongoing. Airfield inspections are conducted every morning of the year. Additional inspections are conducted when conditions may have changed.*
- Initiation of the runway safety area improvements construction for RTS.
  - ***Progress:*** *Complete. Construction was completed in March 2011 for the $3.2 million project. The project is scheduled for completion May 2011.*
- Initiation of the new RTS Emergency Operations Center (EOC) / terminal design.
  - ***Progress:*** *Ongoing. Funding sources are being identified; design process to begin summer of 2011.*

- Remove snow promptly to ensure maximum tenant access.

  - ***Progress:*** *Complete and ongoing. Snow removal operations have allowed RTS to remain open during snow events. Staff has worked overtime on several weekends to maintain RTS in a safe operational condition. Army National Guard fixed wing operations have been supported to the highest level.*

- Conduct runway and lighting systems inspections daily.

  - ***Progress:*** *Complete and ongoing. These inspections are part of the daily airfield inspections.*

- Conduct random landscaping inspection.

  - ***Progress:*** *Complete and ongoing. Due to staff shortages, minimum effort is put into landscape maintenance at RTS. The grass near the tower and administration offices is watered and mowed.*

- Inspect on a random basis emergency generator, hangar fire suppressions system pump and test monthly.

  - ***Progress:*** *Complete and ongoing. Emergency generator is on quarterly PM program, and hangar fire suppression system is tested per fire code. In addition, RTS retains contracted inspections with local service providers.*

- Fence and graded fire breaks randomly inspected.

  - ***Progress:*** *Complete and ongoing. Perimeter fences are inspected monthly, and fire break maintenance is on a three year rotation, with the focus on the main north-south, east-west routes.*

- Maintain ongoing assessment and response to tenant needs with a maximum 24-hour response time.

  - ***Progress:*** *Complete and ongoing. All tenant communications are handled in timely and efficient manner. The 24 hour response is met in all instances.*

- Continue the ongoing airfield/asphalt maintenance program.

  - ***Progress:*** *Complete and ongoing. 1.2 million square feet of ramp was seal coated in 2010, with an additional 152,000 linear feet of joint cracks sealed before winter. Pavement maintenance resumed in April 2011.*

- Maintain ongoing relationship with surrounding neighborhood associations.

  - ***Progress:*** *Complete and ongoing. Airport manager routinely attends neighborhood association meetings, including North Valley Citizen Advisory Board, North Valley Neighborhood Advisory Board, Silver Knolls Property Owners Association, and the Stead Airport Users Association.*

- Assist in the success of the Reno Air Races by providing airport facilities that are ready for the event.

  - ***Progress:*** *Complete and ongoing. In 2010, seal coated pit area, repainted all pit areas, taxilanes, and enhanced the NO PROP LINE for public safety. Maintained firebreaks, and assisted with all operational issues involving airfield condition and public safety.*

- Purchase replacement equipment approved in the FY 2010-11 Budget.

  - ***Progress:*** *Complete. All budgeted equipment has been procured, or is ordered and awaiting delivery.*

- Enhanced focus on sweeping of airfield and roadway surfaces.

  - ***Progress:*** *Complete and ongoing. Sweeping is conducted as needed, year round.*

- Provide janitorial service for public facilities.

  - ***Progress:*** *Complete and ongoing. Provided as needed.*

- Expansion of preventive maintenance of building and landscape plumbing systems.

  - ***Progress:*** *Complete and ongoing. Existing, functioning irrigation systems are maintained.*

- Assist the Airport Economic Development in leasing/showing land to interested parties.

  - ***Progress:*** *Complete and ongoing.*

- Continue Reno Stead Airport terminal/emergency operations command center site and building development.

  - ***Progress:*** *Complete and ongoing. Work in conjunction with other departments as needed to move project forward.*

- Initiate runway safety area improvements construction for RTS.

  - ***Progress:*** *Completed in May 31, 2011.*

2011-12 Key New Initiatives

- Provide hangar sites for RTS development.
- Implement cost-effective pavement maintenance program, with *goal* of three year rotation of surface treatment, restriping, and crack sealing. This can only be accomplished with sufficient staff and budget for materials and equipment.
- Community / Tenant relations continue with previous successful efforts.
- Acquire new, reliable equipment to meet Board goal of safe, efficient airport operations; specifically with regards to snow removal and pavement maintenance.
- Enhance operational effectiveness through planned Preventative Maintenance of facilities and equipment to allow for prompt, successful response to routine and emergency maintenance requirements.

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.

2010-11 Key Initiatives

- Provide airport information and community outreach through various forms of media and programs.

  - ***Progress:*** *Complete and ongoing.*
    - *Samples of Event Participation include:*
      - *Young Eagles at Reno-Stead Airport*
      - *Nevada Humane Society "Walk for the Animals"*
      - *SWAAAE Summer Conference 2011*

- Maintain and enhance customer service and community outreach by hosting staff and community meetings, as well as press conferences.

  - ***Progress:*** *Complete and ongoing.*
    - *Press Conferences &/or Special Events for:*
      - *Reno Air Races*
      - *FAA Control Tower Grand Opening*
      - *Southwest Airlines RNO 20th Anniversary*

- *Squaw Valley – "Fly & Ski" Promotion*
- *Transportation Security Administration (TSA) RNO Airport & TSA Director of the Year*
- *Continental Airlines Launch to/from Houston)*
- *University of Nevada Reno (UNR) Partnership Tailgate*
- *Swope Middle School Partner in Education*

❖ Continue the RTAA's music events in the terminal building

- ***Progress:*** *Complete and ongoing.*
  - *Artown Performances*

❖ Provide airport information through more than 100 media interviews.

- ***Progress:*** *Complete and ongoing. Staff had already conducted more than 100 media interviews by Jan. 1 of the fiscal year, including with Airport Revenue News, Airport World Magazine & Airport Improvement Magazine. Local topics included travel stories, security, cargo and passenger loads, the new FAA Control Tower as well as economic development.*

❖ Maintain and enhance customer service and community outreach by making presentations to more than 10 community groups.

- ***Progress:*** *Complete and ongoing.*
  - *Presentation and/or Tours given include:*
    - *Community Outreach Committee (Quarterly)*
    - *Reno Sparks Convention and Visitor Authority (RSCVA) Board*
    - *Economic Development Authority of Western Nevada (EDAWN)*
    - *American Association of University Women*
    - *Collier's International*
    - *Sage Ridge School – Aviation Mini Session*
    - *Lake Tahoe Visitors Authority – North American Snow Sports Journalist Association*
    - *Governor's Conference on Tourism 2010*

❖ Improve organizational communication by publishing a monthly newsletter (Runway Reporter).

- ***Progress:*** *Complete and ongoing. Staff reorganizations, employee leave, unplanned special events and a dramatic increase in graphic arts projects have resulted in half the number of newsletters than was anticipated.*

- Optimize communication of airport activities, events and services through 12 issues of the e-newsletter.

  - ***Progress:*** *Complete and ongoing. E-Newsletters have been sent to Reno-Tahoe Airport Authority employees, Trustees & nearly 3,300 members of the community. In addition to the production of the monthly e-newsletters, e-blasts were sent for various events.*

- Create a land development web site.

  - ***Progress:*** *Complete.*

- Develop new methods for in-airport marketing of RTIA air service.

  - ***Progress:*** *Complete and ongoing. Examples of in-airport air service marketing include:*
    - *Addition of "Non-Stop to the West...One-Stop to the World" Front Curb banners*
    - *Continental Airlines Inaugural festivities*
    - *Updated Front Curb Airline banners highlighting each RTIA Carrier and their Non-Stop destinations*

- Maintain membership and attendance at weekly and monthly community meetings to extend community outreach and continue professional development.

  - ***Progress:*** *Complete and ongoing.*
    - *Staff continued to have memberships with and attend the following organizational meetings:*
      - *American Association of Airport Executives (AAAE)*
      - *Rotary*
      - *Leadership Reno/Sparks*
      - *Young Eagles*
      - *NBAA*
      - *City of Reno Neighborhood Advisory Board (Ward 2)*

- Use magazine display advertising to promote convenience of using RTIA to potential regional and national passengers.

  - ***Progress:*** *Complete and ongoing.*
    - *Marketing Publications/Advertisements have included:*
      - *Reno-Tahoe Visitors Book (Annual)*
      - *Reno Tahoe Getaway Planner – RSCVA (Annual)*
      - *North Lake Tahoe Travel Planner (Annual)*
      - *South Lake Tahoe Travel Planner (Annual)*

- *National Championship Air Races – RARA (Sept.)*
- *Aged to Perfection Program Ad – KNPB (Oct.)*
- *Laureates Program Ad – Junior Achievement (Nov.)*
- *Southwest Airlines Spirit Magazine – RTIA 20th Anniversary (Nov.)*
- *Ski Lake Tahoe Winter Vac. Guide & Banner Ad. SSMC (Winter)*
- *Southwest Airlines Spirit Magazine – 40th Airline Anniversary (June)*

❖ Maintain & Update RTIA Website as necessary, but at least a monthly basis.

- ***Progress:*** *Complete and ongoing. Samples of website updates and additions include:*
  - *Updated Non-Stop/One-Stop Destinations*
  - *Updated Ground Transportation, Rental Car Companies, Fixed Based Operators*
  - *Added FY 2010-11 Budget*
  - *Press Release - Cargo and Passengers Continue to Increase at RTIA*

❖ Design and help maintain land development marketing materials.

- ***Progress:*** *Complete and ongoing. Samples of marketing materials (also placed on the website) include:*
  - *Added New Development Available flyer for Airport Gateway Center*
  - *Creating New Development Available flyers for nine other Reno-Tahoe Airport Authority properties*
  - *Designed/created a 17 page marketing brochure, "Reno-Tahoe: Where Business Takes Off"*

❖ Coordinate four quarterly Community Outreach Committee (COC) Meetings.

- ***Progress:*** *Goal partially met, and ongoing. Due to the cancellation of December's 4th Quarter meeting, staff held 3 meetings this year instead of the typical 4.*

❖ Maintain and enhance partnership marketing opportunities.

- ***Progress:*** *Complete and ongoing.*
  - *Staff held marketing meetings with a variety of local organizations to discuss co-operative marketing options & partnership opportunities, including:*
    - *Reno-Tahoe Open*
    - *Nevada Discovery Museum*
    - *UNR (Volleyball, Football & Basketball events w/ banners, JumboTron & PSA's)*
    - *Reno Barons Arena Football*
    - *Tahoe Regional Industrial Center*
    - *Squaw Valley Resort*
    - *Ski Lake Tahoe*

- *Reno High Sierra 99's*

❖ Attend at least two events yearly to highlight RTAA's corporate aviation potential.

- ***Progress:*** *Complete. Staff attended the National Business Aviation Association (NBAA) regional forum in Van Nuys and invited the NBAA to present at the September COC meeting.*

❖ Direct the Younger Agency, the RTAA's advertising contractor, to continue to update the airport related content on the digital information center, when conditions warrant.

- ***Progress:*** *Complete and ongoing. As important passenger information changes, the Younger Agency has been responsive to ensure that the digital information center content remains accurate.*

❖ Maintain airport concession disadvantaged business enterprise (DBE) paperwork, enroll certified applicants, and attend conferences and certification meetings as necessary.

- ***Progress:*** *Copmpleted and ongoing. Held monthly Uniform Certification Program (UCP) meetings for the Airport Concession Disadvantaged Business Enterprise (ACDBE) with the RTAA and various other participants including the Regional Transportation Commission of Southern Nevada, Clark County Department of Aviation, Nevada Department of Transportation, and Regional Transportation Commission of Washoe County.*

❖ Receive, review and respond to all noise complaint calls.

- ***Progress:*** *Completed and ongoing. Noise complaints are received either over the 24-hour recorded Noise Complaint Hotline or through the online WebTrak link on the main airport website. On a quarterly basis, all noise complaints are compiled and reported to the Airport Noise Advisory Panel.*

❖ Facilitate Airport Noise Advisory Panel.

- ***Progress:*** *Completed and ongoing. On a quarterly basis, reports are compiled for review by the Airport Noise Advisory Panel (ANAP), including information on noise complaints, aircraft operations, flight schedule changes, progress of noise mitigation methods, and upcoming events or changes that could impact noise levels in the surrounding communities. Additionally, for the purposes of the quarterly ANAP meeting, agenda are generated and disseminated, meeting facilities are prepared, informational presentations and documents are provided, and minutes are created.*

- Address miscellaneous noise issues.

  - **Progress:** *Completed and ongoing. As needed, responds to and addresses noise issues. Most noise issues are not predictable and simply a result of something outside of the norm occurring. For example, an increase in noise related calls from Sun Valley residents occurred in FY 2010-11 as a result of a change in wind patterns that resulted in a higher percentage of aircraft utilizing a northerly departure. In response, additional educational outreach was provided to affected callers. In response to potential Reno-Tahoe International Airport air space modifications transitioning to the newer technology Required Navigation Performance (RNP) approach procedures (NextGEN), participated in planning meetings and coordinated presentations on the proposed airspace modification.*

2011-12 Key New Initiatives

- Develop a marketing program that promotes air service and airport achievements.
- Begin planning and preparation for AAAE 2013.
- Conduct communications cross-training with Reno and Regional Emergency Medical Services Authority (REMSA) dispatch centers.
- Train with local mutual aid agencies focusing on equipment capabilities, communications, incident command procedures and ARFF firefighting techniques.

9. Environmental Responsibility

Commit to environmental awareness, protection, and programs that continually improve the RTAA's environmental stewardship, to help minimize the impact on the natural environment while developing sustainable aviation business practices.

2010-11 Key Initiatives

- Coordinate and fulfill Environmental Planning, compliance, and regulatory programs.

  - ***Progress:*** *Completed and ongoing. For all new projects identified on the Airport Capital Improvement Programs (ACIP) for Reno-Tahoe International Airport and for Reno-Stead Airport which are completed annually and submitted each January, staff prepares and coordinates environmental determinations for FAA review and approval. Coordinated facility inspections conducted by the City of Reno, Washoe County and State of Nevada. Coordinated the disposal of expired chemical and other wastes determined to be hazardous. Coordinated and will continue to coordinate a variety of environmental planning and compliance programs including storm water pollution prevention, water rights recognition, Reno-Stead Airport consent decree remediation program, airport recycling program, underground storage tank monitoring, solar power production as*

well as continue to respond to changing federal, state, county, and city environmental regulations and requirements.

- Complete annual storm water pollution prevention inspections of RTAA and tenant facilities.

  - ***Progress:*** *Completed and ongoing. In August, 2010, conducted annual storm water pollution prevention inspections of RTAA and tenant facilities, notified tenants of compliance and/or non-compliance, and conducted follow-up inspections of all non-compliance issues for FY2010-11.*

- Complete annual update of water rights recognition.

  - ***Progress:*** *Completed and ongoing. Completed document review and data acquisition for the preparation of the FY 2010-11 annual water rights report. Identified and completed the transfer of 277 acre feet of groundwater rights to the Truckee Meadows Water Authority Service District. Coordinated the dedication of water rights to new on-airport development.*

- Oversee the Reno-Stead Airport (RTS) consent decree remediation program.

  - ***Progress:*** *Completed and ongoing. Continued coordination with consultant and City of Reno on the long-term operations and monitoring requirements of the Stead Solvent Site Operation. Continued coordination and reporting with State of Nevada to ensure compliance and track contaminant concentrations and indicators of attenuation performance.*

- Oversee the expansion of the airport recycling program.

  - ***Progress:*** *Completed and ongoing. Continued efforts to expand and enhance the recycling programs through the purchase of additional recycling collection containers. Provided presentations on the recycling goals, objectives and metrics to airport staff and the Board of Trustees to promote and inform. Continued to lead meetings with RTAA Green Team members to evaluate recycling efforts and develop program enhancements.*

- Identify and monitor underground and aboveground storage tanks for RTAA and tenants with tanks on RTAA property.

  - ***Progress:*** *Completed and ongoing. Continued to conduct inspections, monitoring and reporting of all underground and aboveground storage tanks facilities at Reno-Tahoe International Airport and Reno-Stead Airport. Implemented and coordinated Best Management Practices to reduce and prevent product releases. Coordinated removal of*

abandoned and disposal of expired chemical and other waste determined to be hazardous.

- Evaluate and coordinate the proposed use of solar power for electrical generation at both RNO and RTS airports.

  - ***Progress:*** *Ongoing. In FY2010-11, procured partial funding and coordinated the installation of a five separate solar farm sites on Reno-Tahoe International Airport and Reno-Stead Airport to reduce overall electricity consumption by the RTAA. Will continue to pursue funding and other on-airport locations for additional solar development in FY 2011-12.*

- Reduce energy consumption through the installation of energy saving light fixtures and improvements to the energy management building systems.

  - ***Progress:*** *Complete and ongoing. Existing lighting has been replaced with efficient and environmentally favorable LED lighting. The Building Management System is also in progress of being updated to more efficient software to cut the utility use of the terminal.*

- Increase efforts to decrease the amount of refuse in the terminal building and the annual cost of solid waste disposal.

  - ***Progress:*** *Complete and ongoing. Recycling receptacles have been successful in the reduction of recyclables going to landfills. Nine new recycle receptacles have been ordered to install in key areas to increase the reduction of recyclables in the landfill. Continued monitoring and maintenance of the program will increase its efficiency.*

2011-12 Key New Initiatives

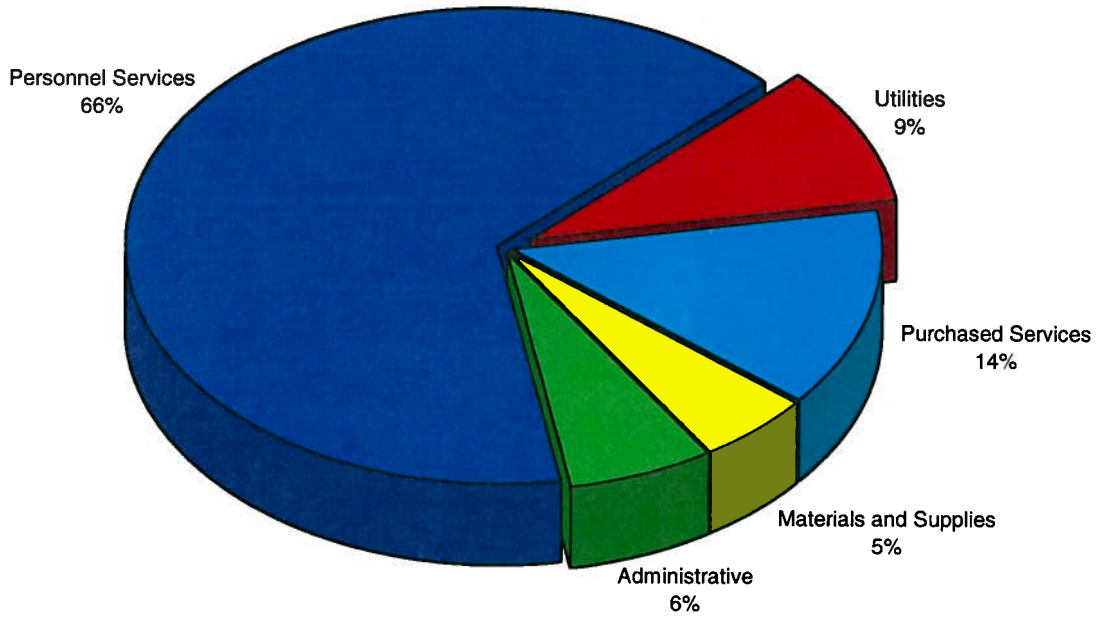
- Complete an in-depth study for more efficient and ecological utility use for the terminal and other Authority buildings and systems.

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 FY 2011-12 Operations and Maintenance (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.

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET

Operation & Maintenance Expenditures

FY 2011-12 O&M Expenditures



EXPENDITURES		
Personnel Services	$	24,085,700
Utilities		3,443,255
Purchased Services		5,013,547
Materials and Supplies		1,851,220
Administrative		2,313,982
Total	$	36,707,704

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Summary of Budgeted Expenditures

Account Group	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Personnel Services	$ 21,793,031	$22,630,580	$ 24,085,700	6.4%
Utilities and Communications	3,234,216	4,526,750	3,443,255	-23.9%
Purchased Services	3,328,826	5,016,056	5,013,547	-0.1%
Materials and Supplies	1,611,830	1,799,844	1,851,220	2.9%
Administrative Expenses	1,921,403	2,083,196	2,313,982	11.1%
Total Operating Expenses	$ 31,889,306	$36,056,426	$ 36,707,704	1.8%
Property, Plant and Equipment	30,190	511,880	731,450	42.9%
TOTAL	$ 31,919,496	$36,568,306	$ 37,439,154	2.4%

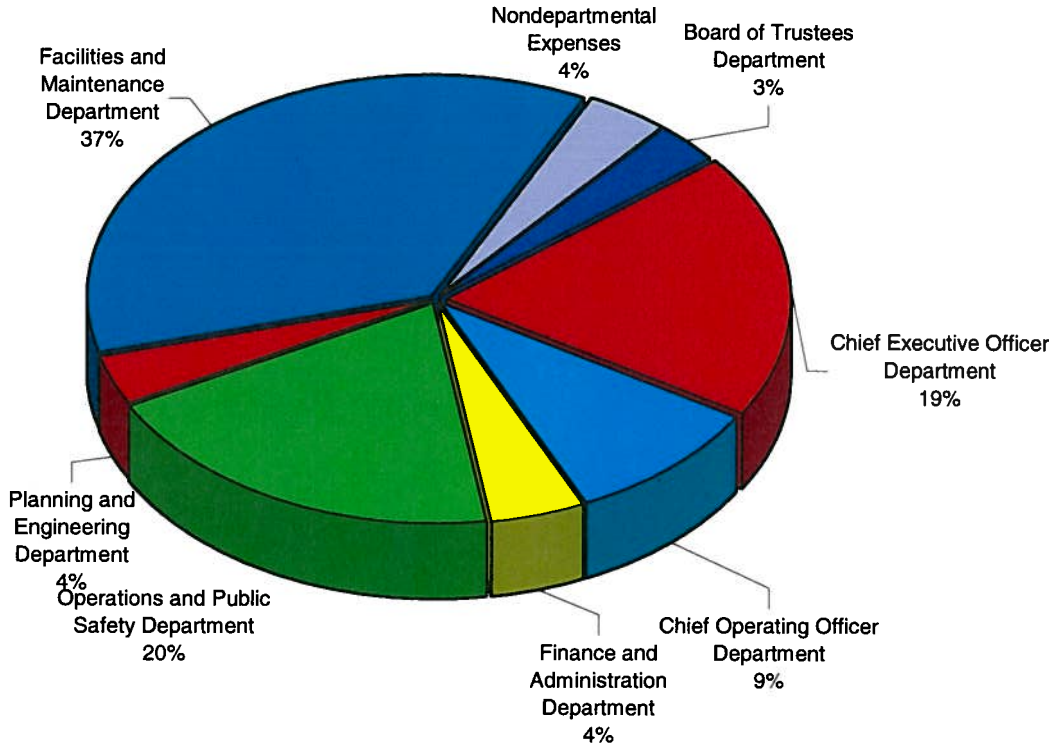
Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Resources Applied by Organizational Unit

	2009-10 ACTUAL	2010-11 BUDGETED	2011-12 BUDGETED
Board of Trustees Department			
Board of Trustees	$ 81,651	$ 122,230	$ 188,560
Internal Audit	195,254	221,780	238,845
Legal Counsel	461,798	677,568	693,976
TOTAL	738,703	1,021,578	1,121,381
President/CEO Department			
President/CEO	696,330	603,700	701,820
Air Service Development Section	573,986	467,080	678,185
Marketing and Public Affairs Section	644,395	715,000	950,000
Economic Development Section	567,347	929,260	1,172,655
Outside Properties Section	376,592	862,010	916,505
Airport Police Section	3,267,850	2,270,771	2,710,250
TOTAL	6,126,500	5,847,821	7,129,415
Executive Vice-President/COO Department			
Executive Vice-President/COO	434,052	574,935	402,675
Technology and Information Systems Section	1,165,520	1,465,950	1,292,490
Reno-Stead Airport Section	713,641	786,900	828,440
Human Resources Section	861,707	916,230	940,745
TOTAL	3,174,920	3,744,015	3,464,350
Finance and Administration Department			
Accounting and Administration	690,453	798,175	874,980
Finance and Budgeting Section	347,167	267,850	282,150
Purchasing and Materials Management Section	437,604	467,080	485,505
TOTAL	1,475,224	1,533,105	1,642,635
Operations and Public Safety Department			
Senior Director of Operations and Public Safety	300,966	262,472	275,402
Airside Operations Section	1,538,342	1,652,650	1,707,665
Landside Operations Section	1,099,909	1,229,588	1,203,124
Airport Rescue and Fire Section	2,495,654	2,658,490	2,679,040
Airport Security Section	765,836	1,382,900	1,400,700
TOTAL	6,200,707	7,186,100	7,265,931
Planning and Engineering Department			
Planning and Environmental Services Section	692,479	727,890	764,235
Engineering and Construction Section	478,494	501,400	547,600
TOTAL	1,170,973	1,229,290	1,311,835
Facilities and Maintenance Department			
Director of Facilities and Maintenance	533,855	506,125	604,290
Airfield Maintenance Section	2,830,253	3,275,625	3,323,500
Building Maintenance and Services Section	7,050,403	7,685,987	7,439,887
Baggage Handling System Section	973,130	2,718,380	1,950,780
TOTAL	11,387,640	14,186,117	13,318,457
Nondepartmental Operation and Maintenance Expenses	1,309,235	945,700	1,109,000
Nondepartmental Non Rate Base Expenses	305,403	362,700	344,700
Total Operations and Maintenance Expense	31,889,306	36,056,426	36,707,704
Property, Plant & Equipment	30,190	511,880	731,450
TOTAL	$31,919,496	$36,568,306	$ 37,439,154

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET

Departmental Operation & Maintenance Expenditures

FY 2011-12 O&M by Department



DEPARTMENT		
Board of Trustees Department	$	1,121,381
Chief Executive Officer Department		7,129,415
Chief Operating Officer Department		3,464,350
Finance and Administration Department		1,642,635
Operations and Public Safety Department		7,265,931
Planning and Engineering Department		1,311,835
Facilities and Maintenance Department		13,318,457
Nondepartmental Expenses		1,453,700
Total	$	36,707,704

Reno-Tahoe Airport Authority
FY 2011-12
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 highly reliable and objective evaluations of the organization's operations to assist management with their important business and financial decisions, and to protect and safeguard the organization's resources and assets.

Board Goal: Financial Stability and Maximize Staff Effectiveness

Work Plans:

- Conduct six audits that focus on value-added auditing techniques.
- Conduct four Lease Compliance audits.
- Monitor Public Parking Operations - Perform on-going monitoring of operational activities specific to the parking garage audit program.
- Prepare proposed fiscal year budgets for the Internal Audit Department and General Counsel.
- Special assignments as requested.
- Participate in committees and/or organizational development opportunities.
- Participate in professional organizations that augment Internal Audit skills and professional development.

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Board of Trustees
Department Summary

Account Group	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Personnel Services	$ 253,090	$ 276,380	$ 335,280	21%
Utilities and Communications	-	-	2,640	%
Purchased Services	466,406	677,248	699,576	3%
Materials and Supplies	3,484	5,600	17,940	220%
Administrative Expenses	15,722	62,350	65,945	6%
Total Operating Expenses	$ 738,703	$ 1,021,578	$ 1,121,381	10%
Property, Plant and Equipment	0	0	0	0%
TOTAL	$ 738,703	$ 1,021,578	$ 1,121,381	10%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

BOARD OF TRUSTEES
Department 101

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$0	$0	$31,800	%
Trustee Stipend	41190	$61,040	$60,480	$60,480	0%
Group Insurance	41340	0	0	4,600	%
Retirement (Pers)	41360	0	0	7,500	%
TOTAL PERSONNEL SERVICES		61,040	60,480	104,380	73%
UTILITIES AND COMMUNICATIONS					
Communications	42210	0	0	2,640	%
TOTAL UTILITIES & COMMUNICATIONS		0	0	2,640	%
PURCHASED SERVICES					
Consultants - General	43140	1,593	0	5,000	%
Office Equipment Rental	43210	1,454	2,000	4,000	100%
Freight Expense	43430	179	200	200	0%
Other Purchased Services	43490	327	1,000	500	-50%
TOTAL PURCHASED SERVICES		3,552	3,200	9,700	203%
MATERIALS & SUPPLIES					
Office Supplies	44100	1,352	2,000	2,000	0%
Paper	44110	0	200	200	0%
Postage	44120	57	150	100	-33%
Printing & Forms	44130	1,912	2,500	2,500	0%
Office Small Equipment	44410	41	0	12,440	%
TOTAL MATERIALS & SUPPLIES		3,361	4,850	17,240	255%
ADMINISTRATIVE EXPENSE					
Educational & Prof Fees	45100	14	0	0	0%
Membership Dues	45110	1,780	2,000	2,000	0%
Conference Registration Fees	45130	1,035	9,600	9,600	0%
Training Expense	45140	80	2,000	2,000	0%
Meeting Expense	45150	6,919	17,100	17,000	-1%
Travel & Reimbursed Expense	45210	3,869	23,000	24,000	4%
TOTAL ADMINISTRATIVE EXPENSES		13,697	53,700	54,600	2%
TOTAL DEPARTMENT EXPENSES		$81,651	$122,230	$188,560	54%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

INTERNAL AUDIT
Executive Section 204

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$126,787	$157,800	$163,600	4%
Vacation Pay	41130	8,843	2,600	3,600	38%
Sick Leave	41140	7,572	2,100	2,500	19%
Holiday Pay	41150	3,346	0	0	0%
Communications Allowance	41300	18	0	0	
Medicare	41320	2,116	2,300	2,400	4%
Group Insurance	41340	7,020	12,300	14,700	20%
LTD/Life Insurance	41342	865	1,700	1,900	12%
Self Funded Rx	41343	1,934	3,100	4,000	29%
Vision Insurance	41344	208	400	500	25%
Dental Insurance	41347	1,438	2,000	2,800	40%
Workers Comp	41350	442	400	400	0%
Retirement	41360	28,794	31,200	34,500	11%
Benefit Bank Deferred Comp	41430	2,669	0	0	0%
TOTAL PERSONNEL SERVICES		192,050	215,900	230,900	7%
PURCHASED SERVICES					
Office Equipment Rental	43210	938	600	600	0%
TOTAL PURCHASED SERVICES		938	600	600	0%
MATERIALS & SUPPLIES					
Office Supplies	44100	110	500	500	0%
Paper	44110	0	100	100	0%
Postage	44120	1	100	50	-50%
Printing & Forms	44130	73	50	50	0%
Office Small Equipment	44410	58	0	0	0%
TOTAL MATERIALS & SUPPLIES		241	750	700	-7%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	470	430	345	-20%
Books & Subscriptions	45120	0	200	200	0%
Conference Registration Fees	45130	0	1,000	1,100	10%
Training Expense	45140	650	0	0	0%

Reno-Tahoe Airport Authority
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INTERNAL AUDIT
Executive Section 204

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Travel & Reimbursed Expense	45210	905	2,900	5,000	72%
TOTAL ADMINISTRATIVE EXPENSES		2,025	4,530	6,645	47%
TOTAL SECTION EXPENSES		$195,254	$221,780	$238,845	8%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

GENERAL COUNSEL
Executive Section 102

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PURCHASED SERVICES					
Professional Services	43100	552	0	0	0%
Legal Contracted Service	43110	453,688	642,248	658,076	2%
Other Professional Services	43190	6,933	30,000	30,000	0%
Office Equipment Rental	43210	234	0	600	%
Permits & Recorders Fees	43460	0	600	0	-100%
Other Purchased Services	43490	509	600	600	0%
TOTAL PURCHASED SERVICES		461,916	673,448	689,276	2%
MATERIALS & SUPPLIES					
Office Supplies	44100	(118)	0	0	0%
TOTAL MATERIALS & SUPPLIES		(118)	0	0	0%
ADMINISTRATIVE EXPENSE					
Books & Subscriptions	45120	0	525	600	14%
Conference Registration Fees	45130	0	1,595	1,600	0%
Travel & Reimbursed Expense	45210	0	2,000	2,500	25%
TOTAL ADMINISTRATIVE EXPENSES		0	4,120	4,700	14%
TOTAL SECTION EXPENSES		$461,798	$677,568	$693,976	2%

Reno-Tahoe Airport Authority
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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 with key airline decision makers.

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

Work Plans:

- Focus on minimizing capacity reductions at RNO and maintaining air service at the June 2011 level of 70 daily departures and 8,116 seats.
- Develop and present route analysis and business plans to airlines designed to maintain existing air service. Shift to development of new markets only when the economy and economic conditions allow the airlines to grow.
- Continue to pursue low cost carriers Southwest, AirTran, JetBlue and Virgin America.
- Develop and present air cargo business plans to domestic and international cargo carriers as appropriate.
- Continue the partnership with community agencies to support maintaining existing air service through the recession and growing new air service as the economy permits
- Support business and professional organizations that are related to the travel industry.
- Support community organizations that contribute to the welfare of RTIA.
- Increase knowledge of air passenger, air cargo and travel industry by participating in professional training.
- Proactively seek ad hoc opportunities (extra sections) dealing with maintaining or increasing air passenger and/or cargo service.
- Secure non-stop service to a major eastern U.S. market.
- Work to reinstate nonstop service to Atlanta.
- 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.
- Enhance relationships with local, national and international freight forwarders.
- Build on air service recovery by forging strong airline relationships though a combination of conference meetings and headquarters meetings.
- Work to capitalize on airline mergers to bring more service to RTIA

- Use marketing and relationships to maintain status as Gateway to Lake Tahoe.
- Continue efforts to bring international cargo to RTIA.
- Determine and report the level of air carrier activity at RTIA by completing a Monthly Flight Schedule.
- Research and report the monthly and year-to-date Passenger and Air Cargo Statistics.

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:

- Provide airport information and community outreach through various forms of media & programs.
- Maintain and enhance customer service and community outreach by hosting staff and community meetings, as well as holding press conferences.
- Optimize communication of airport activities, events and services.
- Emergency contingency and crisis response.
- Provide supplies for showcasing honors, awards & airport milestones.
- Provide equipment for the day-to-day operation and documentation of public relations, marketing and customer service programs.
- Enhance service through customer communication, including social media.
- 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 share media reports with staff.
- Improve organizational communication through newsletters, employee notices and all employee meetings.
- Represent the interests of the RTAA in Washington, DC.
- Advertise convenience and ease of using RTIA and the destinations served to potential regional and national passengers.
- Provide for an RTIA Art Plan and program.
- Maintain & Update RTIA Website.
- Communicate airport construction impacts to customers.
- Enhance presentations, proposals, marketing materials and invitations through graphic arts.
- Continue RTAA's music events in the terminal building, including holiday and Artown performances.
- Provide RTIA's Holiday decorations.

- Improve organizational communication through newsletters, employee e-mail notices and employee meetings.
- Coordinate with the Reno-Sparks Convention and Visitors Authority, airlines, TSA, tenants and staff to provide outstanding service to conventions.
- Coordinate all-employee meetings, all-employee bulletins.

Airport Economic Development – Mission Statement: The Airport Economic Development Division serves to attract, retain, and expand companies resulting in long-term airport property leases that contribute toward the financial stability of the RTAA as self-sustaining entities; manage real property at both RTIA and Reno-Stead Airport (RTS) assets to maximize revenue, minimize risk exposure and optimize customer experience; and, provide exceptional concession and specialty retail opportunities to serve the traveling public.

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:

- Work closely with SSP America to supply high quality food and beverage offerings that provide value and customer satisfaction to increase sales; capitalize on the opportunity to refresh the service providers/menu offerings; improve the dining environment and experience as part of the Airport Renewal Program (Terminal Refurbishment and Security Checkpoint of the Future Projects); and negotiate new leases, as appropriate.
- Work with Paradies Shops, the Specialty Retail Concessionaire, and various retail and specialty vending operators to adjust retail offerings to enhance shopping opportunities and customer satisfaction resulting in increased sales; capitalize on the opportunity to work closely with Paradies and various retail and specialty vending operators to refresh the retail offerings as part of the Airport Renewal Program (Terminal Refurbishment and Security Checkpoint of the Future Projects) and negotiate new leases, as appropriate.
- Work closely with the Younger Agency to update the advertising master plan, taking into consideration facility changes that will occur as a result of the Airport Renewal Program (Terminal Refurbishment Project and Security Checkpoint of the Future Projects); select improved carrousel-mounted displays and backlit units for acquisition and installation that complement the planned aesthetic improvement in the Baggage Claim area with a high-end appearance and utilize low-energy technology; revise the advertising locations and refresh the concepts to attract and diversify, as well as retain and expand, client marketing opportunities; continue to update the airport-related content on the digital information center, as conditions warrant.
- Continued support of general aviation at Reno-Tahoe International Airport; work closely with 1) Million Air to implement the new, permanent Fixed Based Operator

agreement, 2) Dassault Falcon to facilitate their expansion on vacant land immediately south of their current leasehold, and 3) Atlantic Aviation to negotiate a lease extension and capital investment resulting in additional long-term leases. In addition, work closely with other prospective tenants that wish to develop hangars at both RTIA and RTS with the goal of securing long-term leases and contributing toward financial stability of the RTAA.

- Continue support for the utilization of the existing general aviation hangar pads at Reno-Stead Airport; work closely with potential developers and tenants with the goal to secure long-term leases.
- Create a facilities utilization and revenue optimization plan for all outside properties, including the Airport Mini-Warehouse, Park to Travel and 1280 Terminal Way facilities. Based on facility assessments, create a phased plan to identify and correct deferred maintenance in order to increase utilization, occupancy rates, and revenue.
- Implement, monitor and maximize new financial and lease management software at the Airport Warehouse that will integrate with the RTAA's GCR Airport Business Manager software and comply with standard accounting practices; provide frontline staff with skills training to ensure the basic suite of business software training is current; ensure that administration and property management functions are consistent with RTAA policies and practices; market facilities to take advantage of location and leasing opportunities.
- Support the expansion upgrade of the Reno Fuel Facility Corporation (RFFC) consolidated fueling facility by providing the requisite professional support, as needed, and documents, as required, to ensure the RTAA has a solid commercial development with a long-term lease.
- Actively market available airport land and facilities at Reno-Tahoe International Airport and Reno-Stead Airport to potential tenants through the RTAA website, signage and other marketing strategies to targeted businesses that seek proximity to or on an airport as part of their business requirements.
- Lead and/or work closely with the state and local economic development agencies, as well as other community partners, to pursue possible business opportunities at both Reno-Tahoe International Airport and Reno-Stead Airport.
- Optimize the use of the GCR Airport Business Manager software, and focus on system updates and data monitoring to ensure accurate billing statements each month to ensure revenue stream; ensure that all active lease information is entered, monitored and maintained and that lease compliance activities are managed effectively to protect the RTAA from adverse financial exposure.

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

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

Work Plans:

- Provide Airport Police Officer vehicle and foot patrols for the safety of the traveling public.
- Meet the requirements of Transportation Security Regulation (TSR) Part 1542 and assist air carriers with requirements for TSR Part 1542 and 1544.
- Offer recurrent training in accordance with Nevada Peace Officers Standards Training requirements.
- Provide Field Training Officer Program for new officer(s) and continue professional development training.
- Maintain and supply Airport Police Officer uniforms and equipment.
- Grant general maintenance and schedule inspections for Police Division vehicles and facilities.
- Document criminal activity and conduct criminal investigations occurring on airport property.
- Participate and comply in the Transportation Security Administration (TSA) National Explosive Detection Canine Team Program.
- Sustain Airport Police Division policy and procedure in accordance with the Commission on Accreditation for Law Enforcement (CALEA) standards.

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
President/CEO
Department Summary

Account Group	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Personnel Services	$ 5,303,264	$ 4,581,671	$ 5,437,700	19%
Utilities and Communications	76,560	187,000	169,975	-9%
Purchased Services	321,375	487,045	764,380	57%
Materials and Supplies	61,263	63,050	103,880	65%
Administrative Expenses	364,037	529,055	653,480	24%
Total Operating Expenses	$ 6,126,500	$ 5,847,821	$ 7,129,415	22%
Property, Plant and Equipment	0	0	104,400	%
TOTAL	$ 6,126,500	$ 5,847,821	$ 7,233,815	24%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

PRESIDENT/CEO
Department 201

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$353,896	$359,500	$422,700	18%
Vacation Pay	41130	38,861	9,900	10,900	10%
Sick Leave	41140	28,154	11,800	11,900	1%
Holiday Pay	41150	21,142	0	0	0%
Comp Time	41160	8,530	0	0	0%
Automobile Allowance	41250	15,323	12,000	12,000	0%
Communications Allowance	41300	776	0	0	0%
Medicare	41320	5,559	4,200	5,100	21%
Group Insurance	41340	18,046	13,700	13,600	-1%
LTD/Life Insurance	41342	10,251	10,900	11,300	4%
Self Funded Rx	41343	3,045	3,200	3,500	9%
Vision Insurance	41344	277	400	400	0%
Dental Insurance	41347	1,837	2,000	2,200	10%
Workers Comp	41350	442	400	600	50%
Retirement	41360	78,004	74,500	97,400	31%
Benefit Bank Deferred Comp	41430	7,074	0	0	0%
TOTAL PERSONNEL SERVICES		591,216	502,500	591,600	18%
PURCHASED SERVICES					
Office Equipment Rental	43210	3,138	400	400	0%
Freight Expense	43430	690	300	300	0%
Other Purchased Services	43490	0	0	0	0%
TOTAL PURCHASED SERVICES		3,829	700	700	0%
MATERIALS & SUPPLIES					
Office Supplies	44100	3,309	2,500	2,500	0%
Paper	44110	0	400	500	25%
Postage	44120	97	400	400	0%
Printing & Forms	44130	255	400	400	0%
TOTAL MATERIALS & SUPPLIES		3,661	3,700	3,800	3%
ADMINISTRATION EXPENSES					
Membership Dues	45110	64,818	45,300	59,275	31%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

PRESIDENT/CEO
Department 201

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Books & Subscriptions	45120	3,178	4,000	3,500	-13%
Conference Registration Fees	45130	2,385	3,000	4,800	60%
Meeting Expense	45150	2,952	9,500	9,500	0%
Travel & Reimbursed Expense	45210	24,291	35,000	28,645	-18%
TOTAL ADMINISTRATIVE EXPENSES		97,624	96,800	105,720	9%
TOTAL DEPARTMENT EXPENSES		$696,330	$603,700	$701,820	16%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

AIR SERVICE BUSINESS DEVELOPMENT
Executive Section 202

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET
PERSONNEL SERVICES				
Permanent Employees	41110	$239,670	$196,600	$350,500
Vacation Pay	41130	24,979	0	1,800
Sick Leave	41140	21,526	0	2,700
Holiday Pay	41150	14,392	0	0
Comp Time	41160	1,936	0	0
Overtime Pay	41210	595	0	0
Automobile Allowance	41250	4,800	2,000	0
Communications Allowance	41300	816	0	0
Medicare	41320	4,279	2,900	5,100
Group Insurance	41340	16,547	16,200	29,800
LTD/Life Insurance	41342	2,732	2,500	4,200
Self Funded Rx	41343	4,880	3,800	7,800
Vision Insurance	41344	484	500	900
Dental Insurance	41347	3,115	2,500	5,000
Workers Comp	41350	795	700	1,000
Retirement	41360	59,961	40,400	80,800
Benefit Bank Deferred Comp	41430	11,350	0	0
TOTAL PERSONNEL SERVICES		412,859	268,100	489,600
PURCHASED SERVICES				
Other Professional Services	43190	154	2,000	2,500
Office Equipment Rental	43210	1,612	2,400	2,400
Repairs	43310	0	600	0
Contracted Services	43340	0	500	0
Freight Expense	43430	53	1,000	1,000
Other Purchased Services	43490	1,499	25	60
TOTAL PURCHASED SERVICES		3,318	6,525	5,960
MATERIALS & SUPPLIES				
Office Supplies	44100	2,079	3,500	3,000

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

AIR SERVICE BUSINESS DEVELOPMENT
Executive Section 202

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET
Paper	44110	65	500	500
Postage	44120	21	500	500
Printing & Forms	44130	100	1,500	800
Office Small Equipment	44410	708	0	0
TOTAL MATERIALS & SUPPLIES		2,972	6,000	4,800
ADMINISTRATIVE EXPENSE				
Membership Dues	45110	1,605	1,805	1,575
Books & Subscriptions	45120	405	0	0
Conference Registration Fees	45130	19,246	18,100	17,400
Training Expense	45140	188	2,000	2,000
Meeting Expense	45150	4,585	2,500	2,500
Meeting Exp-Air Svc Task Force	45151	615	500	500
Travel & Reimbursed Expense	45210	51,182	55,000	78,800
Travel&Reimb Exp-Air Svc Task	45211	75	7,800	7,800
Employee Milege Reimbursement	45240	0	250	250
Publications	45320	0	0	2,000
Air Service Development	45350	6,362	0	0
Economic Development	45360	5,160	0	0
Other Advertising & Promotion	45390	21,087	28,000	20,000
Conference Sponsorship	45391	7,271	5,000	0
Community Outreach	45398	37,057	65,500	45,000
TOTAL ADMINISTRATIVE EXPENSES		154,836	186,455	177,825
TOTAL SECTION EXPENSES		$573,986	$467,080	$678,185

Reno-Tahoe Airport Authority
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MARKETING AND PUBLIC AFFAIRS
Executive Section 203

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET
PERSONNEL SERVICES				
Permanent Employees	41110	$268,570	$348,400	$386,500
Temporary Employees	41120	0	0	2,000
Vacation Pay	41130	27,798	4,500	5,400
Sick Leave	41140	18,471	7,000	8,700
Holiday Pay	41150	15,532	0	0
Comp Time	41160	3,451	0	0
Overtime Pay	41210	257	350	350
Automobile Allowance	41250	4,800	4,800	4,800
Communications Allowance	41300	1,151	0	0
Medicare	41320	4,864	5,100	5,600
Group Insurance	41340	31,005	36,000	35,000
LTD/Life Insurance	41342	3,181	4,300	4,300
Self Funded Rx	41343	6,630	8,900	9,300
Vision Insurance	41344	692	1,200	1,000
Dental Insurance	41347	4,792	6,100	6,100
Workers Comp	41350	972	1,200	1,200
Retirement	41360	68,172	73,600	91,400
Benefit Bank Beferred Comp	41430	7,398	0	0
TOTAL PERSONNEL SERVICES		467,736	501,450	561,650
PURCHASED SERVICES				
Consultants - General	43140	26,330	40,000	37,000
Other Professional Services	43190	60,768	73,720	94,720
Office Equipment Rental	43210	1,867	1,000	1,200
Contracted Services	43340	0	0	500
Freight Expense	43430	63	300	300
Other Purchased Services	43490	901	1,050	1,100
TOTAL PURCHASED SERVICES		89,929	116,070	134,820

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

MARKETING AND PUBLIC AFFAIRS
Executive Section 203

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET
MATERIALS & SUPPLIES				
Office Supplies	44100	3,988	5,800	6,500
Paper	44110	255	300	300
Postage	44120	163	300	250
Printing & Forms	44130	667	800	700
Other Operating Supplies	44290	185	0	0
Office Small Equipment	44410	0	900	0
Sign and Sign Maintenance	44430	5,674	5,000	5,000
TOTAL MATERIALS & SUPPLIES		10,932	13,100	12,750
ADMINISTRATIVE EXPENSES				
Membership Dues	45110	2,245	2,995	3,800
Books & Subscriptions	45120	915	885	1,785
Conference Registration Fees	45130	475	850	2,540
Training Expense	45140	398	1,000	1,000
Meeting Expense	45150	934	1,225	1,225
Travel & Reimbursed Expense	45210	1,691	2,700	4,280
Employee Milege Reimbursemer	45240	179	300	300
Publications	45320	18,266	36,625	37,000
Other Advertising & Promotion	45390	2,371	0	6,000
Conference Sponsorship	45391	0	0	135,000
Art Program	45393	1,475	3,000	5,000
Community Outreach	45398	46,849	34,800	42,850
TOTAL ADMINISTRATIVE EXPENSES		75,798	84,380	240,780
TOTAL SECTION EXPENSES		$644,395	$715,000	$950,000

Reno-Tahoe Airport Authority
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ECONOMIC DEVELOPMENT
Executive Section 304

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$279,803	$523,100	$645,600	23%
Temporary Employees	41120	0	0	$52,000	
Vacation Pay	41130	(4,023)	4,200	8,300	98%
Sick Leave	41140	20,200	7,900	6,400	-19%
Holiday Pay	41150	16,383	0	0	0%
Comp Time	41160	994	0	0	0%
Overtime Pay	41210	0	0	1,200	%
Car Allowance	41250	0	0	4,800	
Communications Allowance	41300	274	0	0	0%
Medicare	41320	5,346	7,600	9,300	22%
Group Insurance	41340	41,662	35,100	38,400	9%
LTD/Life Insurance	41342	3,995	5,500	7,700	40%
Self Funded Rx	41343	6,354	8,300	10,000	20%
Vision Insurance	41344	623	1,100	1,100	0%
Dental Insurance	41347	4,073	5,100	6,200	22%
Workers Comp	41350	972	1,300	1,400	8%
Retirement	41360	73,215	109,000	149,500	37%
Benefit Bank Deferred Comp	41430	8,084	0	0	0%
TOTAL PERSONNEL SERVICES		457,954	708,200	941,900	33%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	332	0	0	0%
Natural Gas	42120	95	0	0	0%
Water	42130	12,045	12,000	12,000	0%
Sewer	42140	880	0	0	0%
Solid Waste Disposal	42150	272	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		13,625	12,000	12,000	0%
PURCHASED SERVICES					
Data Processing	43130	17	0	0	0%
Consultants - General	43140	22,736	0	0	0%
Real Estate Appraising & Neg	43170	17,443	20,000	32,500	63%
Other Professional Services	43190	15,003	47,500	40,000	-16%
Office Equipment Rental	43210	2,541	2,300	2,500	9%
Land Rental	43240	2,800	2,800	4,400	57%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

ECONOMIC DEVELOPMENT
Executive Section 304

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Contracted Services	43340	0	0	3,000	%
Other Repair/Maintenance Sv	43390	1,762	0	0	0%
Freight Expense	43430	2,058	650	1,200	85%
Permits & Recorders Fees	43460	0	0	200	%
Airport Advertising	43470	1,364	5,250	3,000	-43%
Other Purchased Services	43490	5,689	0	5,000	%
TOTAL PURCHASED SERVICES		71,413	78,500	91,800	17%
MATERIALS & SUPPLIES					
Office Supplies	44100	4,217	3,800	5,000	32%
Paper	44110	858	900	1,000	11%
Postage	44120	1,008	1,000	1,300	30%
Printing & Forms	44130	884	0	1,500	%
Janitorial Paper Supplies	44250	52	0	0	0%
Janitorial Supplies	44260	109	0	0	0%
Heating & Air Conditioning	44320	(628)	0	0	0%
Office Small Equipment	44410	0	0	1,000	%
Sign and Sign Maintenance	44430	0	750	20,800	2673%
TOTAL MATERIALS & SUPPLIES		6,501	6,450	30,600	374%
ADMINISTRATIVE EXPENSE					
Educational & Prof Fees	45100	220	0	0	0%
Membership Dues	45110	1,400	2,620	1,385	-47%
Books & Subscriptions	45120	0	140	0	-100%
Conference Registration Fees	45130	1,836	6,140	5,115	-17%
Training Expense	45140	227	1,000	0	-100%
Meeting Expense	45150	156	0	1,000	%
Travel & Reimbursed Expens	45210	5,945	21,260	13,255	-38%
Employee reimbursed mileage	45240	899	450	200	-56%
Legal Ads	45340	0	0	400	%
Economic Development	45360	7,070	72,500	75,000	3%
Other Advertising & Promotior	45390	101	20,000	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		17,853	124,110	96,355	-22%
TOTAL SECTION EXPENSES		$567,347	$929,260	$1,172,655	26%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

OUTSIDE PROPERTIES
Executive Section 306

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$129,762	$278,900	$147,850	-47%
Temporary Employees	41120	1,885	6,000	0	-100%
Vacation Pay	41130	26,243	2,200	4,100	86%
Sick Leave	41140	6,444	1,100	5,700	418%
Holiday Pay	41150	7,173	0	0	
Overtime Pay	41210	1,127	1,750	0	-100%
Shift Differential	41230	950	0	0	0%
Medicare	41320	2,314	4,000	3,000	-25%
Group Insurance	41340	14,056	26,800	19,000	-29%
LTD/Life Insurance	41342	1,202	3,300	2,500	-24%
Self Funded Rx	41343	3,775	6,300	6,000	-5%
Vision Insurance	41344	415	800	700	-13%
Dental Insurance	41347	2,556	4,100	3,900	-5%
Workers Comp	41350	530	2,200	2,000	-9%
Retirement	41360	29,164	56,400	31,400	-44%
Uniform Allowance	41380	0	750	0	-100%
TOTAL PERSONNEL SERVICES		227,597	394,600	226,150	-43%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	39,624	109,000	93,600	-14%
Natural Gas	42120	11,359	13,500	26,200	94%
Water	42130	891	6,550	10,600	62%
Sewer	42140	4,361	13,350	7,975	-40%
Solid Waste Disposal	42150	5,217	27,900	17,100	-39%
Communications	42210	1,483	4,700	2,500	-47%
TOTAL UTILITIES & COMMUNICATIONS		62,935	175,000	157,975	-10%
PURCHASED SERVICES					
Consultants - General	43140	3,280	0	0	0%
Consultants - Engineering	43150	1,845	0	0	0%
Other Professional Services	43190	12,512	7,500	53,500	613%
Contracted Services	43340	17,068	83,750	122,700	47%
Other Repair/Maintenance Svc	43390	36,538	151,400	312,000	106%

Reno-Tahoe Airport Authority
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OUTSIDE PROPERTIES
Executive Section 306

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Freight Expense	43430	33	0	0	0%
Other Purchased Services	43490	10,731	18,000	17,800	-1%
TOTAL PURCHASED SERVICES		82,007	260,650	506,500	94%
MATERIALS & SUPPLIES					
Office Supplies	44100	441	2,000	1,500	-25%
Paper	44110	0	200	130	-35%
Postage	44120	759	750	500	-33%
Printing & Forms	44130	931	1,600	1,200	-25%
Janitorial Supplies	44260	239	4,700	1,800	-62%
Vehicles	44310	308	300	400	33%
Heating & Air Conditioning	44320	628	300	100	-67%
Locks & Hardware	44333	249	2,750	2,000	-27%
Small Tools - Minor Equipment	44400	85	2,250	1,000	-56%
Office Small Equipment	44410	0	200	100	-50%
Sign and Sign Maintenance	44430	0	1,600	350	-78%
TOTAL MATERIALS & SUPPLIES		3,682	16,650	15,280	-8%
ADMINISTRATIVE EXPENSE					
Training Expense	45140	0	0	100	%
Travel & Reimbursed Expense	45210	0	2,710	0	-100%
Employee reimbursed mileage	45240	221	450	0	-100%
Legal Ads	45340	150	0	150	%
Other Advertising & Promotion	45390	0	10,500	8,000	-24%
TOTAL ADMINISTRATIVE EXPENSES		371	15,110	10,600	-30%
TOTAL SECTION EXPENSES		$376,592	$862,010	$916,505	6%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

AIRPORT POLICE
Executive Section 405

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$1,596,388	$1,269,900	$1,521,300	20%
Vacation Pay	41130	120,648	0	7,800	%
Sick Leave	41140	86,234	0	4,000	%
Holiday Pay	41150	71,308	0	0	0%
Comp time	41160	10,736	0	0	0%
Overtime Pay	41210	60,409	80,000	70,000	-13%
Overtime Call Back	41213	1,545	0	0	0%
Shift Differential	41230	78,636	67,000	60,000	-10%
Employee Relocation	41240	500	0	0	0%
Holiday worked Pay	41280	77,815	68,621	95,000	38%
Communications Allowance	41300	837	0	0	0%
Medicare	41320	31,451	16,900	20,400	21%
Group Insurance	41340	202,774	121,900	135,300	11%
LTD/Life Insurance	41342	18,164	21,200	22,900	8%
Self Funded Rx	41343	42,265	27,400	33,700	23%
Vision Insurance	41344	4,427	3,800	3,900	3%
Dental Insurance	41347	28,432	18,500	22,200	20%
Workers Comp	41350	78,436	62,500	52,400	-16%
Retirement	41360	585,677	431,300	554,100	28%
Uniform Allowance	41380	12,726	10,000	15,000	50%
Post Employment Health Plan	41410	6,700	7,800	8,800	13%
Benefit Bank Deferred Comp	41430	29,794	0	0	0%
TOTAL PERSONNEL SERVICES		3,145,901	2,206,821	2,626,800	19%
PURCHASED SERVICES					
Other Professional Services	43190	45,827	3,000	3,000	0%
Office Equipment Rental	43210	4,810	1,500	1,500	0%
Contracted Services	43340	10,552	8,500	8,500	0%
Freight Expense	43430	519	1,500	1,000	-33%
Permits & Recorders Fees	43460	0	100	100	0%
Other Purchased Services	43490	9,172	10,000	10,500	5%
TOTAL PURCHASED SERVICES		70,879	24,600	24,600	0%
MATERIALS & SUPPLIES					
Office Supplies	44100	22,637	5,000	5,000	0%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

AIRPORT POLICE
Executive Section 405

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Paper	44110	90	500	500	0%
Postage	44120	272	200	200	0%
Printing & Forms	44130	1,648	500	800	60%
Medical Supplies	44270	265	250	250	0%
Other Operating Supplies	44290	412	1,500	3,500	133%
Firearms	44293	0	5,000	5,500	10%
Locks & Hardware	44333	906	200	200	0%
Small Tools - Minor Equipment	44400	5,832	3,000	4,500	50%
Office Small Equipment	44410	159	500	500	0%
Employee Safety Equipment	44450	1,294	500	15,700	3040%
TOTAL MATERIALS & SUPPLIES		33,516	17,150	36,650	114%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	550	6,000	5,400	-10%
Books & Subscriptions	45120	4,414	400	1,000	150%
Conference Registration Fees	45130	460	1,800	1,800	0%
Training Expense	45140	450	8,000	8,000	0%
Travel & Reimbursed Expense	45210	2,308	6,000	6,000	0%
Relocation Expense	45220	9,077	0	0	0%
Other Advertising & Promotion	45390	296	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		17,554	22,200	22,200	0%
TOTAL EXPENSES BEFORE FIXED ASSETS		3,267,850	2,270,771	2,710,250	19%
FIXED ASSETS					
Fixed Asset Acquisition	48150	0	0	104,400	%
TOTAL SECTION EXPENSES		$3,267,850	$2,270,771	$2,814,650	24%

Reno-Tahoe Airport Authority
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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.

Executive Vice-President/Chief Operating Officer (COO) – Mission Statement: To support the mission of the Airport and the goals and objectives of the RTAA Board. The Executive Vice President/COO oversees the daily operations of the Airport and coordinates resource allocation to enhance a manager's ability 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, Community Relations, and Environmental Responsibility.

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.
- Timely resolution of issues/actions.
- Coordinate staff activities and participate in weekly management meetings.
- Maintain involvement in American Association of Airport Executives for continuing education.
- Adoption of budget by Board. Support staff to integrate Board goals and work plans.
- 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 and provide Board administrative support.
- Represent the RTAA in the absence of the President/CEO

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:

- Maintenance and repair activities in the following areas:
  - Computer workstations and printers
  - Data communications network infrastructure
  - Application and database servers

- System backup and security
- Passenger information systems
- Policy and legal compliance

- Implement new Technology and Information Systems:
  - Stand-Alone Computer Aided Dispatch (CAD) Server
  - Police Portable Data Terminals (PDTs)
  - Diverse Internet Routing
  - Network Intrusion Detection System (IDS)
  - Energy Monitoring (E-MON) Enterprise Upgrade
  - Computer Workstation Replacement
  - Telephone System Replacement

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

Board Goals: Stead Airport Operations and Maximize Staff Effectiveness

Work Plans:

- Maintenance and asset preservation in the following areas:
  - Airfield and Roadway pavement preservation
  - Weed Abatement
  - RTAA Reno-Stead vehicle maintenance
  - Airfield and roadway snow removal
  - Landscaping
- Inspect Runway and lighting systems.
- Sweep of airfield and roadway surfaces.
- 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.
- Assist other staff functions in leasing/showing land to other parties.
- Assist in emergency operations as appropriate.
- Represent the Airport in local meetings as appropriate.

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:

- Incorporate into current policies and procedures any applicable initiatives generated through both federal and state legislative changes, including regulatory guidance on Public Employee Retirement System (PERS) and health care reform provisions.
- Provide continued support and assistance for implementation of the new employee recognition program.
- Conduct the biennial Fair Labor Standards Act (FLSA) overtime eligibility review on all positions.
- Transition the RTAA's position control number history and records from paper to electronic format.
- Participate in the Airport Council International compensation survey and review market competitiveness with benchmark airports.
- Review and update as necessary the RTAA Supervisory Recruitment Manual in support of employee recruitment and retention efforts.
- Continue to support employees in the successful performance of their jobs by providing relevant, timely, up-to-date, and quality training opportunities with a focus on the key initiatives of customer service and safety/security.
- Provide training to ensure proper administration and supervisory oversight of any new provisions to the collective bargaining agreements.
- Provide support and assistance towards organizational achievement of the Commission on Accreditation for Law Enforcement (CALEA) certification.
- Continue to support the employee's efforts to achieve the organizational goal of 20 hours of training each year.
- Increase internal department employee knowledge with ongoing cross training and position specific procedure manuals.
- Provide management training on the updated performance appraisal system. Support managerial efforts to review and update as necessary performance factor applicability to current positions.
- Continue efforts to enhance the new hire on-boarding process through transition of various module topics to an electronic learning format.
- Revamp and update the RTAA employee intranet to provide for enhanced ease of use and greater usefulness. Present the updated intranet to individual departments throughout the organization.

- Continue to measure key Human Resources functions to provide meaningful and relevant data in support of organizational effectiveness.

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Executive Vice-President/COO
Department Summary

Account Group	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Personnel Services	$ 2,320,250	$ 2,575,950	$ 2,457,930	-5%
Utilities and Communications	291,158	252,500	266,940	6%
Purchased Services	251,203	652,075	415,630	-36%
Materials and Supplies	249,262	171,000	198,700	16%
Administrative Expenses	63,047	92,490	125,150	35%
Total Operating Expenses	$ 3,174,920	$ 3,744,015	$ 3,464,350	-7%
Property, Plant and Equipment	0	158,400	361,500	128%
TOTAL	$ 3,174,920	$ 3,902,415	$ 3,825,850	-2%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

EXECUTIVE VICE-PRESIDENT/COO
Department 251

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$223,734	$390,900	$247,100	-37%
Vacation Pay	41130	24,151	7,200	7,500	4%
Sick Leave	41140	32,220	5,700	5,600	-2%
Holiday Pay	41150	18,768	0	0	0%
Comp Time	41160	10,093	0	0	0%
Automobile Allowance	41250	7,200	7,200	7,200	0%
Communications Allowance	41300	858	0	0	0%
Medicare	41320	5,814	5,700	4,000	-30%
Group Insurance	41340	22,330	23,100	10,600	-54%
LTD/Life Insurance	41342	4,060	4,100	2,700	-34%
Self Funded Rx	41343	3,775	5,400	4,000	-26%
Vision Insurance	41344	415	700	500	-29%
Dental Insurance	41347	2,795	3,600	2,800	-22%
Workers Comp	41350	618	700	400	-43%
Retirement	41360	63,397	83,100	57,600	-31%
Benefit Bank Deferred Comp	41430	7,398	0	0	0%
TOTAL PERSONNEL SERVICES		427,627	537,400	350,000	-35%
PURCHASED SERVICES					
Consultants - General	43140	600	13,000	13,000	0%
Office Equipment Rental	43210	1,004	500	700	40%
Freight Expense	43430	244	75	75	0%
TOTAL PURCHASED SERVICES		1,848	13,575	13,775	1%
MATERIALS & SUPPLIES					
Office Supplies	44100	660	500	600	20%
Paper	44110	0	50	50	0%
Postage	44120	5	50	50	0%
Printing & Forms	44130	0	200	200	0%
Medical Supplies	44270	99	300	300	0%
TOTAL MATERIALS & SUPPLIES		764	1,100	1,200	9%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

EXECUTIVE VICE-PRESIDENT/COO
Department 251

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	660	1,560	4,000	156%
Conference Registration Fees	45130	3,140	4,100	5,500	34%
Training Expense	45140	0	200	200	0%
Meeting Expense	45150	1,861	3,000	3,000	0%
Travel & Reimbursed Expense	45210	(1,892)	14,000	23,000	64%
Community Assistance Reimbı	45212	0	0	2,000	%
Legal Ads	45340	44	0	0	0%
Other Advertising & Promotion	45390	0	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		3,814	22,860	37,700	65%
TOTAL DEPARTMENT EXPENSES		$434,052	$574,935	$402,675	-30%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

HUMAN RESOURCES
Executive Section 252

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$291,169	$354,500	$372,500	5%
Temporary Employees	41120	812	0	0	0%
Vacation Pay	41130	22,807	5,600	5,200	-7%
Sick Leave	41140	10,737	4,300	5,800	35%
Holiday Pay	41150	16,866	0	0	0%
Comp Time	41160	2,308	0	0	0%
Incentive Awards	41260	9,627	9,300	9,550	3%
Service Awards	41270	1,936	7,100	3,880	-45%
Communications Allowance	41300	267	0	0	0%
Physical Exam Expense	41310	17,020	29,600	28,700	-3%
Medicare	41320	5,160	5,100	5,400	6%
Wellness Program	41330	1,541	4,650	4,500	-3%
Group Insurance	41340	30,595	25,400	25,200	-1%
PEBP Subsidy	41341	192,129	215,000	215,000	0%
LTD/Life Insurance	41342	3,067	3,200	3,300	3%
Self Funded Rx	41343	6,814	5,900	6,500	10%
Vision Insurance	41344	623	800	700	-13%
Dental Insurance	41347	4,472	3,800	4,200	11%
Section 125 Flex Plan	41349	6,502	4,800	6,000	25%
Workers Comp	41350	972	1,000	900	-10%
Retirement	41360	71,196	73,300	85,200	16%
Unemployment	41370	77,032	75,000	60,000	-20%
Benefit Bank Deferred Comp	41430	15,072	0	0	0%
TOTAL PERSONNEL SERVICES		788,723	828,350	842,530	2%
PURCHASED SERVICES					
Other Professional Services	43190	12,027	12,050	12,050	0%
Office Equipment Rental	43210	2,780	3,600	2,000	-44%
Freight Expense	43430	62	150	400	167%
Permits and Recorders Fees	43460	0	1,600	1,200	-25%
Other Purchased Services	43490	2,355	2,850	3,685	29%
TOTAL PURCHASED SERVICES		17,224	20,250	19,335	-5%
MATERIALS & SUPPLIES					
Office Supplies	44100	1,345	2,200	2,200	0%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

HUMAN RESOURCES
Executive Section 252

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Paper	44110	443	500	500	0%
Postage	44120	529	800	600	-25%
Printing & Forms	44130	558	1,000	600	-40%
TOTAL MATERIALS & SUPPLIES		2,875	4,500	3,900	-13%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	2,459	4,740	2,040	-57%
Books & Subscriptions	45120	1,395	1,200	1,100	-8%
Conference Registration Fees	45130	5,557	7,400	6,400	-14%
Training Expense	45140	46	800	800	0%
Organizational Training	45141	5,961	12,800	20,500	60%
Meeting Expense	45150	257	400	200	-50%
Tuition Reimbrusement	45160	19,681	19,000	19,000	0%
Accreditation Incentive Program	45180	0	3,000	3,000	0%
Travel & Reimbursed Expense	45210	7,512	6,400	6,990	9%
Interview Expense	45230	7,688	3,390	10,950	223%
Legal Ads	45340	2,331	4,000	4,000	0%
TOTAL ADMINISTRATIVE EXPENSES		52,886	63,130	74,980	19%
TOTAL SECTION EXPENSES		$861,707	$916,230	$940,745	3%

Reno-Tahoe Airport Authority
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TECHNOLOGY AND INFORMATION SYSTEMS
Executive Section 253

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$349,787	$473,800	$488,900	3%
Vacation Pay	41130	53,040	6,700	6,800	1%
Sick Leave	41140	30,088	7,100	8,200	15%
Holiday Pay	41150	21,294	0	0	0%
Overtime Pay	41210	5,040	3,000	3,000	0%
Overtime Call Back	41213	225	0	0	0%
Shift Differential	41230	47	0	0	0%
Communications Allowance	41300	1,282	0	0	0%
Medicare	41320	6,476	6,900	7,100	3%
Group Insurance	41340	40,933	43,200	42,700	-1%
LTD/Life Insurance	41342	4,423	5,600	5,100	-9%
Self Funded Rx	41343	7,090	10,100	11,100	10%
Vision Insurance	41344	899	1,500	1,500	0%
Dental Insurance	41347	4,952	6,600	7,200	9%
Workers Comp	41350	2,297	2,700	2,800	4%
Retirement	41360	88,098	102,000	116,100	14%
Uniform Allowance	41380	157	100	100	0%
Benefit Bank Deferred Comp	41430	674	0	0	0%
TOTAL PERSONNEL SERVICES		616,799	669,300	700,600	5%
UTILITIES AND COMMUNICATIONS					
Water	42130	38	0	0	0%
Communications	42210	213,349	174,300	192,540	10%
TOTAL UTILITIES & COMMUNICATIONS		213,387	174,300	192,540	10%
PURCHASED SERVICES					
Data Processing	43130	242,727	351,300	329,360	-6%
Office Equipment Rental	43210	1,262	205,200	0	-100%
Contracted Services	43340	(38,877)	0	0	0%
Other Repair/Maintenance Svcs	43390	6,042	11,400	23,000	102%
Freight Expense	43430	1,715	750	0	-100%
TOTAL PURCHASED SERVICES		212,869	568,650	352,360	-38%
MATERIALS & SUPPLIES					
Office Supplies	44100	9,282	0	0	0%
Paper	44110	333	300	300	0%
Postage	44120	20	0	0	0%

Reno-Tahoe Airport Authority
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TECHNOLOGY AND INFORMATION SYSTEMS
Executive Section 253

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Printing & Forms	44130	94	0	0	0%
Small Tools - Minor Equipment	44400	39,294	2,000	2,000	0%
Office Small Equipment	44410	50,713	31,100	23,400	-25%
Employee Safety Equipment	44450	151	250	250	0%
Telephone Equipment and Labor	44460	16,888	15,950	15,000	-6%
TOTAL MATERIALS & SUPPLIES		116,774	49,600	40,950	-17%
ADMINISTRATIVE EXPENSES					
Membership Dues	45110	295	300	300	0%
Books & Subscriptions	45120	868	500	500	0%
Conference Registration Fees	45130	1,240	700	1,240	77%
Training Expense	45140	1,628	800	800	0%
Meeting Expense	45150	51	0	0	0%
Travel & Reimbursed Expense	45210	1,610	1,800	3,200	78%
TOTAL ADMINISTRATIVE EXPENSES		5,692	4,100	6,040	47%
TOTAL EXPENSES BEFORE FIXED ASSETS		1,165,520	1,465,950	1,292,490	-12%
FIXED ASSETS					
Fixed Asset Acquisition	48150	0	17,400	361,500	1978%
TOTAL SECTION EXPENSES		$1,165,520	$1,483,350	$1,653,990	12%

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RENO STEAD AIRPORT
Executive Section 254

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$267,839	$370,200	$373,900	1%
Temporary Employees	41120	1,893	0	0	0%
Vacation Pay	41130	1,035	3,200	2,100	-34%
Sick Leave	41140	39,298	8,800	5,000	-43%
Holiday Pay	41150	14,302	0	0	0%
Overtime Pay	41210	17,660	6,000	13,000	117%
Overtime Call Back	41213	741	500	700	40%
Standby	41220	110	500	500	0%
Shift Differential	41230	1,092	1,000	1,000	0%
Holiday worked Pay	41280	5,588	5,000	5,000	0%
Communications Allowance	41300	468	0	0	0%
Medicare	41320	4,260	4,500	4,700	4%
Group Insurance	41340	27,782	34,000	35,600	5%
LTD/Life Insurance	41342	3,388	3,800	4,100	8%
Self Funded Rx	41343	5,709	8,000	9,300	16%
Vision Insurance	41344	1,038	1,600	1,600	0%
Dental Insurance	41347	4,153	5,100	6,200	22%
Workers Comp	41350	13,795	8,100	9,400	16%
Retirement	41360	72,919	78,600	87,700	12%
Uniform Allowance	41380	1,322	2,000	2,000	0%
Benefit Bank Deferred Comp	41430	2,709	0	3,000	%
TOTAL PERSONNEL SERVICES		487,101	540,900	564,800	4%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	41,730	38,000	34,000	-11%
Natural Gas	42120	7,077	12,000	10,500	-13%
Water	42130	10,724	10,000	10,000	0%
Sewer	42140	14,117	14,000	15,500	11%
Solid Waste Disposal	42150	4,124	3,200	3,200	0%
Hazardous Waste Disposal	42180	0	1,000	1,200	20%
TOTAL UTILITIES & COMMUNICATIONS		77,772	78,200	74,400	-5%
PURCHASED SERVICES					
Consultants - General	43140	0	2,500	1,500	-40%

Reno-Tahoe Airport Authority
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RENO STEAD AIRPORT
Executive Section 254

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Other Professional Services	43190	333	1,000	11,000	1000%
Office Equipment Rental	43210	1,387	1,400	1,400	0%
Equipment Rental	43211	0	1,000	1,000	0%
Contracted Services	43340	13,462	32,000	6,520	-80%
Other Repair/Maintenance Svc	43390	465	5,000	5,000	0%
Freight Expense	43430	1,911	300	500	67%
Permits & Recorders Fees	43460	692	1,400	740	-47%
Other Purchased Services	43490	1,013	5,000	2,500	-50%
TOTAL PURCHASED SERVICES		19,263	49,600	30,160	-39%
MATERIALS & SUPPLIES					
Office Supplies	44100	2,710	2,200	2,200	0%
Paper	44110	101	0	0	0%
Postage	44120	341	500	400	-20%
Printing & Forms	44130	50	1,000	600	-40%
Oil and Lubricants	44210	2,071	2,400	2,800	17%
Chemicals	44220	35	300	0	-100%
Herbicides	44221	4,194	10,000	15,000	50%
Fertilizer	44222	240	1,000	1,000	0%
Auto Fuel	44230	7,509	8,000	8,500	6%
Diesel Fuel	44240	10,026	8,500	9,000	6%
Janitorial Paper Supplies	44250	639	500	500	0%
Janitorial Supplies	44260	681	600	700	17%
Medical Supplies	44270	322	300	300	0%
Trash Can Liners	44280	135	0	0	0%
Other Operating Supplies	44290	655	0	0	0%
Repair & Maintenance Supply	44300	276	3,000	12,000	300%
Vehicles	44310	4,603	4,000	5,000	25%
Heating & Air Conditioning	44320	30	250	1,500	500%
Machinery	44330	8,788	10,600	32,000	202%
Locks & Hardware	44333	612	500	150	-70%
Seeds, Plants & Trees	44340	0	200	500	150%
Plumbing Supplies	44350	1,225	1,100	1,200	9%
Electrical Supplies	44360	3,458	3,000	1,000	-67%
Runway/Taxiway	44361	0	0	1,500	%
Ramp Lighting	44362	40	1,000	1,000	0%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

RENO STEAD AIRPORT
Executive Section 254

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Lumber & Building Supplies	44370	185	350	300	-14%
Paint Supplies	44380	3,498	5,000	5,000	0%
Other Repairs-Maint Supplies	44390	2,409	8,000	0	-100%
Small Tools - Minor Equipment	44400	2,921	1,000	2,000	100%
Sign and Sign Maintenance	44430	0	1,000	500	-50%
Employee Safety Equipment	44450	2,261	1,500	1,500	0%
Asphalt & Cement	44510	9,921	15,000	0	-100%
Patch Material	44513	0	2,000	0	-100%
Runways/taxiway Repair	44530	42,673	20,000	45,000	125%
Fence and Gate Repair Parts	44540	16,244	3,000	1,500	-50%
TOTAL MATERIALS & SUPPLIES		128,850	115,800	152,650	32%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	155	50	410	720%
Books & Subscriptions	45120	12	0	0	0%
Conference Registration Fees	45130	230	500	980	96%
Training Expense	45140	0	1,250	1,000	-20%
Meeting Expense	45150	257	600		-100%
Travel & Reimbursed Expense	45210	0	0	3,040	%
Other Advertising & Promotion	45390	0	0	1,000	%
TOTAL ADMINISTRATIVE EXPENSES		655	2,400	6,430	168%
TOTAL EXPENSES BEFORE FIXED ASSETS		713,641	786,900	828,440	5%
FIXED ASSETS					
Fixed Asset Acquisition	48150	0	141,000	0	-100%
TOTAL SECTION EXPENSES		$713,641	$927,900	$828,440	-11%

Reno-Tahoe Airport Authority
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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 – Mission Statement: To provide accurate and timely financial and statistical information to our customers; maintain a strong cash management system; maximize investment earnings; bill and collect revenue; and provide timely paying of bills. This section is responsible for maintenance, reporting, and management of all accounting services in support of the Authority's financial goals and objectives.

Board Goals: Financial Stability, Maximize Staff Effectiveness

Work Plans:

- Process accounts payable biweekly including check issuance and wire transfer to ensure vendors are paid timely and accurately, and review of invoices for appropriateness.
- Prepare accounts receivable invoices 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.
- Complete Payrolls biweekly. Compliance with all Internal Revenue Service (IRS) wage and reporting regulations and timely submittals of all year end reports.
- Compile statistical reports monthly and review for accuracy.
- Prepare un-audited financial statements at the 1st, 2nd, and 3rd Quarter of the fiscal year.
- Record and track fixed assets including construction in progress.
- Coordinate staff member work with independent auditors to compile the annual financial statements.
- Ensure 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. Develop training goals to include cross training of staff on all functions of the Accounting section.
- Attend industry seminars and keep current on official pronouncements of accounting practice.
- Perform analytical reviews and reports for Executive Management.
- Participate in RTAA committees such as Labor Management Committee, Strategic Planning.
- Learn new reporting module of the accounting software and develop reports for Executive Management. Continued enhancement of the functionality of the accounting software and reporting processes.

- Continued refinement for processing Purchasing Cards payments and reporting online.
- Enhance financial reporting to staff and executive management to include more detailed and current information.

Purchasing and Materials Management– Mission Statement: To ensue 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:

- Purchase materials, supplies, equipment and services needed for day-to-day operation in a timely, cost effective manner in compliance with applicable laws.
- Comply with the requirements for competitive bidding contained in NRS 332 and 338 and the Airport Improvement Project (AIP) Handbook by preparing equipment, concession, small capital projects, AIP-funded bids, and maintenance bids and proposal requests that are budgeted in the Fiscal Year 2011-12 budget.
- Continue to inventory stored property and assist Departments/Divisions in identifying the property for continued storage, addition to stock, or disposal.
- Continue to review items in warehouse inventory to establish appropriate items and stock levels.
- Continue to team support utilization of the MAS500 Purchasing module.
- Continue to team support utilization of the MAS500 inventory and fixed asset modules.
- Continue monitoring usage of and updates to the P-Card procurement card system and its interface with the MAS500 system.
- Continue to receive and issue materials and supplies for work order-based purchases.
- Order and receive stock inventory to support RTAA maintenance and operation.
- Maintain and operate storeroom, stock locations and bins on a daily on-going basis.
- Prepare and dispose of surplus property in bi-annual auctions in accordance with statutory requirements

Finance and Budgeting – Mission Statement: To provide exceptional financial analysis and budgeting services with a focus on effective resource utilization and asset protection. This department is responsible for (1) forecasting revenue and expense outcomes, (2) calculating airline rates, fees, and charges, (3) funding capital improvements needed to develop the RTAA airports, and (4) providing risk management services through coordination with insurance brokers and securing insurance coverage at reasonable costs.

Board Goals: Financial Stability, Maximize Staff Effectiveness

Work Plans:

- Coordinate the Authority's annual operating budget including the forecast of revenues to assist in the establishment of expenditure targets.
- Obtain the Governmental Finance Officer Association "Distinguished Budget Presentation" award.
- Prepare and present the monthly Operating Statements at monthly Finance Committee meetings.
- Calculate airline rates and charges and perform the mid-year review and year-end settlement analysis including presentations to the RTAA Board and airlines.
- Update FAA Grants status reports, assist with annual Single Audit, and administer Passenger Facility Charge program as required.
- 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.
- Negotiate a new agreement to provide insurance brokerage services.
- Perform analytical reviews and reports for Executive Management.
- Expand the use of features and functionality offered in the new accounting software. Resolve issues and enhance financial reporting.
- Each staff member will work with independent auditors to compile the annual financial statements
- Assure that cash flows meet RTAA needs.
- 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.

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Finance and Administration
Department Summary

Account Group	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Personnel Services	$ 1,258,939	$ 1,344,450	$ 1,420,050	6%
Utilities and Communications	0	0	0	0%
Purchased Services	192,958	133,370	168,125	26%
Materials and Supplies	13,550	24,600	23,250	-5%
Administrative Expenses	9,777	30,685	31,210	2%
Total Operating Expenses	$ 1,475,224	$ 1,533,105	$ 1,642,635	7%
Property, Plant and Equipment	0	0	0	0%
TOTAL	$ 1,475,224	$ 1,533,105	$ 1,642,635	7%

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ACCOUNTING AND ADMINISTRATION
Section 302

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$349,750	$485,700	$504,800	4%
Temporary Employees	41120	11,155	0	0	0%
Vacation Pay	41130	29,723	5,100	6,100	20%
Sick Leave	41140	31,080	7,500	9,300	24%
Holiday Pay	41150	20,588	0	0	0%
Comp Time	41160	1,885	0	0	0%
Overtime Pay	41210	275	400	200	-50%
Holiday worked Pay	41280	8	0	0	0%
Communications Allowance	41300	267	0	0	0%
Medicare	41320	6,237	7,000	7,300	4%
Group Insurance	41340	39,711	47,300	48,700	3%
LTD/Life Insurance	41342	4,529	5,800	4,400	-24%
Self Funded Rx	41343	8,287	11,100	12,700	14%
Vision Insurance	41344	899	1,500	1,500	0%
Dental Insurance	41347	5,910	7,400	8,400	14%
Workers Comp	41350	1,237	1,500	1,400	-7%
Retirement	41360	86,921	102,700	117,800	15%
Benefit Bank Deferred Comp	41430	8,757	0	0	0%
TOTAL PERSONNEL SERVICES		607,218	683,000	722,600	6%
PURCHASED SERVICES					
Accounting and Auditing	43120	53,285	61,000	63,730	4%
Trustee & Paying Agent Fees	43180	10,000	10,000	12,500	25%
Other Professional Services	43190	449	11,450	40,500	254%
Office Equipment Rental	43210	3,044	3,195	3,195	0%
Freight Expense	43430	84	400	200	-50%
Other Purchased Services	43490	4,446	8,275	8,575	4%
TOTAL PURCHASED SERVICES		71,309	94,320	128,700	36%
MATERIALS & SUPPLIES					
Office Supplies	44100	3,332	4,000	4,000	0%
Paper	44110	745	800	800	0%
Postage	44120	2,627	2,400	3,000	25%
Printing & Forms	44130	736	2,000	2,000	0%

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ACCOUNTING AND ADMINISTRATION
Section 302

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Office Small Equipment	44410	61	0	1,000	%
TOTAL MATERIALS & SUPPLIES		7,502	9,200	10,800	17%
ADMINISTRATIVE EXPENSES					
Membership Dues	45110	1,324	1,565	1,790	14%
Books & Subscriptions	45120	464	350	350	0%
Conference Registration Fees	45130	125	1,300	1,550	19%
Training Expense	45140	988	2,300	2,450	7%
Meeting Expense	45150	522	400	1,000	150%
Travel & Reimbursed Expense	45210	1,001	5,740	5,740	0%
TOTAL ADMINISTRATIVE EXPENSES		4,424	11,655	12,880	11%
TOTAL SECTION EXPENSES		$690,453	$798,175	$874,980	10%

Reno-Tahoe Airport Authority
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PURCHASING AND MATERIALS MANAGEMENT
Section 303

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$230,373	$300,200	$311,000	4%
Vacation Pay	41130	26,057	5,500	6,000	9%
Sick Leave	41140	25,660	8,900	9,000	1%
Holiday Pay	41150	14,074	0	0	0%
Overtime Pay	41210	532	500	500	0%
Shift Differential	41230	76	0	0	0%
Communications Allowance	41300	390	0	0	0%
Medicare	41320	2,146	2,200	2,300	5%
Group Insurance	41340	35,151	32,100	31,700	-1%
LTD/Life Insurance	41342	3,303	3,600	3,800	6%
Self Funded Rx	41343	6,354	7,400	8,200	11%
Vision Insurance	41344	623	900	900	0%
Dental Insurance	41347	4,073	4,500	5,000	11%
Workers Comp	41350	4,116	3,800	4,300	13%
Retirement	41360	60,428	62,200	71,200	14%
Uniform Allowance	41380	722	750	750	0%
Benefit Bank Deferred Comp	41430	11,350	0	0	0%
TOTAL PERSONNEL SERVICES		425,428	432,550	454,650	5%
PURCHASED SERVICES					
Office Equipment Rental	43210	3,907	5,000	4,000	-20%
Contracted Services	43340	0	3,000	2,500	-17%
Other Repair/Maintenance Svcs	43390	0	400	2,750	588%
Freight Expense	43430	2,198	3,500	2,700	-23%
Permits & Recorders Fees	43460	0	150	75	-50%
TOTAL PURCHASED SERVICES		6,104	12,050	12,025	0%
MATERIALS & SUPPLIES					
Office Supplies	44100	1,336	2,000	1,700	-15%
Paper	44110	134	250	250	0%
Postage	44120	0	200	100	-50%
Printing & Forms	44130	126	1,000	1,000	0%
Medical Supplies	44270	22	200	400	100%
Other Operating Supplies	44290	67	0	0	0%
Machinery	44330	0	200	200	0%

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PURCHASING AND MATERIALS MANAGEMENT
Section 303

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Small Tools - Minor Equipment	44400	593	7,000	3,500	-50%
Office Small Equipment	44410	0	300	200	-33%
Employee Safety Equipment	44450	711	500	500	0%
Purchase Price Variance	44750	(3)	0	0	0%
TOTAL MATERIALS & SUPPLIES		2,985	11,650	7,850	-33%
ADMINISTRATIVE EXPENSES					
Membership Dues	45110	742	1,030	1,180	15%
Books & Subscriptions	45120	446	450	450	0%
Conference Registration Fees	45130	680	2,250	2,250	0%
Training Expense	45140	0	600	600	0%
Travel & Reimbursed Expense	45210	0	4,500	4,500	0%
Publications	45320	239	0	0	0%
Legal Ads	45340	981	2,000	2,000	0%
TOTAL ADMINISTRATIVE EXPENSES		3,087	10,830	10,980	1%
TOTAL SECTION EXPENSES		$437,604	$467,080	$485,505	4%

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FINANCE AND BUDGETING
Section 305

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$134,616	$161,100	$168,500	5%
Vacation Pay	41130	13,419	2,800	3,300	18%
Sick Leave	41140	8,639	3,100	3,400	10%
Holiday Pay	41150	7,889	0	0	0%
Medicare	41320	2,304	2,400	2,500	4%
Group Insurance	41340	17,476	15,400	15,200	-1%
LTD/Life Insurance	41342	1,916	2,100	2,100	0%
Self Funded Rx	41343	3,131	3,600	4,000	11%
Vision Insurance	41344	346	500	500	0%
Dental Insurance	41347	2,316	2,600	2,800	8%
Workers Comp	41350	442	400	400	0%
Retirement	41360	33,801	34,900	40,100	15%
TOTAL PERSONNEL SERVICES		226,293	228,900	242,800	6%
PURCHASED SERVICES					
Consultants - General	43140	113,274	25,000	25,000	0%
Office Equipment Rental	43210	2,246	1,900	2,300	21%
Freight Expense	43430	25	100	100	0%
TOTAL PURCHASED SERVICES		115,545	27,000	27,400	1%
MATERIALS & SUPPLIES					
Office Supplies	44100	456	1,000	1,000	0%
Paper	44110	64	150	100	-33%
Postage	44120	168	200	200	0%
Printing & Forms	44130	2,308	2,400	3,300	38%
Office Small Equipment	44410	67	0	0	0%
TOTAL MATERIALS & SUPPLIES		3,063	3,750	4,600	23%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,175	1,600	1,600	0%
Books & Subscriptions	45120	597	400	400	0%
Conference Registration Fees	45130	0	1,000	1,200	20%

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FINANCE AND BUDGETING
Section 305

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Training Expense	45140	223	2,200	1,500	-32%
Meeting Expense	45150	158	100	100	0%
Travel & Reimbursed Expense	45210	0	2,900	2,550	-12%
Legal Ads	45340	113	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		2,267	8,200	7,350	-10%
TOTAL SECTION EXPENSES		$347,167	$267,850	$282,150	5%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

NONDEPARTMENTAL
Section 900

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	0	150,000	$175,000	17%
Temporary Employees	41120	0	(300,000)	(300,000)	0%
Medicare	41320	(8,231)	0	0	0%
Group Insurance	41340	10,576	0	0	5%
PEBP Subsidy	41341	151,204	0	0	0%
Self Funded Rx	41343	(2,289)	75,000	78,800	0%
Vision Service Plan	41347	(2,289)	0	0	0%
Dental Insurance	41347	(2,289)	0	0	0%
TOTAL PERSONNEL SERVICES		146,681	(75,000)	(46,200)	0%
PURCHASED SERVICES					
Other Professional Services	43190	0	30,000	30,000	0%
Air Service Studies	43193	76,577	130,000	160,000	23%
Freight Expense	43430	104	0	0	0%
Other Purchased Services	43490	1,310	0	0	0%
TOTAL PURCHASED SERVICES		77,992	160,000	190,000	19%
MATERIALS & SUPPLIES					
Postage	44120	(191)	0	0	0%
Paper	44110	1,762	0	0	0%
Inventory Adjustments	44292	(6,217)	0	0	0%
TOTAL MATERIALS & SUPPLIES		(4,646)	0	0	0%
ADMINISTRATIVE EXPENSE					
Training Expense	45140	4,075	0	0	0%
Meeting Expense	45150	8,960	0	0	0%
Travel & Reimbursed Expense	45210	2,851	0	0	0%
Air Service Development	45350	177,353	152,700	104,700	-31%
Economic Development	45360	6,000	0	0	0%
Miscellaneous Expense	45370	7,624	0	0	0%
Other Advertising & Promotion	45390	51,473	50,000	50,000	0%
Airport Liability	45410	177,500	182,800	133,600	-27%
Vehicle Liability	45420	47,340	50,400	51,200	2%
Bonds Employees/Officers	45440	10,495	9,000	9,000	0%
Buildings & Contents	45450	507,977	533,300	541,100	1%
Public Officials Liability	45460	88,159	92,600	72,600	-22%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

NONDEPARTMENTAL
Section 900

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Police Liability	45470	99,586	102,600	87,700	-15%
Other Insurance	45490	5,380	50,000	50,000	0%
Credit Card Fees	45500	199,838	0	210,000	%
TOTAL ADMINISTRATIVE EXPENSES		1,394,611	1,223,400	1,309,900	7%
FIXED CHARGES					
Int Exp 2002 Bonds	71110	(2)	0	0	0%
Int Exp 2003 Bonds	71120	813,250	416,500	0	-100%
Int Exp 2005 Bonds	71130	1,375,475	1,335,400	1,276,150	-4%
Int Exp 2011 Subordinate Note	71135	0	0	992,589	%
TOTAL FIXED CHARGES		2,188,723	1,751,900	2,268,739	30%
TOTAL SECTION EXPENSES		$3,803,361	$3,060,300	$3,722,439	22%

Reno-Tahoe Airport Authority
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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.

Vice-President 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 Airport Security Division.

Airside Operations – Mission Statement: Ensure a safe and efficient means of integrated transportation for the public within the Reno-Tahoe Airport Authority system; ensure compliance with 14 CFR Part 139 of the Federal Aviation Regulations; provide effective communications support to RTAA staff, tenants, customers, and supporting entities; prepared to act decisively to protect life and property by organizing appropriate responses to events at RTAA.

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

Work Plans:

- Ensure airport is continually in compliance with 14 CFR 139 FAA Certification of Airports 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.
- Provide job-related training to include training on the new systems and requirements in the Operations; provide cross-familiarization training to elevate knowledge and skills; prepare and present training on operations in movement areas and other topics.
- Mitigate the risk of bird strikes and animal strikes. Manage the population of wildlife on the Airfield in accordance with the Wildlife Hazard Plan.
- Identify and implement opportunities to improve runway and ramp safety.
- Revise driving regulations and consolidate rules and regulations.
- Conduct training on Safety Management System (SMS) and Operational Risk Management. Assess and mitigate hazards.
- Lead and organize the planning and training for the Triennial Exercise in May, 2011.
- Prepare and execute the operations and emergency management functions in the Triennial Exercise.

- Manage Emergency Operations Center (EOC) during emergencies. Provide National Incident Management System (NIMS) training to staff. Administer WebEOC.
- Improve Snow and Ice Control processes. Attend the International Snow Symposium.
- Provide daily reports on the results of the self-inspection program and verify corrections of deficiencies.
- Effectively manage ramp space to meet air carrier, cargo, general aviation, and Customs/Immigration operations.
- 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.
- Maintain professional certifications.
- Provide for the consistent and accurate communications while performing high confidence in Airport Communications reliability across all shifts.
- Perform high standard customer service and responsiveness to our airport staff and external customers.
- Ensure all team members are capable of independently facilitating communications for the first 45 minutes of an Alert III response, and capable of operating communications as part of the incident command staff in the MCV.
- Dispatch all routine and emergency calls for police, security, operations, fire and maintenance. Monitor and maintain radio traffic on seven (7) radio channels, make notifications to management and tenants using email and InfoRad paging system. Log all calls for service in a Computer Aided Dispatch computer program.
- Provide job-related training, including training on the new systems and requirements in the Airport Communications Center; provide cross-familiarization training to elevate knowledge and skills.
- Prepare, and execute communication functions in the Triennial Exercise.
- Prepare and perform Snow Desk duties.
- Activate emergency alert notifications, recall essential personnel, and open the EOC.
- Provide seamless communications support from the Mobile Command Vehicle.
- Complete construction/installation on the upgrade/replacement of the Airport's Access Control System (ACS) and audio recording system.
- Provide user training on the 800 MHz radios.
- Administer the Authority's 800 MHz radio system and participation in the inter-agency program.
- Monitor door alarms and access control points, verify badge access and print access point reports upon request; dispatch police and/or security to access control point violations.
- Operate airport telephone paging system, answer questions from the public, direct operational phone inquiries, and operate direct phone lines with the FAA Tower and Airport Fire and Rescue Division.
- Monitor 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.
- Maintain software and hardware for access control and security systems and equipment (ACAMS/Lenel, WebEOC and CCTV). Project management for various projects.

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, Maximize Staff Effectiveness, Passenger Services and Experience

Work Plans:

- Provide and maintain all aspects of Ground Transportation to provide services, collect all appropriate revenue, and maintain compliance with all Reno-Tahoe International Airport regulations.
- Maximize revenue generating opportunities by continued personnel training, exploration of potential new sources, and utilization of proven advanced technologies.
- Provide the traveling public with highest quality of parking services and providing real value while maintaining a safe, secure environment.
- Implement upgrade to the parking revenue control system hardware and software.

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:

- Maintain emergency response capabilities by ensuring equipment and staffing is kept at an appropriate level.
- Validate effectiveness of Driver/Operator and Acting Captain certification training programs.
- Provide aircraft refueling vehicle inspection training for all Airport Fire Division employees due to rotation of inspection program.
- Encourage participation in external training in current fire and emergency services certifications.

- Become more involved in training airport employees in fire prevention practices, confine space, fire extinguisher and hazardous materials subjects.
- Maintain fire department facility and vehicles in operational readiness.
- Provide supervisory training for Fire Captains to include administrative duties and Incident Commander organizational responsibilities.

Airport Security – Mission Statement:

Ensure Reno-Tahoe International Airport provides a secure facility in accordance with U.S. Code of Federal Regulations, Part 1542 and other Transportation Security Administration security directives.

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

Work Plans:

- Meet requirements of 14 CFR Part 1542 and other Transportation Security Administration (TSA) security directives
- Develop security plans to serve as guidelines to airport employees, tenants and contractors to meet the applicable standards of the TSA and the airport.
- Write, maintain and ensure compliance with TSA approved Airport Security Program.
- Ensure all RTIA security access badge applicants meet TSA requirements with regard to Criminal History Records Checks and Security Threat Assessments.
- Conduct annual aviation security tabletop exercise.
- Provide input and review construction plans of airport projects to ensure the physical security and Transportation Security Administration requirements for protecting facilities and resources of the airport are met.
- Provide for the security of the traveling public through responses to door alarms, inspections of badges, badge holders and deliveries.
- Ensure relevance of content of Interactive Employee Training
- Attend necessary meetings both within and outside RTAA to provide input and gather information on security related matters.
- Provide Airport Security Specialists with uniforms and equipment.
- Provide general maintenance for the Security Division vehicle, segways and bicycles.
- Document activity regarding citations written for curbside violations.
- Schedule quarterly Security Consortium meetings for effective internal communications between Airport tenants, Airlines and Transportation Security Administration.
- Ensure physical facility, ground transportation area patrols and staffing of access gates.

- Participate in national Security Conference to maintain currency on aviation security issues and topics.
- Provide for the professional growth of Security Specialists through training, staff committees, and feedback on work performance.

Reno-Tahoe Airport Authority
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Operations and Public Safety
Department Summary

Account Group	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Personnel Services	$ 5,426,114	$ 6,351,730	$ 6,518,880	3%
Utilities and Communications	0	0	0	0%
Purchased Services	614,398	579,318	523,334	-10%
Materials and Supplies	117,415	179,116	159,840	-11%
Administrative Expenses	42,781	75,936	63,877	-16%
Total Operating Expenses	$ 6,200,707	$ 7,186,100	$ 7,265,931	1%
Property, Plant and Equipment	0	63,000	10,200	-84%
TOTAL	$ 6,200,707	$ 7,249,100	$ 7,276,131	0%

Reno-Tahoe Airport Authority
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VICE-PRESIDENT OF OPERATIONS AND PUBLIC SAFETY
Department 401

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$157,331	$182,100	$188,000	3%
Vacation Pay	41130	56,272	1,500	2,500	67%
Sick Leave	41140	5,865	300	700	133%
Holiday Pay	41150	8,815	0	0	0%
Overtime Pay	41210	13	500	500	0%
Communications Allowance	41300	504	0	0	0%
Medicare	41320	3,474	2,600	2,700	4%
Group Insurance	41340	16,078	18,300	18,100	-1%
LTD/Life Insurance	41342	1,842	2,100	2,200	5%
Self Funded Rx	41343	2,578	4,400	4,900	11%
Vision Insurance	41344	277	600	600	0%
Dental Insurance	41347	1,837	3,000	3,300	10%
Workers Comp	41350	2,827	3,300	2,500	-24%
Retirement	41360	37,656	39,100	45,100	15%
Benefit Bank Deferred Comp	41430	698	0	0	0%
TOTAL PERSONNEL SERVICES		296,066	257,800	271,100	5%
PURCHASED SERVICES					
Office Equipment Rental	43210	524	260	160	-38%
Freight Expense	43430	45	100	0	-100%
TOTAL PURCHASED SERVICES		568	360	160	-56%
MATERIALS & SUPPLIES					
Paper	44110	0	80	0	-100%
Postage	44120	261	40	50	25%
Printing & Forms	44130	235	100	80	-20%
Office Supplies	44100	1,416	580	500	-14%
TOTAL MATERIALS & SUPPLIES		1,912	800	630	-21%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	290	275	275	0%
Conference Registration Fees	45130	0	585	585	0%

Reno-Tahoe Airport Authority
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VICE-PRESIDENT OF OPERATIONS AND PUBLIC SAFETY
Department 401

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Training Expense	45140	1,885	0	0	0%
Meeting Expense	45150	547	400	400	0%
Travel & Reimbursed Expense	45210	(466)	2,252	2,252	0%
Newspapers	45230	164	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		2,419	3,512	3,512	0%
TOTAL DEPARTMENT EXPENSES		$300,966	$262,472	$275,402	5%

Reno-Tahoe Airport Authority
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AIRSIDE OPERATIONS
Section 402

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$726,622	$970,900	$1,021,100	5%
Vacation Pay	41130	66,042	2,000	12,100	505%
Sick Leave	41140	41,870	2,000	10,500	425%
Holiday Pay	41150	29,217	9,500	0	-100%
Comp time	41160	1,316	0	0	0%
Overtime Pay	41210	66,585	42,000	32,000	-24%
Overtime Call Back	41213	11,587	0	8,000	%
Standby	41220	0	0	0	0%
Shift Differential	41230	15,836	20,000	20,000	0%
Holiday worked Pay	41280	42,173	22,500	22,500	0%
Communications Allowance	41300	170	0	0	0%
Medicare	41320	11,723	12,200	13,600	11%
Group Insurance	41340	89,353	106,600	83,400	-22%
LTD/Life Insurance	41342	7,722	10,500	11,300	8%
Self Funded Rx	41343	19,890	25,900	21,600	-17%
Vision Insurance	41344	1,868	3,500	2,500	-29%
Dental Insurance	41347	12,539	17,400	14,100	-19%
Workers Comp	41350	12,101	13,000	14,600	12%
Retirement	41360	178,906	203,700	234,300	15%
Uniform Allowance	41380	1,930	2,900	2,000	-31%
Benefit Bank Deferred Comp	41430	8,698	0	0	0%
TOTAL PERSONNEL SERVICES		1,346,147	1,464,600	1,523,600	3%
PURCHASED SERVICES					
Other Professional Services	43190	63,159	40,000	42,000	5%
Office Equipment Rental	43210	997	1,100	1,000	-9%
Other Repair/Maintenance Svcs	43390	108,215	112,200	107,000	-5%
Freight Expense	43430	355	0	500	%
Other Purchased Services	43490	881	0	0	0%
TOTAL PURCHASED SERVICES		173,607	153,300	150,500	-3%
MATERIALS & SUPPLIES					
Office Supplies	44100	8,710	2,000	3,000	50%
Paper	44110	237	300	300	0%

Reno-Tahoe Airport Authority
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AIRSIDE OPERATIONS
Section 402

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Postage	44120	13	100	50	-50%
Printing & Forms	44130	103	200	600	200%
Medical Supplies	44270	97	0	0	0%
Other Operating Supplies	44290	53	15,500	15,500	0%
Office Small Equipment	44410	0	4,100	0	-100%
TOTAL MATERIALS & SUPPLIES		9,214	22,200	19,450	62%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,561	3,000	2,845	-5%
Books & Subscriptions	45120	3,038	3,800	3,400	-11%
Conference Registration Fees	45130	0	950	2,000	111%
Training Expense	45140	800	2,000	1,870	-7%
Meeting Expense	45150	390	500	500	0%
Travel & Reimbursed Expense	45210	3,585	2,300	3,500	52%
TOTAL ADMINISTRATIVE EXPENSES		9,374	12,550	14,115	34%
TOTAL EXPENSES BEFORE FIXED ASSETS		1,538,342	1,652,650	1,707,665	3%
FIXED ASSETS					
Fixed Asset Acquisition	48150	0	57,000	0	-100%
TOTAL SECTION EXPENSES		$1,538,342	$1,709,650	$1,707,665	3%

Reno-Tahoe Airport Authority
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LANDSIDE OPERATIONS
Section 403

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$385,225	$496,800	$506,000	2%
Vacation Pay	41130	36,900	0	1,800	%
Sick Leave	41140	23,960	4,000	4,900	23%
Holiday Pay	41150	11,329	8,000	8,000	0%
Comp Time	41160	332	0	0	0%
Overtime Pay	41210	11,657	15,000	15,000	0%
Shift Differential	41230	18,252	27,000	27,000	0%
Holiday worked Pay	41280	27,977	22,500	22,500	0%
Communications Allowance	41300	217	230	0	-100%
Medicare	41320	7,631	7,200	7,300	1%
Group Insurance	41340	59,267	63,100	69,000	9%
LTD/Life Insurance	41342	4,592	5,400	5,900	9%
Self Funded Rx	41343	13,076	14,700	17,700	20%
Vision Insurance	41344	1,384	2,000	2,100	5%
Dental Insurance	41347	8,705	9,300	11,400	23%
Workers Comp	41350	15,016	16,200	18,700	15%
Retirement	41360	102,043	106,800	119,200	12%
Uniform Allowance	41380	1,037	2,500	2,500	0%
Benefit Bank Deferred Comp	41430	8,003	0	0	0%
TOTAL PERSONNEL SERVICES		736,603	800,730	839,000	5%
PURCHASED SERVICES					
Other Professional Services	43190	285,834	313,000	273,854	-13%
Office Equipment Rental	43210	1,575	1,768	450	-75%
Equipment Rental	43211	7,426	8,700	8,920	3%
Repairs	43310	184	0	0	0%
Contracted Services	43340	10,389	11,210	11,700	4%
Other Repair/Maintenance Svcs	43390	86	0	0	0%
Freight Expense	43430	1,093	200	200	0%
Contracted Services - Towing	43450	128	250	250	0%
Other Purchased Services	43490	14,407	16,380	15,000	-8%
TOTAL PURCHASED SERVICES		321,122	351,508	310,374	-12%
MATERIALS & SUPPLIES					
Office Supplies	44100	5,012	1,000	3,200	220%
Paper	44110	198	400	400	0%

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LANDSIDE OPERATIONS
Section 403

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Postage	44120	361	425	425	0%
Printing & Forms	44130	16,786	16,000	16,000	0%
Medical Supplies	44270	36	90	90	0%
Other Operating Supplies	44290	25	3,000	3,000	0%
Machinery	44330	12,488	30,000	15,000	-50%
Other Repairs-Maint Supplies	44390	(583)	1,500	500	-67%
Sign and Sign Maintenance	44430	5,148	20,000	10,000	-50%
Employee Safety Equipment	44450	57	200	200	0%
TOTAL MATERIALS & SUPPLIES		39,529	72,615	48,815	-33%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	470	1,065	990	-7%
Books & Subscriptions	45120	125	200	200	0%
Conference Registration Fees	45130	960	870	945	9%
Training Expense	45140	0	0	100	%
Meeting Expense	45150	0	0	100	%
Travel & Reimbursed Expense	45210	1,102	2,600	2,600	0%
TOTAL ADMINISTRATIVE EXPENSES		2,657	4,735	4,935	4%
TOTAL SECTION EXPENSES		$1,099,909	$1,229,588	$1,203,124	-2%

Reno-Tahoe Airport Authority
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AIRPORT RESCUE AND FIRE
Section 404

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$1,097,139	$1,367,600	$1,396,200	2%
Vacation Pay	41130	117,320	0	3,200	%
Sick Leave	41140	43,861	0	1,800	%
Holiday Pay	41150	46,147	64,400	66,800	4%
Comp time	41160	61,806	35,000	30,000	-14%
Overtime Pay	41210	80,785	190,000	77,250	-59%
FLSA Overtime Pay	41211	68,263	0	56,650	%
Overtime Call Back	41213	30,435	0	37,080	%
Communications Allowance	41300	208	0	0	0%
Medicare	41320	12,917	11,500	12,000	4%
Group Insurance	41340	274,491	300,400	300,400	0%
LTD/Life Insurance	41342	1,328	1,500	1,500	0%
Self Funded Rx	41343	737	800	900	13%
Vision Insurance	41344	393	300	300	0%
Dental Insurance	41347	479	500	600	20%
Workers Comp	41350	92,638	88,500	55,600	-37%
Retirement	41360	456,544	470,100	515,600	10%
Uniform Allowance	41380	8,868	7,000	7,500	7%
Benefit Bank Deferred Comp	41430	8,757	0	0	0%
TOTAL PERSONNEL SERVICES		2,403,117	2,537,600	2,563,380	1%
PURCHASED SERVICES					
Office Equipment Rental	43210	1,453	1,900	1,900	0%
Contracted Services	43340	3,157	6,850	5,250	-23%
Other Repair/Maintenance Svcs	43390	1,733	2,300	2,450	7%
Freight Expense	43430	772	1,100	1,000	-9%
Other Purchased Services	43490	1,661	4,250	2,200	-48%
TOTAL PURCHASED SERVICES		8,777	16,400	12,800	-22%
MATERIALS & SUPPLIES					
Office Supplies	44100	4,756	6,000	5,000	-17%
Paper	44110	239	270	250	-7%
Postage	44120	2	150	50	-67%
Printing & Forms	44130	548	500	450	-10%
Chemicals	44220	3,081	4,000	4,000	0%
Firefighting Agent AFFF	44225	2,310	5,000	5,000	0%

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AIRPORT RESCUE AND FIRE
Section 404

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Janitorial Paper Supplies	44250	535	650	500	-23%
Janitorial Supplies	44260	2,979	2,200	2,200	0%
Medical Supplies	44270	6,622	6,200	5,200	-16%
Trash Can Liners	44280	95	220	220	0%
Other Operating Supplies	44290	18	0	0	0%
Turn Outs	44291	13,299	10,000	11,500	15%
Electrical Supplies	44360	18	125	100	-20%
Other Repairs-Maint Supplies	44390	1,609	1,000	1,000	0%
Small Tools - Minor Equipment	44400	6,856	11,211	20,400	82%
Office Small Equipment	44410	3,642	0	2,000	%
Employee Safety Equipment	44450	9,390	5,700	6,700	18%
Hazardeous Materials Response	44451	1,705	2,000	1,800	-10%
Emg. Preparedness Stations	44453	627	225	225	0%
TOTAL MATERIALS & SUPPLIES		58,333	55,451	66,595	20%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	568	1,123	975	-13%
Books & Subscriptions	45120	2,569	2,560	1,910	-25%
Conference Registration Fees	45130	0	1,020	2,210	117%
Training Expense	45140	16,903	18,000	18,000	0%
Meeting Expense	45150	64	150	150	0%
Disaster Exercise Expense	45170	0	15,000	0	-100%
Travel & Reimbursed Expense	45210	5,299	10,611	12,920	22%
Employee Milege Reimbursement	45240	26	75	0	-100%
Other Advertising & Promotion	45390	0	500	100	-80%
TOTAL ADMINISTRATIVE EXPENSES		25,428	49,039	36,265	-26%
TOTAL EXPENSES BEFORE FIXED ASSETS		2,495,654	2,658,490	2,679,040	1%
FIXED ASSETS					
Fixed Asset Acquisition	48150	0	6,000	10,200	70%
TOTAL SECTION EXPENSES		$2,495,654	$2,664,490	$2,689,240	1%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

AIRPORT SECURITY
Section 407

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$322,160	$804,800	$793,100	-1%
Vacation Pay	41130	29,036	2,700	5,600	107%
Sick Leave	41140	25,838	3,000	5,200	73%
Holiday Pay	41150	8,577	21,000	20,000	-5%
Overtime Pay	41210	36,129	25,000	25,000	0%
Overtime Call Back	41213	11,587	0	0	0%
Shift Differential	41230	15,836	30,800	30,800	0%
Holiday worked Pay	41280	28,106	44,000	40,000	-9%
Medicare	41320	5,170	11,700	11,500	-2%
Group Insurance	41340	45,027	93,700	100,700	7%
LTD/Life Insurance	41342	3,623	9,000	9,100	1%
Self Funded Rx	41343	9,300	21,600	25,900	20%
Vision Insurance	41344	899	3,000	3,100	3%
Dental Insurance	41347	5,910	14,000	17,100	22%
Workers Comp	41350	1,767	25,700	29,300	14%
Retirement	41360	93,997	171,500	187,900	10%
Uniform Allowance	41380	1,220	9,500	17,500	84%
TOTAL PERSONNEL SERVICES		644,182	1,291,000	1,321,800	2%
PURCHASED SERVICES					
Other Professional Services	43190	0	45,000	40,000	-11%
Office Equipment Rental	43210	887	3,500	1,000	-71%
Contracted Services	43340	0	8,500	5,000	-41%
Other Repair/Maintenance Svc	43390	108,215	0	3,000	%
Freight Expense	43430	341	750	500	-33%
Other Purchased Services	43490	881	0	0	0%
TOTAL PURCHASED SERVICES		110,324	57,750	49,500	-14%
MATERIALS & SUPPLIES					
Office Supplies	44100	8,040	20,000	20,000	0%
Paper	44110	168	500	250	-50%
Postage	44120	13	300	150	-50%
Printing & Forms	44130	103	1,000	1,000	0%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

AIRPORT SECURITY
Section 407

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Medical Supplies	44270	97	250	200	-20%
Other Operating Supplies	44290	7	0	0	0%
Locks & Hardware	44333	0	1,000	750	-25%
Small Tools - Minor Equipment	44400	0	4,000	1,000	-75%
Office Small Equipment	44410	0	500	500	0%
Employee Safety Equipment	44450	0	500	500	0%
TOTAL MATERIALS & SUPPLIES		8,427	28,050	24,350	-13%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	736	550	550	0%
Books & Subscriptions	45120	707	0	0	0%
Conference Registration Fees	45130	0	1,800	1,200	-33%
Training Expense	45140	800	0	0	0%
Meeting Expense	45150	0	0	0	0%
Travel & Reimbursed Expense	45210	660	3,750	3,000	-20%
Other Advertising & Promotion	45390	0	0	300	%
TOTAL ADMINISTRATIVE EXPENSES		2,903	6,100	5,050	-17%
TOTAL SECTION EXPENSES		$765,836	$1,382,900	$1,400,700	1%

Reno-Tahoe Airport Authority
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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 (RTIA) and Reno-Stead Airport (RTS), 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 (continue work on Phases 17-20 and initiate new phases pending grant funding)
- Operate and maintain the permanent noise and operations monitoring system
- Continue Reno-Stead Airport terminal/emergency operations command center site and building development
- Initiate runway safety area improvements construction for RTS
- Assist with conversion of under-utilized vacant land into revenue producing use
- Continue coordination with FAA on various projects including the Low Cost Ground Surveillance (LCGS) pilot program and Airport Surveillance Radar (ASR)-11 installation
- Prepare annual RTIA noise contour
- Address miscellaneous noise issues
- Receive, review and respond to all noise complaint calls
- Coordinate environmental planning programs
- Expand RTIA recycling program
- Fulfill environmental compliance and regulatory programs
- Complete annual storm water pollution prevention inspections of RTAA and tenant facilities
- Complete annual update of water rights recognition
- Oversee implementation of the RTS consent decree remediation program
- Conduct and coordinate with outside agencies and internal stakeholders regarding aviation development planning
- Conduct and coordinate with outside agencies regarding land development and land use planning
- Submit annual Airport Capital Improvement Programs for RTIA & RTS
- Review all development proposals from each of the three jurisdictions
- Support Planning Department administrative support
- Support 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 Airport Ten (10) Year Plan Projects
- Engineering and Construction Management Services for Reno-Stead Airport Capital Projects
- Development of Qualified Consultants List
- FAA Airport Improvements Program (AIP) Grant Administration
- Disadvantaged Business Enterprise (DBE) program coordination

Reno-Tahoe Airport Authority
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ANNUAL BUDGET
Planning and Engineering
Department Summary

Account Group	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Personnel Services	$ 1,039,998	$ 1,086,360	$ 1,144,060	5%
Utilities and Communications	0	0	0	0%
Purchased Services	103,054	97,520	122,740	26%
Materials and Supplies	7,963	10,700	11,300	6%
Administrative Expenses	19,959	34,710	33,735	-3%
Total Operating Expenses	$ 1,170,973	$ 1,229,290	$ 1,311,835	7%
Property, Plant and Equipment	0	0	0	0%
TOTAL	$ 1,170,973	$ 1,229,290	$ 1,311,835	7%

Reno-Tahoe Airport Authority
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PLANNING AND ENVIRONMENTAL SERVICES
Section 502

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$344,238	$422,800	$437,200	3%
Vacation Pay	41130	28,074	7,600	7,000	-8%
Sick Leave	41140	32,543	12,500	12,300	-2%
Holiday Pay	41150	23,738	0	0	0%
Comp Time	41160	2,934	0	0	0%
Overtime Pay	41210	1,002	360	360	0%
Automobile Allowance	41250	4,800	4,800	4,800	0%
Communications Allowance	41300	790	0	0	0%
Medicare	41320	7,192	7,400	7,600	3%
Group Insurance	41340	42,587	41,600	41,100	-1%
LTD/Life Insurance	41342	5,138	6,100	6,300	3%
Self Funded Rx	41343	7,182	9,700	10,700	10%
Vision Insurance	41344	830	1,500	1,400	-7%
Dental Insurance	41347	5,111	6,700	7,400	10%
Workers Comp	41350	1,413	1,500	1,400	-7%
Retirement	41360	100,394	108,700	123,900	14%
Benefit Bank Deferred Comp	41430	3,696	0	0	0%
TOTAL PERSONNEL SERVICES		611,665	631,260	661,460	5%
PURCHASED SERVICES					
Other Professional Services	43190	45,446	55,000	62,700	14%
Office Equipment Rental	43210	3,718	4,440	1,500	-66%
Other Repair/Maintenance Svcs	43390	76	100	100	0%
Freight Expense	43430	304	240	240	0%
Permits & Recorders Fees	43460	4,804	1,400	1,400	0%
Other Purchased Services	43490	1,110	1,040	1,500	44%
TOTAL PURCHASED SERVICES		55,456	62,220	67,440	8%
MATERIALS & SUPPLIES					
Office Supplies	44100	6,186	6,000	7,500	25%
Paper	44110	397	600	600	0%
Postage	44120	168	400	400	0%
Printing & Forms	44130	751	800	500	-38%
TOTAL MATERIALS & SUPPLIES		7,501	7,800	9,000	15%

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PLANNING AND ENVIRONMENTAL SERVICES
Section 502

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	2,645	1,620	1,460	-10%
Books & Subscriptions	45120	1,979	2,775	2,045	-26%
Conference Registration Fees	45130	2,929	5,405	5,385	0%
Training Expense	45140	575	450	450	0%
Meeting Expense	45150	375	500	250	-50%
Travel & Reimbursed Expense	45210	9,353	15,860	16,745	6%
TOTAL ADMINISTRATIVE EXPENSES		17,856	26,610	26,335	-1%
TOTAL SECTION EXPENSES		$692,479	$727,890	$764,235	5%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

ENGINEERING AND CONSTRUCTION
Department 503

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$232,504	$313,400	$327,900	5%
Vacation Pay	41130	28,194	7,100	7,300	3%
Sick Leave	41140	23,612	8,100	8,000	-1%
Holiday Pay	41150	16,985	0	0	0%
Comp Time	41160	1,428	0	0	0%
Communications Allowance	41300	509	0	0	0%
Medicare	41320	4,084	4,300	4,500	5%
Group Insurance	41340	29,381	28,300	28,000	-1%
LTD/Life Insurance	41342	3,573	4,300	4,500	5%
Vision Insurance	41344	553	900	900	0%
Dental Insurance	41347	3,594	4,600	5,100	11%
Self Funded Rx	41343	5,341	6,700	7,300	9%
Workers Comp	41350	795	900	800	-11%
Retirement	41360	68,818	76,500	88,300	15%
Benefit Bank Deferred Comp	41430	8,962	0	0	0%
TOTAL PERSONNEL SERVICES		428,333	455,100	482,600	6%
PURCHASED SERVICES					
Consultants - Engineering	43150	4,875	0	20,000	%
Other Professional Services	43190	13,352	30,000	30,000	0%
Office Equipment Rental	43210	1,927	2,400	2,400	0%
Freight Expense	43430	124	500	500	0%
Other Purchased Services	43490	27,319	2,400	2,400	0%
TOTAL PURCHASED SERVICES		47,597	35,300	55,300	57%
MATERIALS & SUPPLIES					
Office Supplies	44100	186	2,000	1,600	-20%
Paper	44110	99	600	400	-33%
Postage	44120	107	200	200	0%
Printing & Forms	44130	69	100	100	0%
TOTAL MATERIALS & SUPPLIES		461	2,900	2,300	-21%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	730	1,300	1,000	-23%

Reno-Tahoe Airport Authority
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ENGINEERING AND CONSTRUCTION
Department 503

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Books & Subscriptions	45120	321	1,200	1,200	0%
Conference Registration Fees	45130	330	2,300	2,200	-4%
Training Expense	45140	99	600	300	-50%
Meeting Expense	45150	395	600	600	0%
Travel & Reimbursed Expense	45210	0	1,500	1,500	0%
Newspapers	45340	227	600	600	0%
TOTAL ADMINISTRATIVE EXPENSE		2,103	8,100	7,400	-9%
TOTAL SECTION EXPENSES		$478,494	$501,400	$547,600	9%

Reno-Tahoe Airport Authority
FY 2011-12
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.
- Ensure a quality passenger experience by monitoring the daily operations and maintenance of the terminal building and operating systems and equipment.
- Professional development of staff.
- Oversee Tenant Improvement Projects program.
- Develop, correct, maintain, promote and enhance various on-going maintenance programs and investigate and implement new programs to provide a highly efficient maintenance operation.
- Participate in bargaining unit negotiations and employee relations.
- Ensure proper management, accurate project scope development, adequate and timely completion of capital projects.

Airfield Maintenance – Mission Statement: To strive for improved operational effectiveness and efficiency through innovation and technology and develop enhanced professional policies and procedures for the management and maintenance of the airfield pavement, markings and lighting, the airport landscapes and additional airport properties, and the airport's extensive vehicle and equipment fleets. In addition, the airfield maintenance division will continue to bring forward the latest technologies in snow removal operations

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

Work Plans:

- Continued assistance at Reno-Stead for pavement maintenance, airfield markings and the support of the National Championship Air Races.
- Vehicle upgrades will be evaluated for performance as well as fuel efficiency, maintenance costs, and overall value to RTAA.
- An Airport Markings Best Practices conference will be held in Reno in 2010, where RTIA facilities, operations and procedures will be used to demonstrate "how it should be done."

- Replace surface painted signs with thermoplastic surface markings. These thermoplastic markings will have extended service life, and be resistant to fading.
- With the support of the President/CEO and Board of Trustees, a snow removal equipment storage building will be constructed by the fall of 2011.
- New snow removal equipment will be procured over the next three years to upgrade the current fleet.
- Summer of 2010 will see an additional 20,000 square feet of long term parking pavement rehabilitation.
- 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. Ensure 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 the needs of RTAA tenants and the traveling public.

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

Work Plans:

- Provide preventative maintenance and services required to support RTAA owned outbuilding facilities 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.
- Provide escorts and contractor support for RTAA projects. Provide contracted services agreement management for multiple systems and equipment maintenance services.
- 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.

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Facilities and Maintenance
Department Summary

Account Group	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Personnel Services	$ 6,044,695	$ 6,489,039	$ 6,818,000	5%
Utilities and Communications	2,866,497	4,087,250	3,003,700	-27%
Purchased Services	1,301,440	2,229,480	2,129,762	-4%
Materials and Supplies	1,163,539	1,345,778	1,336,310	-1%
Administrative Expenses	11,469	34,570	30,685	-11%
Total Operating Expenses	$ 11,387,640	$ 14,186,117	$ 13,318,457	-6%
Property, Plant and Equipment	30,190	290,480	255,350	-12%
TOTAL	$ 11,417,830	$ 14,476,597	$ 13,573,807	-6%

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DIRECTOR OF FACILITES AND MAINTENANCE
Department 601

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$239,246	$284,000	$362,300	28%
Vacation Pay	41130	23,583	5,600	7,100	27%
Sick Leave	41140	15,384	7,800	7,000	-10%
Holiday Pay	41150	13,476	0	0	0%
Comp Time	41160	750	0	0	0%
Communications Allowance	41300	858	0	0	0%
Medicare	41320	4,352	4,100	4,300	5%
Group Insurance	41340	21,425	22,700	22,600	0%
LTD/Life Insurance	41342	3,195	3,600	3,700	3%
Self Funded Rx	41343	4,512	5,200	4,800	-8%
Vision Insurance	41344	415	600	500	-17%
Dental Insurance	41347	2,715	3,000	2,700	-10%
Workers Comp	41350	618	700	600	-14%
Retirement	41360	57,740	60,100	83,400	39%
Benefit Bank Deferred Comp	41430	12,411	0	0	0%
TOTAL PERSONNEL SERVICES		400,681	397,400	499,000	26%
UTILITIES AND COMMUNICATIONS					
Water	42130	7,632	7,000	7,000	0%
TOTAL UTILITIES & COMMUNICATIONS		7,632	7,000	7,000	0%
PURCHASED SERVICES					
Consultants - General	43140	0	0	3,500	%
Other Professional Services	43190	331	0	0	0%
Office Equipment Rental	43210	673	1,300	1,000	-23%
Repairs	43310	600	800	800	0%
Contracted Services	43340	89,984	50,000	50,000	0%
Other Repair/Maintenance Svcs	43390	6,878	20,000	15,000	-25%
Freight Expense	43430	262	0	0	0%
TOTAL PURCHASED SERVICES		98,729	72,100	70,300	-2%
MATERIALS & SUPPLIES					
Office Supplies	44100	7,711	4,000	4,000	0%
Paper	44110	0	200	100	-50%
Postage	44120	58	300	200	-33%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

DIRECTOR OF FACILITES AND MAINTENANCE
Department 601

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Printing & Forms	44130	137	400	400	0%
Other Operating Supplies	44290	125	0	0	0%
Machinery	44330	(5,221)	0	0	0%
Other Repairs-Maint Supplies	44390	7,078	250	300	20%
Office Small Equipment	44410	4,986	2,000	2,000	0%
Sign and Sign Maintenance	44430	7,649	12,000	12,000	0%
TOTAL MATERIALS & SUPPLIES		22,524	19,150	19,000	-1%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,523	1,175	885	-25%
Books & Subscriptions	45120	139	0	900	%
Conference Registration Fees	45130	0	2,300	2,800	22%
Training Expense	45140	421	600	780	30%
Meeting Expense	45150	61	100	0	-100%
Travel & Reimbursed Expense	45210	2,145	6,300	3,625	-42%
TOTAL ADMINISTRATIVE EXPENSES		4,289	10,475	8,990	-14%
TOTAL EXPENSES BEFORE FIXED ASSETS		533,855	506,125	604,290	19%
FIXED ASSETS					
Fixed Asset Acquisition	48150	0	0	11,000	%
TOTAL DEPARTMENT EXPENSES		$533,855	$506,125	$615,290	22%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

AIRFIELD MAINTENANCE
Section 602

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$946,139	$1,289,400	$1,261,800	-2%
Temporary Employees	41120	0	50,000	50,000	0%
Vacation Pay	41130	70,181	4,100	7,000	71%
Sick Leave	41140	54,255	11,600	14,100	22%
Holiday Pay	41150	46,795	40,000	40,000	0%
Overtime Pay	41210	38,600	40,000	38,000	-5%
Overtime Call Back	41213	44,748	40,000	44,000	10%
Standby	41220	16,690	12,500	13,500	8%
Shift Differential	41230	10,766	13,500	10,500	-22%
Holiday worked Pay	41280	24,352	21,000	21,500	2%
Communications Allowance	41300	504	550	0	-100%
Medicare	41320	14,727	16,100	15,600	-3%
Group Insurance	41340	159,241	195,800	189,300	-3%
LTD/Life Insurance	41342	11,259	14,300	12,900	-10%
Self Funded Rx	41343	33,149	45,800	49,100	7%
Vision Insurance	41344	4,358	7,800	7,300	-6%
Dental Insurance	41347	21,916	29,900	31,100	4%
Workers Comp	41350	33,982	40,700	46,700	15%
Retirement	41360	255,677	273,600	295,400	8%
Uniform Allowance	41380	8,387	7,500	8,000	7%
Meal Allowance	41390	994	800	900	13%
Benefit Bank Deferred Comp	41430	13,157	0		0%
TOTAL PERSONNEL SERVICES		1,809,878	2,154,950	2,156,700	0%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	98,290	105,000	110,000	5%
Natural Gas	42120	27,095	30,000	32,000	7%
Water	42130	46	0	0	0%
Sewer	42140	165	0	0	0%
Solid Waste Disposal	42150	78,368	110,000	95,000	-14%
Recycleable Disposal	42151	4,320	5,500	5,600	2%
Dump Fees	42152	5,550	4,500	4,500	0%
Sumps/Oil-Water Seperators	42153	6,717	7,000	9,000	29%
Propane	42170	2,561	1,250	1,850	48%
Hazardous Waste Disposal	42180	935	2,000	1,750	-13%
TOTAL UTILITIES & COMMUNICATIONS		224,046	265,250	259,700	-2%

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ANNUAL BUDGET

AIRFIELD MAINTENANCE
Section 602

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PURCHASED SERVICES					
Other Professional Services	43190	0	2,000	2,000	0%
Office Equipment Rental	43210	1,575	1,800	2,800	56%
Equipment Rental	43211	(182)	1,200	5,000	317%
Repairs	43310	2,115	0	0	0%
Contracted Services	43340	47,197	52,650	68,000	29%
Other Repair/Maintenance Svcs	43390	1,502	34,000	40,000	18%
Freight Expense	43430	2,288	2,000	2,500	25%
Permits & Recorders Fees	43460	604	1,600	1,600	0%
TOTAL PURCHASED SERVICES		55,099	95,250	124,600	31%
MATERIALS & SUPPLIES					
Office Supplies	44100	6,922	3,000	2,200	-27%
Paper	44110	67	0	300	%
Postage	44120	6	10	10	0%
Printing & Forms	44130	439	400	400	0%
Oil and Lubricants	44210	14,431	14,000	14,000	0%
Herbicides	44221	39,526	65,000	65,000	0%
Fertilizer	44222	4,899	9,000	9,000	0%
Ice Control	44223	117,975	75,000	75,000	0%
Rubber Removal	44224	4,380	12,000	12,500	4%
Gasoline	44230	86,518	100,000	92,000	-8%
Diesel Fuel	44240	61,183	95,000	100,000	5%
Janitorial Paper Supplies	44250	362	0	400	%
Janitorial Supplies	44260	898	0	800	%
Medical Supplies	44270	263	275	300	9%
Trash Can Liners	44280	3,438	3,200	3,900	22%
Other Operating Supplies	44290	15,014	0	2,000	%
Repair & Maintenance Supply	44300	1,346	19,500	10,000	-49%
Vehicle Maintenance Supplies	44310	33,245	38,000	40,000	5%
Heating & Air Conditioning	44320	1,655	2,000	0	-100%
Machinery	44330	119,117	110,000	114,000	4%
Baggage Conveyors	44331	1,771	0	0	0%
Steel and Sheet Metal	44332	258	0	1,500	%
Locks & Hardware	44333	14,560	0	7,000	%
Seeds, Plants & Trees	44340	1,326	2,000	3,000	50%
Irrigation Supplies	44341	1,969	4,500	4,500	0%
Landscape Materials	44342	960	2,000	3,000	50%
Electrical Supplies	44360	27,663	9,000	9,000	0%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

AIRFIELD MAINTENANCE
Section 602

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Runway/Taxiway Lighting	44361	21,483	45,000	36,000	-20%
Ramp Lighting	44362	0	1,000	2,100	110%
Parking Lot Lighting	44366	2,596	1,200	0	-100%
Lumber & Building Supplies	44370	15	0	500	%
Paint Supplies	44380	0	0	1,200	%
Paint Supplies	44380	85,792	56,000	65,000	16%
Other Repairs-Maint Supplies	44390	1,764	0	1,000	%
Small Tools - Minor Equipment	44400	12,062	8,000	9,000	13%
Office Small Equipment	44410	(2,950)	1,000	1,000	0%
Maintenance	44420	2,815	0	0	0%
Sign and Sign Maintenance	44430	8,945	3,000	4,000	33%
Employee Safety Equipment	44450	10,200	6,500	7,200	11%
Emg. Preparedness Stations	44453	0	0	6,500	%
Asphalt & Cement	44510	11,808	12,000	13,000	8%
Back Fill/Crusher Run, Etc.	44511	460	2,000	2,500	25%
Patch Material	44513	2,593	5,000	7,500	50%
Runways/taxiway Repair	44530	16,892	35,000	38,000	9%
Fence and Gate Repair Parts	44540	250	2,000	2,000	0%
TOTAL MATERIALS & SUPPLIES		734,917	741,585	766,310	3%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,530	1,200	1,300	8%
Books & Subscriptions	45120	0	2,500	0	-100%
Conference Registration Fees	45130	750	2,140	3,510	64%
Training Expense	45140	2,930	3,000	2,700	-10%
Travel & Reimbursed Expense	45210	1,103	9,750	8,680	-11%
TOTAL ADMINISTRATIVE EXPENSES		6,313	18,590	16,190	-13%
TOTAL EXPENSES BEFORE FIXED ASSETS		2,830,253	3,275,625	3,323,500	1%
FIXED ASSETS					
Fixed Asset Acquisition	48150	8,970	290,480	244,350	-16%
TOTAL SECTION EXPENSES		$2,839,223	$3,566,105	$3,567,850	0%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

BUILDING MAINTENANCE AND SERVICES
Section 603

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$2,001,231	$2,409,600	$2,483,700	3%
Vacation Pay	41130	154,147	0	11,300	%
Sick Leave	41140	124,727	8,600	17,300	101%
Holiday Pay	41150	66,103	0	0	0%
Comp Time	41160	307	0	0	0%
Overtime Pay	41210	5,693	15,000	6,000	-60%
Overtime Call Back	41213	28,626	0	15,000	%
Standby	41220	13,477	12,260	12,000	-2%
Shift Differential	41230	98,155	123,700	123,700	0%
Holiday worked Pay	41280	124,704	124,529	125,000	0%
Communications Allowance	41300	1,059	0	0	0%
Medicare	41320	37,808	35,000	36,100	3%
Group Insurance	41340	359,575	366,200	379,100	4%
LTD/Life Insurance	41342	25,084	28,000	28,700	3%
Self Funded Rx	41343	71,823	86,500	98,500	14%
Vision Insurance	41344	8,647	13,300	13,600	2%
Dental Insurance	41347	47,120	54,900	62,500	14%
Workers Comp	41350	79,766	80,900	97,100	20%
Retirement	41360	539,474	512,700	585,100	14%
Uniform Allowance	41380	5,877	10,000	10,000	0%
Meal Allowance	41390	950	1,000	1,000	0%
Benefit Bank Deferred Comp	41430	22,720	0	0	0%
TOTAL PERSONNEL SERVICES		3,817,071	3,882,189	4,105,700	6%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	1,589,365	2,000,000	1,500,000	-25%
Natural Gas	42120	493,358	305,000	305,000	0%
Water	42130	101,250	119,000	126,000	6%
Sewer	42140	77,181	73,000	73,000	0%
Solid Waste Disposal	42150	510	2,000	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		2,261,664	2,499,000	2,004,000	-20%
PURCHASED SERVICES					
Professional Services	43100	21,070	4,000	0	-100%
Other Professional Services	43190	4,342	5,200	7,000	35%
Office Equipment Rental	43210	1,452	1,550	1,620	5%
Equipment Rental	43211	840	1,000	1,000	0%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

BUILDING MAINTENANCE AND SERVICES
Section 603

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Contracted Services	43340	501,185	747,300	751,562	1%
Other Repair/Maintenance Svcs	43390	443	0	0	0%
Freight Expense	43430	3,166	2,000	5,000	150%
Permits & Recorders Fees	43460	433	2,000	4,000	100%
Other Purchased Services	43490	37,692	50,000	50,000	0%
TOTAL PURCHASED SERVICES		570,623	813,050	820,182	1%
MATERIALS & SUPPLIES					
Office Supplies	44100	2,759	2,500	2,500	0%
Paper	44110	438	500	500	0%
Postage	44120	6	50	0	-100%
Printing & Forms	44130	665	1,000	1,000	0%
Chemicals	44220	366	0	0	0%
Ice Control	44223	0	76,350	82,500	8%
Janitorial Paper Supplies	44250	78,973	80,000	80,000	0%
Janitorial Supplies	44260	35,669	45,135	45,000	0%
Medical Supplies	44270	736	2,000	2,000	0%
Trash Can Liners	44280	19,568	38,000	35,000	-8%
Other Operating Supplies	44290	2,840	0	0	0%
Repair & Maintenance Supply	44300	51,742	0	0	0%
Heating & Air Conditioning	44320	46,913	40,000	40,000	0%
Filters	44321	(83)	0	0	0%
Machinery	44330	(3,189)	5,000	5,000	0%
Baggage Conveyors	44331	11,540	55,708	55,000	-1%
Locks & Hardware	44333	21,080	10,000	10,000	0%
Brushes	44334	1,772	3,000	3,000	0%
Jet Bridge Repair	44336	34,744	30,000	30,000	0%
Plumbing Supplies	44350	23,595	25,000	25,000	0%
Electrical Supplies	44360	27,741	25,000	35,000	40%
Lumber & Building Supplies	44370	11,104	29,000	35,000	21%
Paint Supplies	44380	3,766	3,000	3,000	0%
Other Repairs-Maint Supplies	44390	1,310	0	0	0%
Small Tools - Minor Equipment	44400	7,412	5,000	5,000	0%
Office Small Equipment	44410	505	0	0	0%
Sign and Sign Maintenance	44430	434	0	0	0%
Employee Safety Equipment	44450	17,771	10,000	10,000	0%
TOTAL MATERIALS & SUPPLIES		400,178	486,243	504,500	4%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

BUILDING MAINTENANCE AND SERVICES
Section 603

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	788	1,505	1,505	0%
Training Expense	45140	80	4,000	4,000	0%
TOTAL ADMINISTRATIVE EXPENSES		868	5,505	5,505	0%
TOTAL EXPENSES BEFORE FIXED ASSETS		7,050,403	7,685,987	7,439,887	-3%
FIXED ASSETS					
Fixed Asset Acquisition	48150	21,220	0	0	0%
TOTAL SECTION EXPENSES		$7,071,623	$7,685,987	$7,439,887	-3%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

Baggage Handling System
Section 604

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$14,591	$40,900	$42,700	4%
Vacation Pay	41130	1,227	0	0	0%
Holiday Pay	41150	460	0	0	0%
Comp Time	41160	307	0	0	0%
Communications Allowance	41300	32	0	0	0%
Group Insurance	41340	0	4,800	3,800	-21%
Retirement	41360	0	8,800	10,100	15%
Benefit Bank Deferred Comp	41430	449	0	0	0%
TOTAL PERSONNEL SERVICES		17,065	54,500	56,600	4%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	350,991	1,200,000	700,000	-42%
Natural Gas	42120	22,165	116,000	33,000	-72%
TOTAL UTILITIES & COMMUNICATIONS		373,155	1,316,000	733,000	-44%
PURCHASED SERVICES					
Other Professional Services	43100	0	89,680	89,680	0%
Consultants - General	43140	0	8,000	4,000	-50%
Other Professional Services	43190	0	77,400	21,000	-73%
Contracted Services	43340	576,458	1,074,000	1,000,000	-7%
Freight Expense	43430	185	0	0	0%
Other Purchased Services	43490	345	0	0	0%
TOTAL PURCHASED SERVICES		576,988	1,249,080	1,114,680	-11%
MATERIALS & SUPPLIES					
Printing & Forms	44130	235	0	0	0%
Filters	44321	201	20,000	0	-100%
Baggage Conveyors	44331	5,053	75,000	45,000	-40%
Electrical Supplies	44360	0	3,800	1,500	-61%
Office Small Equipment	44410	269	0	0	0%

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET

Baggage Handling System
Section 604

	ACCOUNT NO.	2009-10 ACTUAL	2010-11 BUDGET	2011-12 BUDGET	PERCENT CHANGE
Sign and Sign Maintenance	44430	163	0	0	0%
TOTAL MATERIALS & SUPPLIES		5,921	98,800	46,500	-53%
TOTAL SECTION EXPENSES		$973,130	$2,718,380	$1,950,780	-28%

Reno-Tahoe Airport Authority
FY 2011-12
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 $5,000.

The PP&E request for FY 2011-12 is $720,450. This is an increase of $208,570, or 41% from the FY 2010-11 PP&E budget amount of $511,880. This increase is due primarily to the budgeting of Phase II of the computer replacement program. The computer replacement program was originally budgeted as equipment leasing in the O&M expenditure budget in FY 2010-11 but was subsequently transferred to a capital asset and presented at the March, 2011 Board meeting.

The major PP&E requests are mostly equipment, three vehicles and a number of technology equipment and software upgrades. The vehicles requested consist of three short bed trucks that will be used in support of explosives detection for transporting K-9 officers, dogs and training aids. Of the three K-9 vehicles being replaced, one will be rotated back into the fleet and two will be sent to surplus. Also included is a glycol recovery vehicle designed for quick and efficient recovery of deicing fluids on airport ramps and gates.

Among the more expensive computer technology upgrade requests, in addition to the computer replacement mentioned previously, is an upgrade of the Computerized Maintenance Management System, Maximo Software, from version 6.2 to version 7.

The Facilities Department's vehicle replacement plan maximizes the functionality and minimizes the maintenance costs of the Airport Authority's fleet of vehicles. The plan provides for the retirement and rotation of vehicles and equipment. The evaluation criteria are listed below.

VEHICLE AND EQUIPMENT ACQUISITION AND ROTATION POLICY
REPLACEMENT EVALUATION CRITERIA

Light Duty Vehicles

- Replacement evaluation after 6 years of service **or**
- Replacement evaluation when vehicle exceeds 80,000 miles **or**
- Replacement evaluation when maintenance cost to purchase ratio exceeds 35%

Heavy Duty Vehicles and Equipment

- Replacement evaluation after 10-20 years depending on type of vehicle/equipment **or**
- Replacement evaluation when vehicle/equipment exceeds 80,000 miles **or**
- Replacement evaluation every 25,000 hours on Hobbs hour meter **or**
- Replacement evaluation when maintenance cost to purchase ratio exceeds 30%

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 3 – Property, Plant and Equipment

Vehicles

Department	2011-12 Request	Amount Budgeted	Current Equipment Being Replaced/Explanation
Airport Police	(3) 4x4 Crew Cab short Bed Trucks for K-9 program	$104,400	This is to replace current vehicles and qualifies under the replacement criteria.

Equipment

Department	2011-12 Request	Amount Budgeted	Current Equipment Being Replaced/Explanation
Airfield Maintenance	Glycol Recovery Vehicle	$180,000	Needed for more efficient in-house recovery of deicing fluids.

Technology

Department	FY 2011-12 Request	Amount Budgeted	Current Equipment Being Replaced/Explanation
Technology & Information Systems	Software and Laptop Replacement	$230,300	The existing system is seven years old. This is phase II as previously presented to the Board.
Technology & Information Systems	Update to Maximo 7 (Computerized Maintenance Management System)	$104,000	The current version is out of warranty and also does not support ad-hoc reporting.
Technology & Information Systems	DCS-6000 Digital Audio System	$21,000	This system will provide better audio quality in the board room and provide listening assistance for a broader range of devices.

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Property, Plant, and Equipment

Division	Description	Amount	Total
101 Board of Trustees			-
204 Internal Audit			-
102 General Counsel			-
201 President/CEO			-
251 Executive Vice-President/COO			-
202 Air Service Business Development			-
203 Marketing and Public Affairs			-
304 Economic Development			-
306 Outside Properties			-
253 Technology & Information Systems			
	Software and laptop replacement	$ 230,300	
	Update to Maximo 7	104,000	
	DCS-6000 digital audio system	21,000	
	Diverse routing for internet	6,200	
			361,500
254 Reno-Stead Airport			-
252 Human Resources			-

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Property, Plant, and Equipment

Division	Description	Amount	Total
302 Accounting & Administration			-
303 Purchasing & Materials Management			-
305 Finance & Budgeting			-
401 Director of Operations & Public Safety			-
402 Airside Operations			-
403 Landside Operations			-
404 Airport Rescue & Fire	Penetration Aircraft Skin Trainer	$ 10,200	**10,200**
405 Airport Police	(3) 4x4 Crew Cab Short Bed Trucks with Lighting, Radio Equipment, K9 Compartment and Bed Cover	$ 104,400	**104,400**
407 Airport Security			-
502 Planning & Environmental Services			-
503 Engineering & Construction			-

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Property, Plant, and Equipment

Division	Description	Amount	Total
601 Director of Facilities & Maintenance			
	Office Furniture	11,000	
			11,000
602 Airfield Maintenance			
	Glycol Recovery Vehicle	$ 180,000	
	(3) Utility Truck Beds	31,500	
	Water Filled Barrier Rail System	19,350	
	Asphalt Distributor	13,500	
			244,350
603 Building Maintenance			
			-
TOTAL			**$ 731,450**

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 3 – Capital Projects

Capital Projects (Funded by Airport Operating Revenues)

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, Baggage Handling System, Other, and Reno-Stead Airport. The total of the projects allocated to the cost centers is also shown. This amount appears on the budgeted Profit 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 projects in the Airfield Cost Center, $2 million in the Terminal Building Cost Center, $500,000 in the BHS Cost Center and $6 million included in the Airport Renewal Program for the Terminal Refurbishing P are exempt from airline review and the Majority-In-Interest (MII) airline approval process. For a description of the MII process, see Section 3 Financial Plan - Airline Agreement. Projects over $300,000 must be amortized over their life and not reimbursed in one year's rates. During the annual 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 for the FY 2011-12 Budget are below the amount that requires airline review.

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 operations of the airports
5. Favorably impacts or improves any of the Authority's other areas

These capital projects are funded in several ways. The smaller capital projects are funded by airline rates through airline cost center recovery or non-airline revenues in the fiscal year. The General Purpose Fund, as further discussed in Section 3 Trust Funds Summary, is used to finance the larger operating budget capital projects that are amortized as a reduction to the 50%/50% profit sharing credit applied against the signatory airline terminal rental rate.

	2011-12 Capital Project Budgets			COST CENTER						Other Funding Sources		
Item		Project Administrator (Amortization Years)	Estimate	Airfield	Terminal Building	BHS	Ground Transportation	Other	Reno-Stead Airport	General Purpose Fund	Special Fund	AIP Grant, PFC, Fuel Tax Funds or Other
	Reno-Tahoe International Airport											
1	Fence and Gate Airport Warehousing Complex	Economic Development	35,000					35,000				
2	1280 Terminal Way Roof Replacement	Economic Development	125,000					125,000				
3	General Aviation Aircraft Apron	Economic Development	3,500,000							3,500,000		
4	Airfield Pavement Maintenance Program 2011-12	Engineering	140,000	140,000								
5	Landside Pavement Maintenance Program 2011-12	Engineering	120,000				120,000					
6	Seal Portion of Parking Garage Roof (110K Sq Ft)	Facilities (5)	390,000				78,000			312,000		
7	Terminal Roof Replacment Area #12A	Facilities	177,500		177,500							
8	ARFF #1 Roof Replacement	Facilities	131,000	131,000								
9	1675 National Guard Way Roof Replacement	Facilities	32,500					32,500				
10	Thermoplastic Airfield Ground Markings	Facilities (7)	494,400	70,629						494,400		
11	1880 Gentry Sewer & Storm System Reconstruction	Engineering	252,000					252,000				
12	Police Office Remodel	Facilities	250,000		250,000							
	Sub Total		**$ 5,647,400**	$ 341,629	$ 427,500	$ -	$ 198,000	$ 444,500	$ -	$ 4,306,400	$ -	$ -
	Reno-Stead Airport											
13	Computer Managed Gate Access Controllers	Reno-Stead	$ 40,000						40,000			
	Sub Total		**$ 40,000**	$ -	$ -	$ -	$ -	$ -	$ 40,000	$ -	$ -	$ -
	Total		**$ 5,687,400**	**$ 341,629**	**$ 427,500**		**$ 198,000**	$ 444,500	$ 40,000	$ 4,306,400	$ -	$ -
								Current Year Capital Projects	$ 1,451,629			

Reno-Tahoe International Airport

Fence and Gate Replacement for the Airport Warehousing Complex
This project will replace five sets of gates and approximately 620 feet of fencing throughout the self-storage business property in accordance with RTAA specifications. It is essential the fence be replaced to ensure the security of the property.

Project Cost	
Construction (includes materials, equipment, labor)	$ 35,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate (Lower Profit Sharing)	$0.14
Impact on Airline Cost per Enplaned Passenger	$0.00

1280 Terminal Way Office Building - Roof Replacement
This project will replace the roof on the office building located at 1280 Terminal Way. Improvement of this property will increase leasing interest and potentially generate additional revenues.

Project Cost	
Construction (includes materials, equipment, labor)	$125,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate (Lower Profit Sharing)	$0.50
Impact on Airline Cost per Enplaned Passenger	$0.03

General Aviation Aircraft Apron
To provide infrastructure in support of corporate and general aviation development in the northeast section of the airfield, this project will fund and construct an aircraft apron in support of general aviation aircraft. Since this apron will support Million Air's new $20 million Fixed Based Operator facility, apron rent will be collected that will recover RTAA's investment over a 20 year period along with a return on investment at annual interest rate 4.5%.

Project Cost	
Construction (includes materials, equipment, labor)	$3,500,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate	$0.00
Impact on Airline Cost per Enplaned Passenger	$0.00

Airfield Pavement Maintenance Program FY 2011-12

This project will repair and maintain the airfield pavements pursuant to the recommendations of the 2008 Airfield Pavement Management Program. Repairs typically include seal coating, asphalt patching, overlays, reconstruction, concrete panel replacement, crack repair, spall repair, and joint sealing. This project is being amortized in the airline rates and charges calculation over a five (5) year period.

Project Cost	
Construction (includes materials, equipment, labor)	$140,000
Rate Impact	
Impact on Landing Fee Rate	$0.05
Impact on Terminal Rental Rate	$0.00
Impact on Airline Cost per Enplaned Passenger	$0.06

Landside Pavement Maintenance Program FY 2011-12

This project will repair and maintain the landside pavements pursuant to the recommendations of the 2009 Landside Pavement Management Program. Repairs typically include seal coating, asphalt patching, overlays, reconstruction, concrete panel replacement, crack repair, spall repair, and joint sealing. This project is being amortized in the airline rates and charges calculation over a five (5) year period.

Project Cost	
Construction (includes materials, equipment, labor)	$120,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate (Lower Profit Sharing)	$0.48
Impact on Airline Cost per Enplaned Passenger	$0.03

Seal Portion of Parking Garage Roof
This project will seal 110,000 sq ft of the parking garage deck to prevent the degradation of concrete by sealing it from moisture and extend the useful life of the parking garage.

Project Cost	
Construction (includes materials, equipment, labor)	$390,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate (Lower Profit Sharing)	$0.32
Impact on Airline Cost per Enplaned Passenger	$0.02

Terminal Roof Replacement Area #12
This project will remove 12,000 square feet of roofing and replace it with a fully adhered single ply PVC elastic membrane. This roof has been identified by Benchmark Inc. as needing replacement in their 2003 survey.

Project Cost	
Construction (includes materials, equipment, labor)	$177,500
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate	$1.08
Impact on Airline Cost per Enplaned Passenger	$0.07

Aircraft Rescue and Firefighting Facility #1 - Roof Replacement
This project will remove 8,850 square feet of roofing and replace it with a fully adhered single ply PVC elastic membrane. The current roof has an older single ply material, no longer available for purchase, which makes patching and repairs difficult. This roof has been identified by Benchmark Inc. as needing replacement in their 2003 survey.

Project Cost	
Construction (includes materials, equipment, labor)	$131,000
Rate Impact	
Impact on Landing Fee Rate	$0.05
Impact on Terminal Rental Rate	$0.00
Impact on Airline Cost per Enplaned Passenger	$0.06

1675 National Guard Way - Roof Replacement

This project will remove and replace 2,000 square feet of roofing with a fully adhered single ply PVC elastic membrane. The current roof has been identified by Facilities personnel as needing replacement.

Project Cost	
Construction (includes materials, equipment, labor)	$32,500
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate (Lower Profit Sharing)	$0.13
Impact on Airline Cost per Enplaned Passenger	$0.00

Thermoplastic Airfield Ground Markings

This project will replace the existing 16 surface runway hold position markings, as well as an additional 19 signs with 12-foot legends, as required by Advisory Circular 150/5340-1K with thermoplastic markings that are less labor intensive.

Project Cost	
Construction (includes materials, equipment, labor)	$494,400
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate (Lower Profit Sharing)	$0.29
Impact on Airline Cost per Enplaned Passenger	$0.01

1880 Gentry Way - Sewer & Storm System Reconstruction

This project will fix deficiencies in the existing sanitary sewer and storm sewer systems.

Project Cost	
Construction (includes materials, equipment, labor)	$252,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate (Lower Profit Sharing)	$1.01
Impact on Airline Cost per Enplaned Passenger	$0.06

Police Office Remodel

This project will enlarge and remodel the space allocated to the RTAA Police Department and provide a larger and more functional work area that will increase efficiency and staff productivity. The current space is out dated and not sufficient for optimal operation.

Project Cost	
Construction (includes materials, equipment, labor)	$250,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate	$1.52
Impact on Airline Cost per Enplaned Passenger	$0.10

Reno Stead Airport - Install Computer Managed Gate Access Controllers

This project will replace the existing access control system, which is authorized via magnetic key cards, with new, smart technology that will allow Airport Authority staff to accurately track and manage access. This new technology will allow staff to allow or deny access as requirements change.

Project Cost	
Construction (includes materials, equipment, labor)	$40,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate (Lower Profit Sharing)	$0.16
Impact on Airline Cost per Enplaned Passenger	$0.01

Reno-Tahoe Airport Authority
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ANNUAL BUDGET
Section 3 – Capital Projects

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program, as updated during the FY 2011-12 Budget, is a rolling three to five year program that provides for critical improvements and asset preservation. Funding sources for the projects are primarily Airport Improvement Program (AIP) and Transportation Security Administration (TSA) grants, Passenger Facility Charges (PFC), and airport revenue debt, if applicable. The majority of these projects are to be funded by future federal grants or PFCs. Both PFC and grant dependent projects will not be implemented until a funding source is approved and awarded.

Competition Plan

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 the 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 accepted by the FAA. An update to the the plan was completed in 2003.

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. With the new airline agreement effective July 1, 2011, the Authority submitted a plan update for FAA review and comment. On May 10, 2011, the FAA formally approved the update and determined it was in compliance with PFC regulations.

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.

Airport Improvement Program (AIP)

AIP grants are offered to the Authority to provide funding assistance to those eligible capital projects that meet the criteria of the federal program. The objective of this federal program is to assist in the development of a nationwide system of public use airports, to ensure the safe and secure operation of the airport and airway system, and to meet the projected needs of the public. The program not only provides funding for development projects, but also airport planning and noise compatibility programs. The program is funded by aviation use fees, which are collected and deposited into the Airport and Airway Trust Fund that generates the revenues in support of the AIP. The U.S. Congress authorizes expenditures from this dedicated fund on an annual basis each year. The AIP

program includes entitlement and discretionary funding. Entitlement funds are awarded to eligible sponsors through a formula based on the number of passenger boardings and cargo tonnage. Discretionary funds are set aside to provide the FAA the flexibility to fund various high priority programs.

The AIP Program typically provides funds 93.75% of eligible project for Reno-Tahoe International Airport and 95% for Reno-Stead. The Authority's General Purpose and Special Funds are used for the RTAA's (sponsor's) portion of the FAA grants.

During FAA Fiscal Year 2010 ending September 30, 2010, the Authority received $24.11 million of AIP grants for Reno-Tahoe International Airport and approximately $352,000 for Reno-Stead Airport.

Passenger Facility Charge (PFC)

PFCs were initially authorized through the Aviation Safety and Capacity Expansion Act of 1990. The Act allowed public agencies, which manage commercial airports, to charge each enplaning passenger a facility charge in accordance with FAA requirements. The passenger facility charge is levied on the passenger tickets, collected by the airline, and forwarded to the airport (less a handling fee charged by the airlines). The revenues collected are to preserve or enhance safety, security, and capacity, to reduce noise, or to enhance competition. The primary difference between AIP and PFC is that the PFC is a fee directly to the passenger, is administratively retained by the airport, and is considered local funds versus airport funds.

In October 1993, the Authority received approval from the Federal Aviation Administration (FAA) to impose a PFC of $3.00 per enplaned passenger. Collection began January 1, 1994. In May 2001, the PFC was increased to $4.50 per enplaned passenger with collection beginning August 1, 2001. Several FAA approved projects are being funded by the PFC collections.

Currently, the Authority has received collection authority to impose and use $112,133,013 on four open FAA approved PFC applications. Through March 31, 2011, the Authority has collected $81,428,091 of PFCs on these open applications, including interest earned thereon. In Fiscal Year 2009-10, the Authority collected $7.67 million of PFC revenue and is forecasting revenues of $7.31 million and $7.41 million for FY 2010-11 and FY 2011-12, respectively.

The Authority currently has an eleventh (11^{th}) PFC application pending FAA review and approval. This application is requesting $29.5 million of which $22.2 million is dedicated toward funding eligible projects within the Airport Renewal Program. See Section 1 - Introduction and Summary for an overview of the Airport Renewal Program

and the specific scope of work. This requested PFC funding will take the form of direct project payments and pledged revenue committed to the repayment of Subordinate Note Debt associated with eligible projects. See Debt Summary – Section 3.

CAPITAL IMPROVEMENT PROGRAM - OVERVIEW
SOURCES & USES OF FUNDS BY LOCATION
Reno-Tahoe Airport Authority
(Escalated Dollars)

	Prior Years Actual	FY 2010-11 Forecast	FY 2011-12 Forecast	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	Total FY10-17 Forecast
USES OF FUNDS									
Airside	23,296,181	30,515,132	26,894,690	24,118,447	16,319,383	13,417,083	9,003,333	6,400,000	149,964,249
Terminal	249,599	3,461,618	10,996,453	6,637,010	320,000	2,490,090	10,860,540	5,430,270	40,445,580
Baggage Handling System	-	2,723,249	-	-	-	-	-	-	2,723,249
Landside	141	950,359	942,500	-	-	-	-	-	1,893,000
Other	532,542	5,759,794	2,687,000	2,975,000	2,330,000	4,713,000	6,457,000	1,000,000	26,454,337
Administrative	193,335	770,508	650,000	500,000	1,500,000	-	-	-	3,613,843
Stead	5,095,677	6,763,173	2,583,800	3,134,750	149,257	50,000	50,000	50,000	17,876,656
	29,367,476	50,943,834	44,754,442	37,365,207	20,618,640	20,670,173	26,370,873	12,880,270	242,970,914
SOURCES OF FUNDS									
Federal Grants -Entitlement	1,536,558	1,514,341	1,406,353	1,379,169	1,384,519	1,390,809	1,398,083	1,405,466	11,415,299
Federal Grants -Discretionary	20,930,080	28,846,679	10,796,937	21,100,269	13,954,043	14,027,712	21,168,360	9,685,411	140,509,492
Passenger Facility Charges	207,763	5,178,496	10,857,750	5,982,590	2,358,250	1,923,750	-	-	26,508,599
Operating Funds	-	-	-	-	-	-	-	-	-
General Purpose	2,155,930	6,585,473	7,178,452	2,079,274	1,311,039	3,277,901	3,754,430	1,739,392	28,081,892
Pre-Bond Funds	-	-	-	-	-	-	-	-	-
Fuel Tax Fund	-	-	-	-	-	-	-	-	-
Special Fund	176,400	441,694	40,000	-	50,000	50,000	50,000	50,000	858,094
RTAA Grant Fund	-	-	-	-	-	-	-	-	-
RTAA Flood Fund	-	4,373,688	-	-	-	-	-	-	4,373,688
RTAA Conduit Fund	-	160,000	400,000	-	-	-	-	-	560,000
Acquisition Fund	-	68,000	-	-	-	-	-	-	68,000
Subordinate Lien Revenue Notes	0	3,595,463	13,894,950	6,643,905	1,461,532	-	-	-	25,595,850
Consent Degree Fund	4,360,743	180,000	180,000	180,000	99,257	-	-	-	5,000,000
Customer Facility Charge	-	-	-	-	-	-	-	-	-
	29,367,476	50,943,834	44,754,442	37,365,207	20,618,640	20,670,173	26,370,873	12,880,270	242,970,914

CAPITAL IMPROVEMENT PROGRAM - OVERVIEW
SOURCES & USES OF FUNDS BY LOCATION
Reno-Tahoe Airport Authority
(Escalated Dollars)

	Prior Years Actual	FY 2010-11 Forecast	FY 2011-12 Forecast	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	Total FY10-17 Forecast
AIRSIDE									
Airfield Pavement Maintenance Program (2010-11)	-	342,500	342,500	-	-	-	-	-	685,000
Airfield Pavement Maintenance Program (2011-12)	-	-	140,000	-	-	-	-	-	140,000
Airfield Lighting System Upgrade	1,338,365	4,528,300	-	-	-	-	-	-	5,866,665
Airfield Maintenance Roof Replacement	-	148,000	-	-	-	-	-	-	148,000
ARFF #1 Roof Replacement	-	-	131,000	-	-	-	-	-	131,000
ARFF Vehicle Replacement (Two)	-	-	200,000	200,000	-	-	-	-	400,000
Central Disposal Facility Upgrades	-	-	375,000	1,125,000	-	-	-	-	1,500,000
Drainage Ditch Improvements - Taxiway A	2,860	122,140	-	-	-	-	-	-	125,000
eALP (Electronic Airport Layout Plan	-	-	-	-	90,000	510,000	-	-	600,000
Extension of Taxiway "L" (Design/ Construction)	-	-	364,000	1,456,000	-	-	-	-	1,820,000
FAR Part 150 Noise Compatibilty Update	-	-	-	-	-	300,000	700,000	-	1,000,000
FAR Par 150 Noise Insulation Program, Phase 17	6,048,370	918,296	500,000	-	-	-	-	-	7,466,667
FAR Par 150 Noise Insulation Program, Phase 18	1,976,514	2,823,486	1,600,000	-	-	-	-	-	6,400,000
FAR Par 150 Noise Insulation Program, Phase 19	1,777,666	2,731,167	953,501	-	-	-	-	-	5,462,334
FAR Par 150 Noise Insulation Program, Phase 20	116,419	1,600,000	2,875,124	2,875,124	-	-	-	-	7,466,667
FAR Par 150 Noise Insulation Program, Phase 21	-	-	533,333	3,200,000	1,600,000	-	-	-	5,333,333
FAR Par 150 Noise Insulation Program, Phase 22	-	-	-	533,333	3,200,000	1,600,000	-	-	5,333,333
FAR Par 150 Noise Insulation Program, Phase 23	-	-	-	-	533,333	3,200,000	1,600,000	-	5,333,333
FAR Par 150 Noise Insulation Program, Phase 24	-	-	-	-	-	533,333	3,200,000	1,600,000	5,333,333
FAR Par 150 Noise Insulation Program, Phase 25	-	-	-	-	-	-	533,333	4,800,000	5,333,333
Install 300 ft of Fence at FAA Tower	-	10,000	-	-	-	-	-	-	10,000
Install Safe Drains	-	16,150	-	-	-	-	-	-	16,150
Pave East Side Perimeter and ILS Roads (Design)	-	-	250,000	-	-	-	-	-	250,000
Pave East Side Perimeter and ILS Roads (Construction)	-	-	-	867,000	2,023,000	-	-	-	2,890,000
Perimeter Fence Safety Improvements	-	-	352,000	1,408,000	-	-	-	-	1,760,000
Rehab of Runway 16L/34R Touchdown Areas (Design/Construction)	-	-	818,000	3,272,000	-	-	-	-	4,090,000
Replacement Snow Removal Equipment, Ph 1	54,510	503,700	1,250,000	1,549,790	-	-	-	-	3,358,000
Replacement Snow Removal Equipment, Ph II	-	-	-	-	641,250	1,923,750	-	-	2,565,000
Sand Storage Building	-	-	-	93,000	217,000	-	-	-	310,000
SIDA Access Control	3,020,555	7,063,973	-	-	-	-	-	-	10,084,528
Snow Removal Equipment Facility (Design)	153,253	596,747	-	-	-	-	-	-	750,000
Snow Removal Equipment Building (Construction)	-	-	7,432,700	-	-	-	-	-	7,432,700
Solar Energy -ARFF and Other Facilities	-	400,000	1,200,000	(1,420,000)	-	-	-	-	180,000
South Airfield Wildlife Hazard Abatement Measures	-	-	855,000	1,995,000	-	-	-	-	2,850,000
South Central Disposal Facility (Design)	-	-	-	-	-	-	510,000	-	510,000
Taxiway "C" Extension (Design)	-	120,000	-	-	-	-	-	-	120,000
Taxiway "C" Extension (Construction)	-	494,400	2,801,600	-	-	-	-	-	3,296,000
Taxiway "Q" Reconstruction (Design)	213,228	192,772	-	-	-	-	-	-	406,000
Taxiway "Q" Reconstruction (Construction)	-	-	-	1,249,200	2,914,800	-	-	-	4,164,000
Terminal Apron Reconstrucion, Ph 11	4,194,982	279,126	-	-	-	-	-	-	4,474,108
Terminal Apron Reconstrucion, Ph 12	2,392,064	425,479	-	-	-	-	-	-	2,817,542
Terminal Apron Reconstrucion, Ph 13	1,854,244	1,945,756	-	-	-	-	-	-	3,800,000

CAPITAL IMPROVEMENT PROGRAM - OVERVIEW
SOURCES & USES OF FUNDS BY LOCATION
Reno-Tahoe Airport Authority
(Escalated Dollars)

	Prior Years Actual	FY 2010-11 Forecast	FY 2011-12 Forecast	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	Total FY10-17 Forecast
Terminal Apron Reconstrucion, Ph 14	146,675	2,904,618	821,531	-	-	-	-	-	3,872,824
Terminal Apron Reconstruction Phase 15-18 (Design)	6,477	2,348,523	-	-	-	-	-	-	2,354,999
Terminal Apron Reconstruction Phase 15 (Construction)	-	-	2,305,000	2,305,000	-	-	-	-	4,610,000
Terminal Apron Reconstruction Phase 16 (Construction)	-	-	-	2,210,000	2,210,000	-	-	-	4,420,000
Terminal Apron Reconstruction Phase 17 (Construction)	-	-	-	-	2,890,000	2,890,000	-	-	5,780,000
Terminal Apron Reconstruction Phase 18 (Construction)	-	-	-	-	-	2,460,000	2,460,000	-	4,920,000
Thermoplastic Airfield Ground Markings	-	-	494,400	-	-	-	-	-	494,400
VALE - Multi-Electric Ground Service Equipment (eGSE)	-	-	300,000	1,200,000	-	-	-	-	1,500,000
	$ 23,296,181	$ 30,515,132	$ 26,894,690	$ 24,118,447	$ 16,319,383	$ 13,417,083	$ 9,003,333	$ 6,400,000	$ 149,964,249
TERMINAL									
Advertising LED Sign Replacement Program	-	156,000	-	-	-	-	-	-	156,000
Baggage Claim Roof Repair - Sect. 12	92,940	114,547	-	-	-	-	-	-	207,487
Baggage Claim Lighting Retrofit	-	40,000	-	-	-	-	-	-	40,000
Centralized Security Checkpoint of the Future	-	1,480,800	5,429,600	5,429,600	-	-	-	-	12,340,000
Concourse "A" Structure (Design)	-	-	-	-	-	550,500	3,303,000	1,651,500	5,505,000
Concourse "A" Apron (Design)	-	-	-	-	-	1,259,590	7,557,540	3,778,770	12,595,900
Energy Management Control System Phase 2	-	200,000	-	-	-	-	-	-	200,000
Environmental Assessment for Development of Terminal Facilities	-	-	-	-	120,000	680,000	-	-	800,000
K9 Park Expansion	-	17,000	-	-	-	-	-	-	17,000
Stone & Stucco- Bag Claim	-	155,000	-	-	-	-	-	-	155,000
Terminal Lighting Retrofit Phase 2	-	250,000	-	-	-	-	-	-	250,000
Terminal Refurbishment Project	-	900,000	5,100,000	-	-	-	-	-	6,000,000
Terminal Roof - Sect. 2	56,760	88,099	-	-	-	-	-	-	144,859
Terminal Roof - Sect. 4 (Atrium)	99,898	21,673	-	-	-	-	-	-	121,571
Terminal Roof Replacement Area #3	-	38,500	-	-	-	-	-	-	38,500
Terminal Roof Replacement, Area #12A	-	-	177,500	-	-	-	-	-	177,500
VALE - Energy Management Safety System	-	-	289,353	1,157,410	-	-	-	-	1,446,763
VALE - HVAC System Improvements - Solar Heat Exchangers	-	-	-	50,000	200,000	-	-	-	250,000
	$ 249,599	$ 3,461,618	$ 10,996,453	$ 6,637,010	$ 320,000	$ 2,490,090	$ 10,860,540	$ 5,430,270	$ 40,445,580
BAGGAGE HANDLING									
Integrated In-Line Explosive Detection (ABC)	-	2,723,249	-	-	-	-	-	-	2,723,249
	$ -	$ 2,723,249	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,723,249
LANDSIDE									
Landside Pavement Maintenance Program (2010-11)	-	-	400,000	-	-	-	-	-	400,000
Landside Pavement Maintenance Program (2011-12)	-	-	120,000	-	-	-	-	-	120,000
Parking System Hardware/Software Upgrade	-	200,000	-	-	-	-	-	-	200,000
Parking Garage Glass Tower Gutters	-	45,500	-	-	-	-	-	-	45,500

CAPITAL IMPROVEMENT PROGRAM - OVERVIEW
SOURCES & USES OF FUNDS BY LOCATION
Reno-Tahoe Airport Authority
(Escalated Dollars)

	Prior Years Actual	FY 2010-11 Forecast	FY 2011-12 Forecast	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	Total FY10-17 Forecast
Parking Garage Lighting Retrofit	-	205,000	-	-	-	-	-	-	205,000
Roof Replacement- 1675 National Guard Way (Dollar)	-	-	32,500	-	-	-	-	-	32,500
Seal Portion of Parking Garage Roof, Ph I	141	499,859	-	-	-	-	-	-	500,000
Seal Portion of Parking Garage Roof, Ph II	-	-	390,000	-	-	-	-	-	390,000
	$ 141	$ 950,359	$ 942,500	$ -	$ -	$ -	$ -	$ -	$ 1,893,000
OTHER									
Airport West- Site Improvements (Hyatt Place)	508,690	683,759	-	-	-	-	-	-	1,192,449
Capital Project Allowance	-	-	-	1,750,000	1,750,000	1,000,000	1,000,000	1,000,000	6,500,000
Dassault Hangar - Sanitary Sewer Improvements	-	75,000	-	-	-	-	-	-	75,000
Debt Service Defeasance - 2003 Bonds	-	4,373,688	-	-	-	-	-	-	4,373,688
Federal Inspection Services Baggage System	23,852	222,348	-	-	-	-	-	-	246,200
Fence and Gate- Airport Warehouse Complex	-	-	35,000	-	-	-	-	-	35,000
FIS Building Renovation and Expansion (Design)	-	-	-	-	520,000	520,000	-	-	1,040,000
FIS Building Renovation and Expansion (Construction)	-	-	-	-	-	1,803,000	4,207,000	-	6,010,000
GA Access Control Improvements	-	25,000	-	-	-	-	-	-	25,000
GA Aircraft Apron, Phase I	-	-	2,275,000	1,225,000	-	-	-	-	3,500,000
GA Aircraft Apron, Phase II	-	-	-	-	-	1,250,000	1,250,000	-	2,500,000
Mini-Warehouse Improvments	-	75,000	-	-	-	-	-	-	75,000
Paint Warehouse Units	-	50,000	-	-	-	-	-	-	50,000
Replace Warehouse Doors	-	18,000	-	-	-	-	-	-	18,000
RFCC Building Demolition- Expansion Premises	-	200,000	-	-	-	-	-	-	200,000
Roof Replacement -1280 Terminal Way	-	-	125,000	-	-	-	-	-	125,000
Sewer and Storm Water System Reconstruction - 1880 Gentry	-	-	252,000	-	-	-	-	-	252,000
State of NV Motor Pool Building Improvements	-	12,000	-	-	-	-	-	-	12,000
VALE - Thermal Autoclave	-	-	-	-	60,000	140,000	-	-	200,000
Vehicle Gate for Airport Warehouse Complex	-	25,000	-	-	-	-	-	-	25,000
	$ 532,542	$ 5,759,794	$ 2,687,000	$ 2,975,000	$ 2,330,000	$ 4,713,000	$ 6,457,000	$ 1,000,000	$ 26,454,337
ADMINISTRATION									
Administrative Area Restooms Remodel	-	150,000	-	-	-	-	-	-	150,000
Board Room Remodel	-	100,000	-	-	-	-	-	-	100,000
Emergency Operations Center Roof Replacement (AVA #3)	193,335	508	-	-	-	-	-	-	193,843
Fire Line Water Connection	-	300,000	-	-	-	-	-	-	300,000
Geographical Information System (GIS)	-	-	-	500,000	1,500,000	-	-	-	2,000,000
Police Annex - 1600 National Guard Way Remodel	-	-	250,000	-	-	-	-	-	250,000
Reception and Protocol Room Remodel	-	60,000	-	-	-	-	-	-	60,000
Telephone System Replacement- Ph I	-	160,000	-	-	-	-	-	-	160,000
Telephone System Replacement- Ph II	-	-	400,000	-	-	-	-	-	400,000
	$ 193,335	$ 770,508	$ 650,000	$ 500,000	$ 1,500,000	$ -	$ -	$ -	$ 3,613,843

CAPITAL IMPROVEMENT PROGRAM - OVERVIEW
SOURCES & USES OF FUNDS BY LOCATION
Reno-Tahoe Airport Authority
(Escalated Dollars)

	Prior Years Actual	FY 2010-11 Forecast	FY 2011-12 Forecast	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	Total FY10-17 Forecast
RENO STEAD									
Computer Managed Gate access Controllers	-	-	40,000	-	-	-	-	-	40,000
Hangar Concrete Pad Replacement	-	20,000	-	-	-	-	-	-	20,000
Install Access Control Equipment	-	69,079	-	-	-	-	-	-	69,079
Pave Shop Yard	3,116	211,884	-	-	-	-	-	-	215,000
Runway Safety Area Improvements (Study)	128,622	21,378	-	-	-	-	-	-	150,000
Runway Safety Area Improvements (Design)	176,226	394,827	-	-	-	-	-	-	571,053
Runway Safety Area Improvements (Construction)	-	3,678,236	-	-	-	-	-	-	3,678,236
Stead Masterplan Update	283,082	32,707	-	-	-	-	-	-	315,789
Stead Solvent Site	4,360,743	180,000	180,000	180,000	99,257	-	-	-	5,000,000
Stead Solvent Site - Ph II (Post Consent Degree)	-	-	-	-	50,000	50,000	50,000	50,000	200,000
Terminal/ Emergency Operations Command Center (Design)	143,887	1,564,113	-	-	-	-	-	-	1,708,000
Terminal/ Emergency Operations Command Center (Construction)	-	590,950	2,363,800	2,954,750	-	-	-	-	5,909,500
	$ 5,095,677	$ 6,763,173	$ 2,583,800	$ 3,134,750	$ 149,257	$ 50,000	$ 50,000	$ 50,000	$ 17,876,656
Grand Total	$ 29,367,476	$ 50,943,834	$ 44,754,442	$ 37,365,207	$ 20,618,640	$ 20,670,173	$ 26,370,873	$ 12,880,270	$ 242,970,914

Reno-Tahoe Airport Authority
FY 2011-12
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. The Authority's establishment of funds are not the typical governmental purpose type funds seen in municipal government 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 investment policy, Bond Resolution, and revenue bond insurance policy specifies the type of investments that may be made. The majority of the eligible 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 Section 3 Expenditures section by taking the total operations and maintenance expense.

The next priority, the Bond Fund with its subaccounts 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 the principal and interest due July 1, 2012 and the transfers out are for debt service due July 1, 2011. 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.

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 3 – Trust Funds Summary

With the issuance of the RTAA Subordinate Lien Airport Revenue Notes, Series 2011A and 2011B on June 1, 2011, this debt is issued on a subordinate basis and junior to the lien of senior lien revenue bonds. Funding for subordinate debt is repaid with funds accumulated after payment of the Bond Fund. See Section 3 Debt Summary for additional information regarding the new Subordinate Notes Program.

The following funds have balances that are maintained beyond one fiscal year. The following schedules show other reserve and discretionary fund balances established by the Authority under the bond resolutions:

The Operation and Maintenance Reserve Fund is a deposit equal to two months of the annual operation and maintenance expense budget. The balance of this fund as of June 30, 2011 is $6,009,404. 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, 2012 of $6,117,951.

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 30, 2011.

The Special Fund is the next priority and receives 35% of the gaming concession revenue. The RTAA has used this fund for the Five-Year Plan Capital Improvement Program projects at the Reno-Stead Airport. The balance of this fund at June 30, 2011 is $9,093,525.

The General Purpose Fund is the last priority and will receive the RTAA's share of the 50/ 50% profit sharing with the airlines under the airline agreement. This fund will be used for Five-Year Capital Improvement Plan projects at the Reno-Tahoe International Airport. The balance of this fund at June 30, 2011 is $10,069,457. The expenditures from this fund are for equipment and capital projects being purchased in the FY 2011-12 that will be included in the airlines rates and charges in subsequent years through amortization and the RTAA's share of federally funded projects.

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 3 – Trust Funds Summary

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

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

RENO-TAHOE AIRPORT AUTHORITY
PROJECTED BALANCE OF CASH AND INVESTMENT ACCOUNTS AND SUB-ACCOUNTS
ESTABLISHED BY REVENUE BOND RESOLUTIONS
FOR THE YEAR ENDED JUNE 30, 2012

	Issuer Cash and Investment Accounts		Bond Fund		Subordinate Note	
	Special Fund	Operation & Maintenance Fund	Interest Fund 2005	Principal Fund 2005	Interest Fund	Principal Fund
Balance June 30, 2011 (Unaudited)	$ 9,093,525	$ 5,350,000	$ 667,700	$ 1,185,000	$ 211,095	$ -
Receipts:						
Gross pledged revenues received:						
Deposits from Airport revenues						
Income received from investments pledged portion						
PFC revenue						
Subordinate Note						
FAA Grants and other contributions						
Transfer among funds:						
Gaming revenue	798,105					
Operation and maintenance expenses		36,707,704				
Debt service requirements			1,276,150	1,245,000	253,906	2,315,000
Replenish fund for expenditures						
Maintain reserve requirement						
Equipment and capital projects in airline rates	-	731,450				
Disbursements:						
Operation and maintenance expenses		(36,707,704)				
Equipment and capital outlay		(731,450)				
Payment of revenue bond interest and principal			(1,305,775)	(1,185,000)	(232,500)	
Other capital improvement expenditures	(40,000)					
Projected Balance at June 30, 2012	$ 9,851,630	$ 5,350,000	$ 638,075	$ 1,245,000	$ 232,501	$ 2,315,000

RENO-TAHOE AIRPORT AUTHORITY
PROJECTED BALANCE OF CASH AND INVESTMENT ACCOUNTS AND SUB-ACCOUNTS
ESTABLISHED BY REVENUE BOND RESOLUTIONS
FOR THE YEAR ENDED JUNE 30, 2012

Trustee's Cash and Investment Accounts						
Operations & Maintenance Reserve Fund	Renewal & Replacement Fund	General Purpose Fund	Construction Fund	PFC Fund	Revenue Fund	Totals
$ 6,009,404	$ 780,000	$ 10,456,208		$ 6,235,998	$ 150,000	$ 40,138,930
						-
					53,310,113	53,310,113
					202,400	202,400
				7,412,100	10,857,750	18,269,850
			13,814,950			13,814,950
					12,203,290	12,203,290
					(798,105)	-
					(36,707,704)	-
				(257,811)	(4,832,245)	-
		2,588,562			(10,443,009)	(7,854,447)
108,547					-	108,547
		(7,178,452)	(13,814,950)	(10,857,750)	21,613,402	(10,237,750)
					(731,450)	-
						(36,707,704)
						-
						(731,450)
						(2,723,275)
					(44,674,442)	(44,714,442)
$ 6,117,951	$ 780,000	$ 5,866,318	$ -	$ 2,532,537	$ 150,000	$ 35,079,012

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 3 – Debt Summary

FY 2011-12 DEBT SERVICE

Senior Lien Airport System Revenue Bonds

As of July 1, 2011, the only senior lien bonds outstanding will be the Series 2005 Airport Revenue Refunding bonds in the amount of $26,270,000. With an average net interest rate of 4.49%, these bonds refunded the Series 1996A Airport Revenue Bonds (1996A Bonds). The 1996A Bonds were issued to finance the construction of a three story, 2,400 space parking garage in the main parking lot, a new terminal access roadway system to accommodate the parking garage, a passenger skyway to connect the parking garage to the terminal, and certain related land acquisition.

In FY 2011-12, senior lien debt service will decrease to $2,521,150, a decrease of $4,372,500 from the FY 2010-11 Budget of $6,893,650 or 63%. This annual debt service will remain stable on the Series 2005 Bonds through fiscal year 2026. Over the past two years, annual senior lien debt service has decreased from $11.3 million in FY 2009-10 to $6.9 million in FY 2010-11 to $2.5 million in the proposed FY 2011-12 Budget.

Subordinate Lien Airport Revenue Note

On June 1, 2011, the Reno-Tahoe Airport Authority obtained funding for its Airport Renewal Program Plan and other capital projects from Banc of America Public Capital Corporation (BAPCC) with the issuance of Subordinate Lien Airport Revenue Notes with a maximum principal amount of $30 million for a term of six years.

The proceeds of the Notes will be used to finance the costs of capital improvement projects (the "Projects") at the Reno-Tahoe International Airport (RTIA) and Reno-Stead Airport (RTS), which include the following:

Project	Airport	Estimated Costs
Terminal Refurbishment	Reno-Tahoe International	$ 6,000,000
Emergency Operations Center/ Terminal Building	Reno-Stead	7,417,500
Centralized Security Checkpoint	Reno-Tahoe International	6,170,000
Snow Removal Equipment Building	Reno-Tahoe International	3,716,350
Equipment and Miscellaneous Capital Improvement Projects	Reno-Tahoe International	2,435,900
Capitalized Interest and Cost of Issuance		465,150
		$ 26,204,900

A detailed description of the Projects is provided in Section 1 – Introduction and Summary under "Airport Renewal Program".

The Notes, after application of PFC revenues to eligible projects, will be paid solely from and secured by a pledge of Net Revenues derived from the operations of the Airport System and certain funds and accounts. Net Revenue represents gross revenues of the Airport System less operating and maintenance expenses, on a basis subordinate and junior to the liens of any existing or future annual debt service of the Authority's senior lien airport revenue bonds.

The interest on the Notes will be excluded from gross income under federal income tax laws; however, the Notes will be subject to alternative minimum tax.

The 2011 Notes are structured with a final maturity of July 1, 2017. This relatively short repayment period of six years is to quickly retire this borrowing in anticipation of future capital improvement projects that may include replacement of the terminal concourses. Staff does not anticipate the issuance of any additional senior lien bonds while the Notes are outstanding. However, the Note Resolution does reserve the right to issue additional debt at any time, subject to requirements and financial tests outlined in the Note Resolution.

The Authority has divided the borrowing into two parts as follows:

- Series "2011A" Subordinate Lien Revenue Note - Fixed Rate portion. The Authority has obtained $15.0 million of the loan, as a fixed rate loan with a final maturity of July 1, 2017. Interest on the 2011A Note over the six year term has been locked-in at 2.75% with payment semiannually starting on January 1, 2012. Principal payments will be made annually on July 1, commencing on July 1, 2012 with the final payment on July 1, 2017. Principal payments will be structured so that the total annual payments of principal and interest on the 2011A Note will be approximately level from FY 2012 through FY 2017.

  The 2011A Note is primarily designed to provide funding for the Terminal Refurbishment Program and the Reno-Stead Emergency Operations Center (EOC) / Terminal Building. With interest rates at historic low rates, the 2011A Note is designed to lock-in today's interest rates and secure funding to enable construction of airport improvements in the current bidding environment.

- Series "2011B" Subordinate Lien Revenue Note - Variable Rate portion. The Authority has structured approximately $15.0 million of the loan as a variable rate loan, which would also have a final maturity of July 1, 2017. The 2011B Note is designed to serve as a flexible borrowing instrument such that the Authority can borrow under the Note for a two year period (May 31, 2013) in increments of $1,000,000 or greater. After any draw under the 2011B Note has been outstanding for a period greater than one year, the Authority can make repayment at any time.

The rate for the 2011B Note is established at 1.581% over the six month London Interbank Offering Rate (LIBOR) rate. As of June 1, 2011, the six month LIBOR rate was 0.40%. The rate, should the Authority have borrowed under the 2011B Note at closing, would have been 1.98%. The interest rate on the 2011B Note will be capped at 12%.

The Centralized Security Checkpoint and the Snow Removal Equipment Building, funded from the proceeds of the Notes, are eligible for the associated debt service to be repaid from future Passenger Facility Charge ("PFC") revenue. The Authority submitted on March 9, 2011 an application to the Federal Aviation Administration ("FAA") for approval to apply PFCs toward the costs of these projects. The Authority's preliminarily plans are to fund such costs from the proceeds of the 2011B Note, although it is possible that a portion of such PFC-eligible costs will be funded from the proceeds of the 2011A Note.

The other project to be funded by the 2011B Note is associated with the acquisition of vehicles, heavy equipment, and smaller miscellaneous projects that include the following: 1) airfield and landside pavement rehabilitation; (2) building roofing replacement and structural upgrades; (3) sanitary sewer, water, and storm water drainage improvements; (4) building renovations; (5) airfield and landside signage and markings; and (6) solar energy facility installations.

The Authority has covenanted in the Note Resolution that, upon receiving a formal record of decision of the FAA's approval of the Authority's application, the Authority will apply PFCs to the repayment of PFC eligible debt service under the Notes, provided that the amount of PFCs applied toward debt service will not exceed a cumulative total of $18 million in fiscal year 2011-12 through fiscal year 2016-17.

The Authority collected $7.7 million of PFC revenue in FY 2010 and it estimates that PFC revenue collections will be in the range of $7.5 to $8 million annually over the next five years.

To the extent that the PFC-eligible debt service on the Notes may exceed a total of $18 million and, a portion of such debt service is thus not paid from PFCs, the Authority will be obligated to pay such debt service from Net Revenues, under a basis subordinate to any existing or future annual debt service of the senior lien airport revenue bonds.

Debt service on the Subordinate Notes is estimated to be $2.31 million in the FY 2011-12 Budget with a forecasted increase to a peak annual debt service to $3.1 million once the projects are completed. With final terms of the Subordinate Note determined after completion of the FY 2011-12 Budget, staff estimated an interest rate of 3.1% on the 2011A Note and 2.5% on the 2011B Note. Factoring in the use of PFC Revenues to supplement the Net Revenues available to pay the related debt service, the following table outlines the estimated annual debt service over the next three years:

Reno-Tahoe Airport Authority
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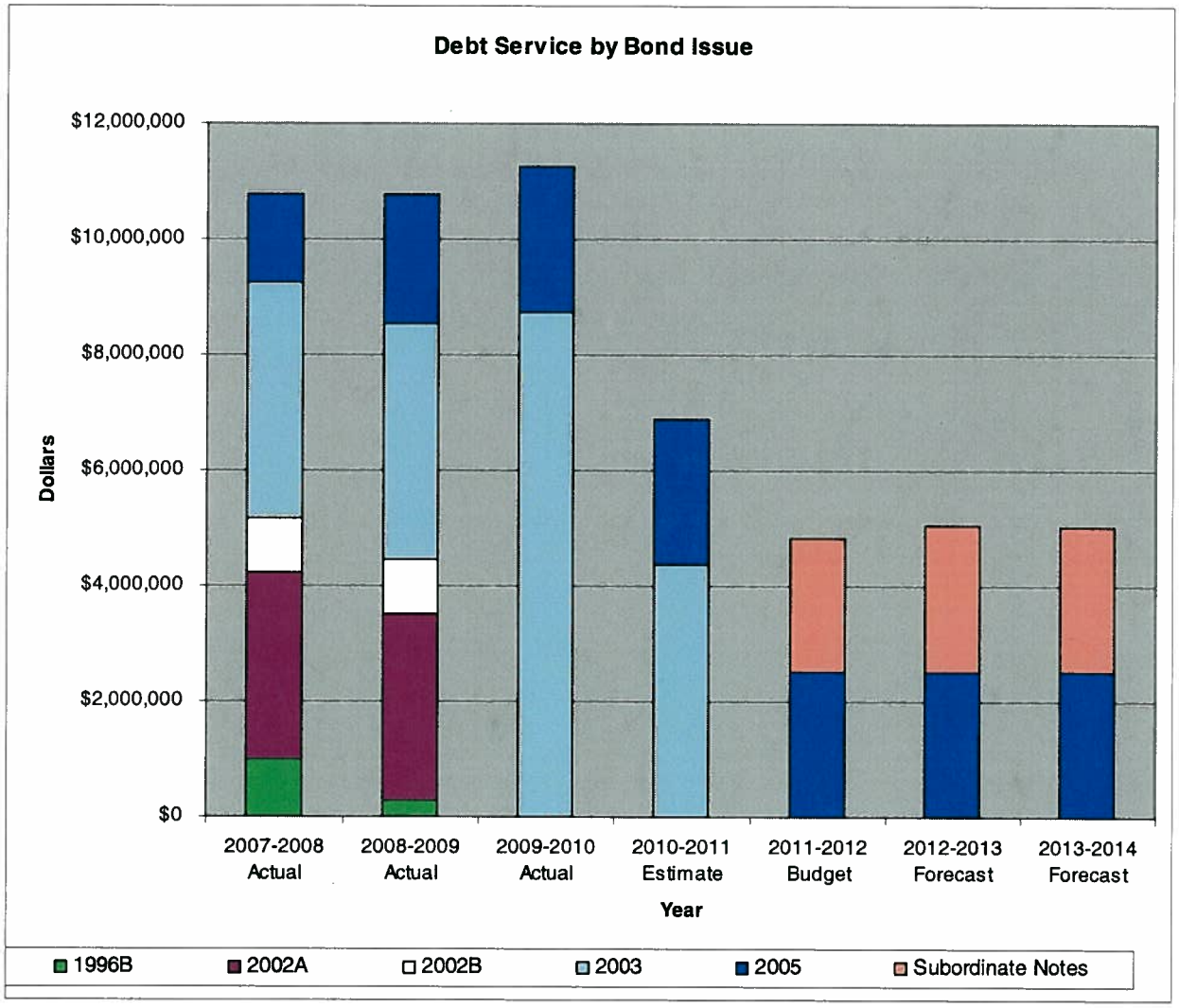
Section 3 – Debt Summary

	2011-2012 Budget	2012-2013 Estimate	2013-2014 Estimate
Subordinate Note (Series 2011 A)			
Principal	2,315,000	2,385,000	2,460,000
Interest	253,906	393,235	319,300
PFC Applied	(257,811)	(256,146)	(254,326)
Total (Principal + Interest)	2,311,095	2,522,089	2,524,974
Subordinate Note (Series 2011 B)			
Principal	-	950,000	2,435,000
Interest	-	207,394	252,775
PFC Applied	-	(901,288)	(2,091,550)
Total (Principal + Interest)	-	256,106	596,225
Total Subordindate Note Debt Service			
Principal	2,315,000	3,335,000	4,895,000
Interest	253,906	600,629	572,075
PFC Applied	(257,811)	(1,157,434)	(2,345,876)
Total (Principal + Interest)	2,311,095	2,778,195	3,121,199

Total Debt Service Impact

The debt service reflected in the FY 2011-12 budget is composed of the Series 2005 Senior Lien Airport System Revenue Bonds and new Subordinate Lien Airport Revenue Notes. Total debt service for FY 2011-12 is budgeted at $4,832,245. Annual debt service has decreased by $2,061,405 from the FY 2010-11 Budget of $6.89 million.

As of July 1, 2011 the Authority had approximately $26.27 million of senior lien debt outstanding. This equates to $13.81 per enplaned passenger, well below the Moody Investor Services' fiscal year 2009 median of $72.47. With the new Subordinate Notes, the Authority's outstanding debt will increase, if the Authority borrows the maximum available, to approximately $61.02 million, or $31.98 based on fiscal year 2011 enplaned passengers, which remains well below the Moody's median.



ALLOWED PURPOSES AND TYPES OF DEBT

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 to the holders of the debt. 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.

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. 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 1982 were used to construct airfield improvements and expand the terminal building. The 1982 bonds were refunded 1993B bond issues respectively. The 1993B bonds were refunded again in 2003 as interest rates fell even lower. The Series 2003 Bonds will be paid in full prior to July 1, 2011.

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 Bonds, which were repaid in FY 2008-09, were 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. After FY 2010-11, the Series 2005 bonds will be the only senior lien debt outstanding.

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 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 Majority In Interest (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.

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 few airport ratings affirmed, and not downgraded. Other airports were not as fortunate. This rating is also known as the "underlying rating," or the uninsured rating.

In the 2004-05 fiscal year, RTAA staff was able to demonstrate the economic strength of the RTAA and the Reno-Tahoe area, which resulted in Fitch Ratings upgrading RTAA's bond rating from "A-" to "A" on July 7, 2005.

On August 17, 2009, Fitch Ratings put RTAA credit rating on negative watch citing the airport's downward trend in passenger enplanements. Fitch indicated that additional capacity reductions and lower enplanements, resulting from the weakened overall regional economy, could pressure the Authority's historically strong balance sheet and liquidity position.

However during FY 2010-11, the Authority's passenger traffic has stabilized as the economy modestly recovers and Fitch Rating upgraded the outlook back to "Stable" on March 1, 2011. This is a very positive achievement in this difficult economic environment and RTAA is one of the first airports to have its negative outlook removed.

The factors listed by Fitch in support of this decision included the following:

- The decline in passenger traffic was less than originally forecasted and a rebound in enplanements was achieved in the last calendar year

- Proactive cost containment and the defeasance of $4.4 million of Authority debt principal and interest in FY 2010-11

- Significantly lower debt starting in FY 2012 reflecting a drop of outstanding debt service from $11.3 million in 2010 to $6.9 million in 2011 to $2.5 million from 2012 through maturity in 2026

- A new Airline Use and Lease Agreement that provides greater financial stability

- Strong balance sheet with excellent liquidity

- Modest airline cost per enplaned passenger (CPE) of $5.12 that is expected to remain under $9.00 over the next five years based on conservative passenger growth estimates

The RTAA's remaining senior lien bond issue is 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 originally carry the "AAA" credit rating of the insurance company. During FY 2008-09, the national problems associated with the "subprime" mortgage market have affected all three of the bond insurance companies used by the RTAA. The insurance companies' previous AAA ratings have been downgraded. This downgrading of the bond insurers does not affect the amount of debt service paid by the RTAA or the financial condition of the Authority to make these payments.

The outstanding bond issues and their ratings as of June 30, 2011 are summarized in the following table:

Bond Issue	Insured Rating	Insurance Company	Underlying RTAA Rating	Coupon Interest Rates
2005 Refunding	AA+	FSA	Fitch A Stable Outlook	3.0 percent to 5.0 percent

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 (3%) net present value debt service savings is the minimum industry standard necessary to justify such refundings.

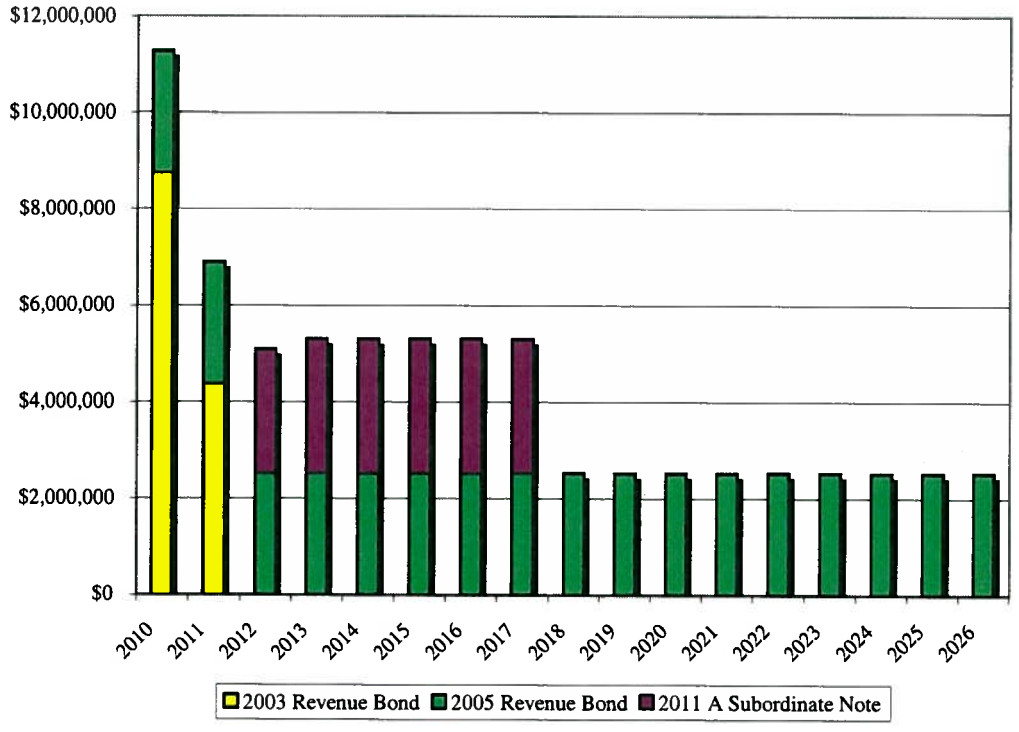
Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 3 – Debt Summary

2011-12 Debt Service Allocation to Airport Cost Centers							
	Principal		Interest		Total		
1996A/2005	1,245,000		1,276,150		2,521,150		
2011 Subordinate Notes	2,315,000		253,906		2,568,906		
Total					5,090,056		
	Airfield	Terminal	BHS	Ground Trans	Other	Reno Stead	Total
1996A/2005	0%	0%	0%	100%	0%	0%	100%
2011 Subordinate Notes	0%	0%	0%	0%	41%	49%	90%
Debt service							
1996A/2005	-	-	-	2,521,150	-	-	2,521,150
2011 Subordinate Notes	-	257,811	-	-	1,045,418	1,265,677	2,568,906
Total	$ -	$ 257,811	$ -	$ 2,521,150	$ 1,045,418	$ 1,265,677	$ 5,090,056
Coverage	-	64,453	-	630,288	261,355	316,419	1,272,515
Cap Interest	-	-	-	-	-		
DS & Coverage	$ -	$ 322,264	$ -	$ 3,151,438	$ 1,306,773	$ 1,582,096	$ 6,362,571

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Summary of Bonded Indebtedness

	2005 Revenue Refunding Bonds	Subordinate Notes (Series 2011A)	Total Bonded Indebtedness
Amount of original issue	$ 29,775,000	$ 15,000,000	$ 44,775,000
Bonds / Notes retired	3,505,000	-	3,505,000
Bonds / Notes Outstanding July 1, 2011	$ 26,270,000	$ 15,000,000	$ 41,270,000
FY 2011-12 Debt service requirement			
Principal payment due	$ 1,245,000	$ 2,315,000	$ 3,560,000
Interest payment due	1,276,150	253,906	1,530,056
PFCs applied		(257,811)	(257,811)
Total FY 2011-12 Debt Service	$ 2,521,150	$ 2,311,095	$ 4,832,245

Annual Debt Service



Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Schedule of Debt Service

Bond Year Ended July 1	Airport Revenue Refunding Bonds Series 2005		Subordinate Notes Series 2011 A		
	Principal	Interest	Principal	Interest	Total
2012	1,245,000	1,276,150	2,315,000	253,906	5,090,056
2013	1,310,000	1,213,900	2,385,000	393,235	5,302,135
2014	1,355,000	1,161,500	2,460,000	319,300	5,295,800
2015	1,420,000	1,101,300	2,535,000	243,040	5,299,340
2016	1,475,000	1,044,500	2,615,000	164,455	5,298,955
2017	1,550,000	970,750	2,690,000	83,390	5,294,140
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
	$ 26,270,000	$ 11,538,100	$ 15,000,000	$ 1,457,326	$ 54,265,426

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Net Pledged Revenues Test

	FY 2009-10 Actual	FY 2010-11 Budget	FY 2011-12 Budget
Airport System Revenues			
Airline fees and rentals			
Landing fees	$8,260,259	$5,871,314	$7,345,554
Terminal building space rental	4,796,366	6,984,700	7,705,700
TOTAL Airline fees and rentals	13,056,625	12,856,014	15,051,254
Non-Airline Revenues			
Other Aircraft Fees	896,912	986,100	819,700
Concession fees	14,400,176	11,641,600	11,780,700
Parking and Ground Transportation	8,738,391	9,326,400	8,980,800
Other Rentals	5,582,599	6,295,600	6,219,400
Reimbursents for Services (BHS)	1,838,355	3,643,482	2,733,659
Other operating revenues	18,300	16,100	12,000
Total Operating Revenue	44,531,358	44,765,296	45,597,513
Non-Operating Revenue			
Trust Fund Investment Income	202,734	375,500	204,400
Other Non-Operating Income	352,438	327,100	329,000
Gross pledged revenues	45,086,530	45,467,896	46,130,913
Airport system operation and maintenance expenses	(31,135,280)	(36,056,426)	(36,707,704)
Transfers - General Purpose Fund for			
LOI Bond debt service	650,117	-	-
Airline revenue share	1,516,737	2,282,756	1,161,100
Transfers - Special Fund for			
35% of gaming revenue	(780,474)	(792,435)	(798,105)
Net pledged revenues	$15,337,630	$10,901,791	$9,786,204
Debt Service - Senior Lien Bonds	11,268,725	6,893,650	2,521,150
Debt Service Coverage Ratio - Senior Lien Bonds	1.36	1.58	3.88
Net Pledged revenue available for Subordinate Notes	4,068,905	4,008,141	7,265,054
Pledged PFC Revenues	-	-	257,811
Pledged revenue available for Subordinate Notes	4,068,905	4,008,141	7,522,865
Debt Service - Subordinate Notes (Series 2011A)	-	-	2,568,906
Debt Service - Subordinate Notes (Series 2011B)	-	-	-
Total Subordinate Notes	-	-	2,568,906
Debt Service Coverage Ratio - Subordinate Lien Notes	-	-	2.93
Debt Service Coverage Required			
125% of Senior Debt Service - Net of LOI Transfers			
110% of Subordinate Lien Notes - Net of LOI Transfers			

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 4 – Supplemental Data

Air Service Development

In Calendar Year 2010, the number of flights and passengers at Reno-Tahoe International Airport (RTIA) grew at the rate of approximately one and a half percent as compared to the same period last year. However, the airline industry is still affected by the economic recession that began in 2008 and has yet to fully recover.

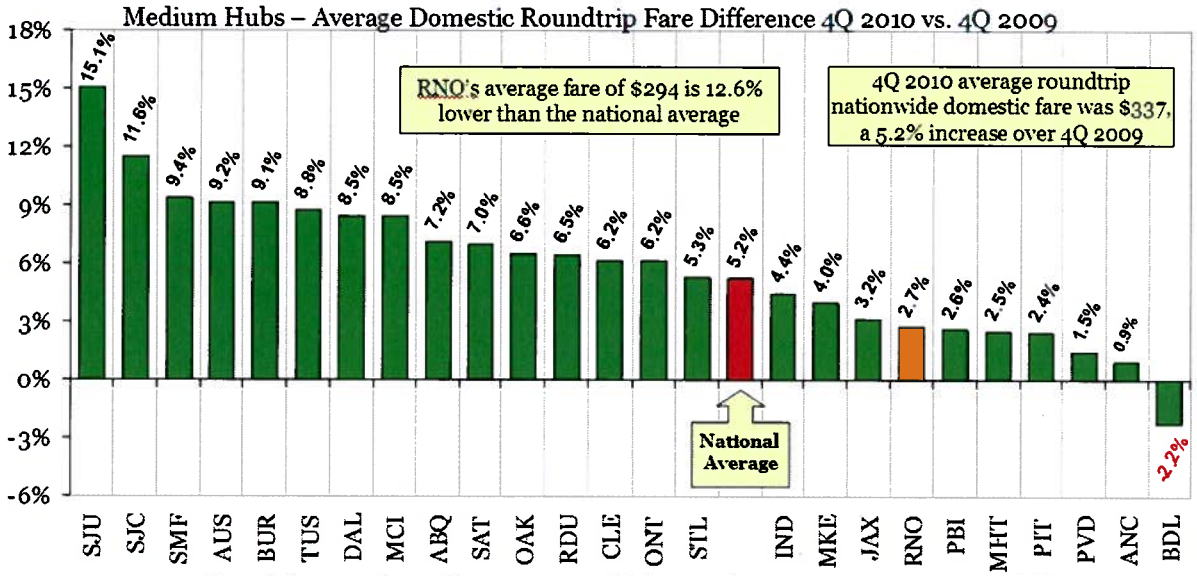
Business and leisure passenger demand continue to show limited growth and airlines continue to limit capacity expansion in 2011, impacting airports across the nation. The price of oil, while down from the 2008 peak, remains somewhat volatile, adding further pricing difficulty to the airlines. As the economy and demand improved over the course of 2010, airlines were able to raise fares while holding back capacity growth.

Southwest Airlines, one of the nation's financially healthy airlines, continues to serve RTIA as its largest air carrier, with approximately 54% of the total market share. RTIA offers better air service than any other airport for a city of comparable size anywhere in the United States. Seven major/national airlines serve RTIA offering non-stop service to 17 cities, and make one-stop connections to virtually any major metropolitan city in the world. These 17 cities represent an increase of two nonstop markets over the same period last year due to the addition of Houston-Intercontinental and Minneapolis/St. Paul service with Continental and Delta Air Lines, respectively.

Fortunately, fares at RTIA grew at half the rate of the national average, only showing a 2.7% increase in the fourth quarter of 2010 versus the same quarter in 2009. In addition, out of the top 100 airports in the U.S., RTIA ranked 80th in average roundtrip fare, behind many west coast and medium hub airports, including Sacramento, our closest competitor

Domestic National Average	4Q 2009 **$320**	4Q 2010 **$337**	% Diff. 5.2%	Ranks Among Highest Fares Airports	Yields YE 4Q10 (in cents)	Cost Per Enplanement
Newark-Liberty	$406	$461	13.5%	1st	13.5	$24.56
San Jose	$265	$295	11.6%	79th	13.4	$10.32
Sacramento	$288	$315	9.4%	62nd	12.8	$8.07
Las Vegas	$241	$259	7.6%	93rd	11.2	$7.83
Reno	$286	$294	2.7%	80th	13.8	$5.12

In terms of average domestic fares, RNO ranked 80 out of the top 100, with an average fare of $294



Source: Bureau of Transportation Statistics, Top 100 airports* (based on 2009 U.S. originating domestic passengers) ranked by average domestic itinerary fare in 4Q 2010. APGDat, O&D Passengers Survey, 4Q 2010 for ANC, SJU average domestic fare.

In the airline industry, "yield" refers to the fare an airline generates flying one passenger one mile. The latest Department of Transportation survey, year ending first quarter 2011, shows that airline yields at RTIA are 14.3¢ with an average stage length of 1,041 miles. This represents an increase of five percent in the average yield and 3.1% in average stage length. This is very comparable to the domestic average, which is also a 14.3¢ yield and at a slightly longer stage length of 1,118 miles.

The RTAA staff continues to actively pursue new air service. The President/CEO, Director of Air Service and Cargo Development, Air Service Development (ASD) staff, 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 target cities, forecasts 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. In order to better understand RTIA's current and potential markets, as well as to lower costs, staff has taken on the responsibility of researching, compiling, analyzing and developing the vast majority of airlines route analyses and presentations, resulting in a cost savings to the airlines of over $150,000 per year. In calendar year 2010, staff attended over 50

individual airline and freight forwarder meetings in order to remain top of mind with every entity possible.

To make the addition of new air service more attractive for a current or new airline, and to compete with other airports seeking new air service, 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. RTAA also participates in the cost of cooperative advertising for new air service with the community's Regional Marketing Committee (RMC). 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 serve RTIA. Air cargo activity grew an astounding 11.5 percent from FY 2009-10 to FY 2010-11, which is directly attributable to the improvement in the economy as well as the growing diversification in Northern Nevada economy. Even though the economy continues to fluctuate globally, air cargo has grown for 17 straight months at RTIA. This is due to the major warehousing, e-commerce and distribution facilities in the region. Growth in areas such as the Tahoe/Reno Industrial Center has continued to help spur cargo growth and economic diversity.

Air cargo carriers not only affect the cargo activity at the airport, but also accomplish the community's goal of further diversifying the local economy. Passenger surveys indicate a significant increase in the number of business passengers, as opposed to tourism travelers, with the growing economic diversity in the region. Nearly 40 percent of all travelers are traveling for business purposes according to the RTIA passenger survey performed in 2010.

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.

Local Community and the Airports

The Reno- Tahoe International Airport (RTIA) is truly a regional airport serving over 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 and other inclement weather, few western Nevada passengers use the Sacramento

Airport. Many northern California 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.

Special Community Events

The Reno-Tahoe region is described as "America's Adventure Place". With over five million annual visitors, Reno and Lake Tahoe events are growing each year. In addition to the area's breath-taking beauty, Reno and Lake Tahoe offers an amazing mix of history, art, and culture. Tourism and conventions continue to be big business in the Reno-Sparks area.

The Reno-Sparks Convention & Visitors Authority (RSCVA) owns and operates several facilities designed to draw out of town visitors. For example, the National Bowling Stadium hosts three-month long bowling competitions with 70,000 to 90,000 bowlers. The United States Bowling Congress (USBC) and Reno's National Bowling Stadium announced that Reno will host both the USBC Open Championship and the Women's Championship at the same time in 2013 and 2014. The dual events are expected to bring an estimated 150,000 visitors to town over a five month period with an estimated economic impact of nearly $360 million. Before debuting together in 2013, the Open Championship was successfully completed in Reno in 2011 and the Women's Championship will be held here in 2012

The Reno-Sparks-Tahoe area draws hundreds of thousands of visitors to northern Nevada for community-wide special events throughout the year. This year's special event season started with the Reno Rodeo, a ten-day event in its 91st year, and a PRCA (Professional Rodeo Cowboys Association) sanctioned sporting event. The Reno Rodeo is a non-profit organization made up of over 350 volunteers with over 120,000 fans in attendance; it is the 4th largest PRCA tour rodeo. The event impacts the Reno-Sparks area economy by approximately $42 million. The Reno Rodeo was nationally televised on OLN, ESPN, ESPN2 and CBS. This event is held at the Reno-Sparks Livestock Events Center, a 35,000 square feet exhibit space with an indoor arena seating 6,200 and a lighted outdoor arena seating 9,000.

Artown, noted by the National Endowment for the Arts as one of the most comprehensive festivals in the country, brings the arts to Reno each July with a packed calendar of events. Artown captures the imagination and brings with it a celebration of distinguished artists from around the world, across the country, and those that live in the community, all for the sake of

cultural diversity and artistic innovation. To experience the best and the latest in visual and performing arts, Artown features more than 400 events, from over 100 presenters designed to inspire and impress the 350,000 people that experience the festival annually.

The first week of August is reserved for Hot August Nights; a celebration of the 50's and 60's emphasizing the cars of the era. More than 800,000 people flock to the event and bring an economic impact of $351 million. There are more than 5,000 classic cars from 36 states across the nation, including Alaska, Massachusetts and Florida and three Canadian provinces. Californians bring over 2,500 cars for this event. Nevadans have over 1,500 cars entered and registration from the Pacific Northwest is strong with more than 280 from Oregon and 220 from Washington.

There are many great events in the area in September, and starting things off is the Best of the West Rib Cook Off held in the City of Sparks and sponsored by John Ascuaga's Nugget. Following the Rib Cook Off are the Reno Balloon Races. The Great Reno Balloon Races are the largest free hot air ballooning event in the nation. Throughout the event an estimated 140,000 spectators brave the early morning chill to view more than 100 balloons each year.

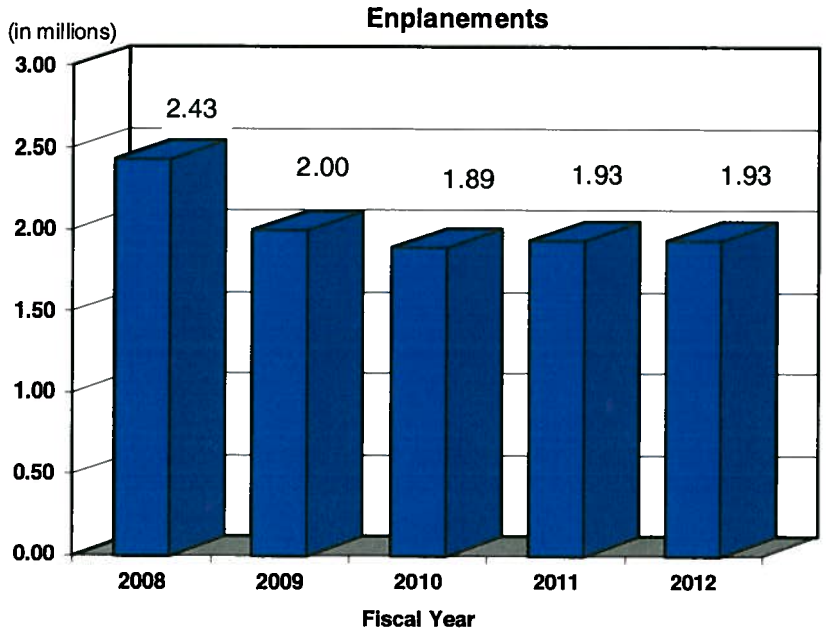
The blue September skies of Reno are also the home of the National Championship Air Races (NCAR). The NCAR and Air Show have run at the Reno-Stead Airport since 1964. The National Championship Air Races bring together hundreds of aviation and sports enthusiasts from around the world, including many residents of Reno and the surrounding areas. Race and air show participants include astronauts, airline pilots, and military and civilian aviators.

Street Vibrations is the place to be for those in search of a celebration of music, metal and motorcycles. An official Northern California Harley-Davidson Dealers Association event, Street Vibrations offers tours, entertainment, parades, ride-in shows, Chrome Alley retail vendors, Camel Roadhouse, the Harley-Davidson Factory Store, concerts and more. The event attracts an estimated 40,000 people to the Reno/Tahoe/Carson City area and has a local economic impact of $72 million. Now ranked the 6th largest motorcycle event in the nation, Street Vibrations combines the best bikes the West has to offer with incredible bands on multiple stages throughout the community.

In addition, the Safari Club has over 20,000 attendees over a one week period and a new Volleyball Festival.

Supplemental Information

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 (FY 2011 and FY 2012) are the budgeted amounts. In addition, tables and charts the provide local demographic, employment, and economic information are provided



Enplaned Passengers

Fiscal year 2011-12 enplaned passengers at Reno-Tahoe International Airport are projected to be 1.93 million relatively flat compared to the projected amount for FY 2011.

RTIA passenger activity has not been immune from the economic slowdown. However during FY 2010-11, the Authority's passenger traffic stabilized as the economy modestly recovers and a "new normal" operating environment has been established. For the fiscal year-to-date, through May 2011, the Authority's total passenger traffic is up 1.1% as compared to the same period last year.

Despite the difficult economic realities, in calendar year 2009, Reno-Tahoe Airport Authority (RTAA) registered historically high average passenger load factors of 80%. In 2010, airlines reacted to the increasing load factors and higher demand by offering more seating capacity and by adding additional service to some markets. The Air Transport Association, which represents numerous airlines across the U.S., produced a report on June 4, 2010 illustrating RTIA as the top medium or large hub airport in terms of recovered capacity.

With these changes, the average load factor for scheduled air service in fiscal year 2010-11 was around 70% and is projected to stay at that level for the 2011-12 fiscal year.

Airline Passenger Market Share – FY 2010-11 Actual Results

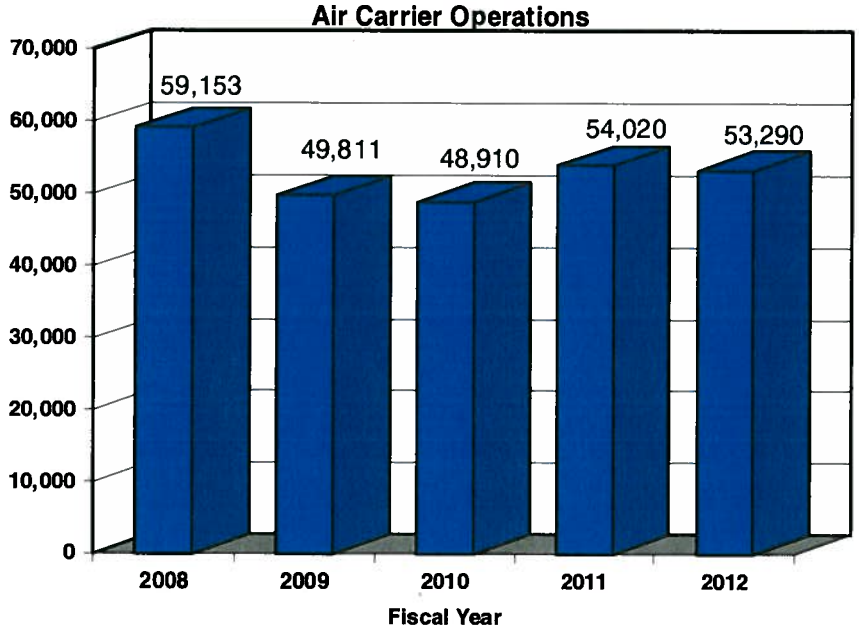
Southwest	1,032,811	54.3%
United	248,322	13.1%
American	201,748	10.6%
US Airways	141,980	7.5%
Delta	137,094	7.2%
Horizon	117,750	6.2%
Others	22,145	1.2%
Total	1,901,850	100.0%

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 six main carriers providing 98.8% of the passenger flights with another eight carriers making up the balance. This table is based on the actual enplaned passenger numbers for the period July 1, 2010 through June 30, 2011.

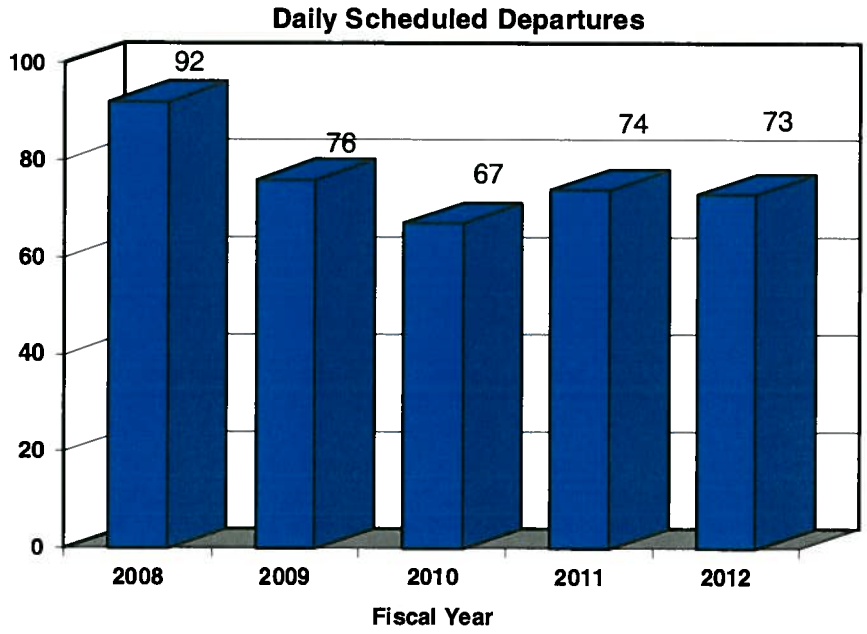
In FY 2009-10's chart, Southwest had 54.2% of the passengers, American had 8.7%, United had 8.6%, Horizon had 7.5%, SkyWest had 7.4%, and US Airways had 7.4%. While one airline having such a large share of the passenger traffic might be a concern, Southwest is one of the most stable and financial strong airlines in today's challenging air travel market.

The change in market share by American was due to the introduction of American Eagle, an affiliate regional carrier, with service to Los Angeles International Airport (LAX). The introduction introduced additional competition into the market and Horizon discontinued LAX service in April 2011. The growth in market share In FY 2010-11for United is primarily due to the reporting of United Express (SkyWest) flights under United Airline's market share as compared to independent reporting in the previous year.



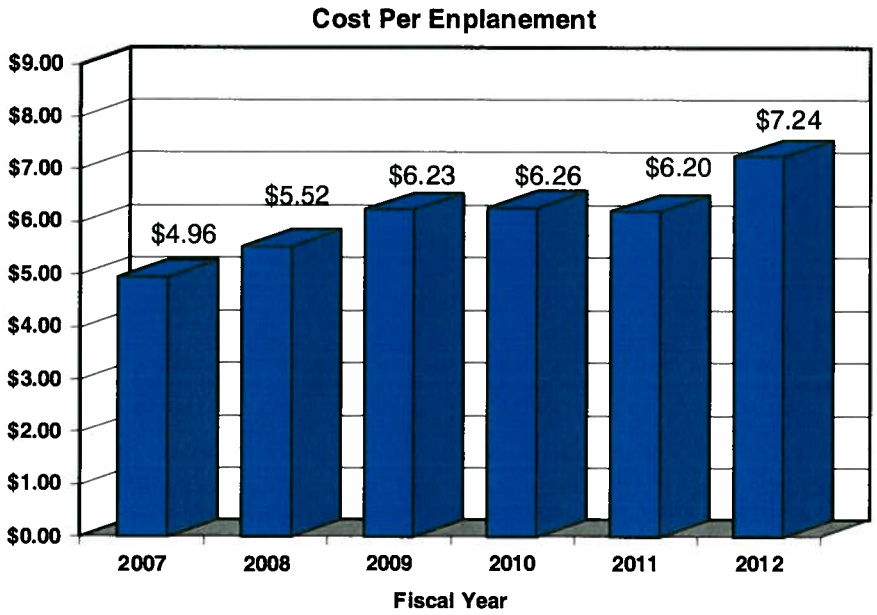
Annual Air Carrier Operations

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 decrease to approximately 52,400 operations, a 3% decrease in the Fiscal Year 2012 Budget as compared to Fiscal Year 2011 Budget due to the cuts in flights. This amount does not include the other non-scheduled operations at the airport such as charter flights, military, or general aviation.



Daily Scheduled Departures

This chart shows the average number of flights departing the RTIA each day in June. In FY 2010-11, the announced daily flights have increased to 74 due to the increasing demand and high occupancy levels. In FY 2011-12 Budget, daily departures were forecasted to decreased slightly based on actual results through May 2011, which reflects the airlines adjustment of their schedules to maintain and increase profitability in certain markets.



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 terminal building 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 from FY 2008 to FY 2011 despite the increasing costs of operating the airport and lower traffic levels that have recently stabilized and shown modest improvement.

The increase in FY 2011-12 represents a significant increase in airline revenue over the prior year due to several incentives that were provided to the airline in the first year of the new agreement (FY 2010-11) to reduce cost recovery from the airlines during this difficult economic period. These incentives include the following:

1. Defeasance of $4.4 million of FY 2010-11 principal and interest included in airline cost centers

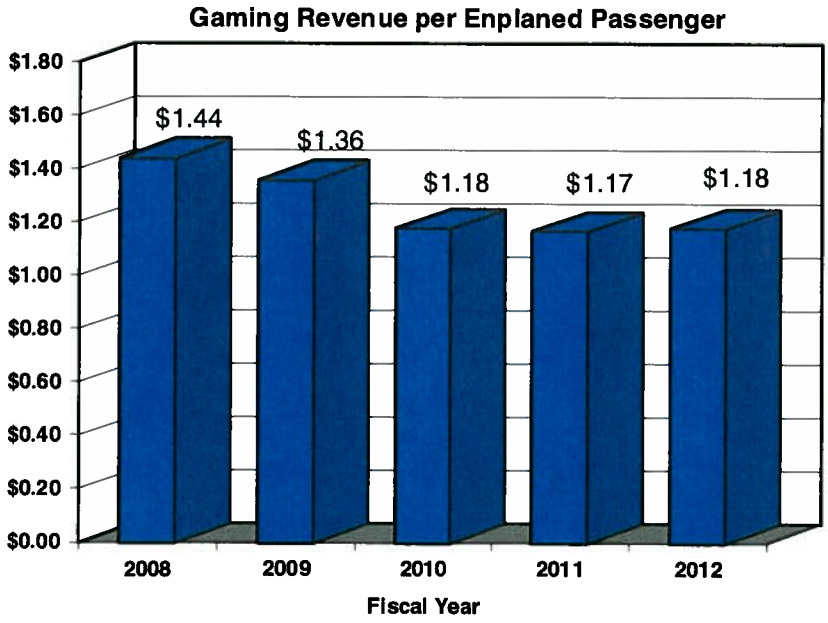
2. The Authority applied its 50% of the FY 2009-10 profit sharing of approximately $1.5 million to reduce expenses recovered in the terminal building cost center in FY 2010-11.

3. In return, the new airline agreement modified the rate setting methodology to provide for greater upfront recovery of terminal building costs from the airlines prior to the 50 /50 % profit sharing.

Faced with the current economic situation and the challenges of maintaining and adding air service, the RTAA is constantly trying to prudently reduce costs while meeting its passenger safety and security requirements.

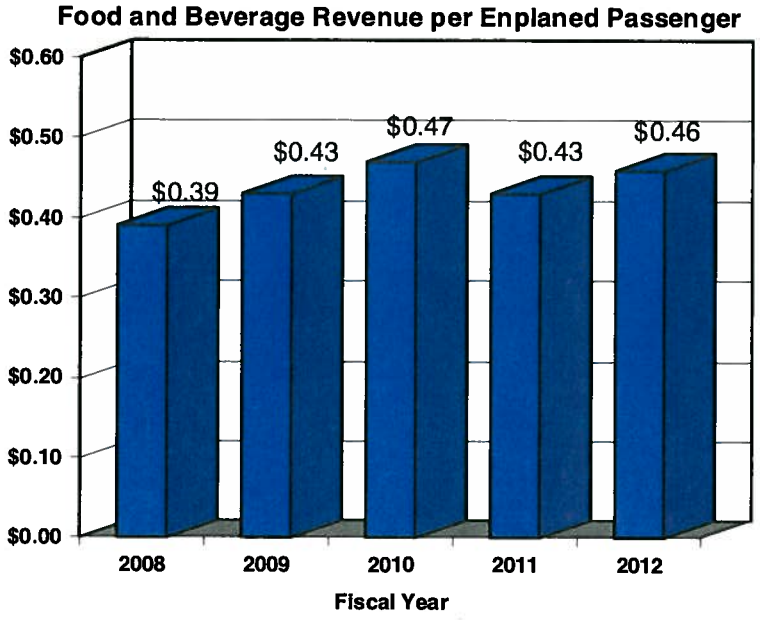
Concession Revenue Per Enplaned Passenger

Concession revenue per enplaned passenger is a measure of a concessionaire's effectiveness that can be compared from year to year and between airports. The following discussions outline 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 $2.3 million for fiscal year 2012 and are projected to be $2.2 million for 2011. On December 1, 2008 RTAA entered into a new contract with International Game Technology (IGT), changing the terms of the concession agreement. The minimum annual guarantee (MAG) was eliminated and the concession fee will be paid as a percentage of net win. The decreasing revenue per enplaned passenger is due to the economic downturn and the reduction in disposable income. Although the budgeted passenger traffic through the airport for FY 2011 is flat, the Authority is forecasting a slight increase in revenues per enplaned passenger.

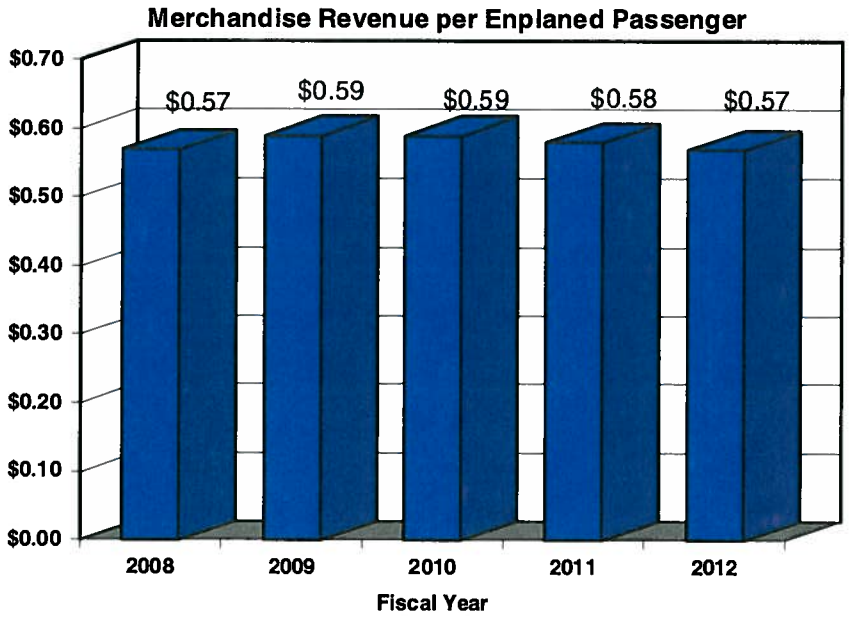


Food and Beverage Concession Revenue per Enplaned Passenger

The food and beverage concession agreement currently pays the 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 (MAG) increased to $800,000 for the operation by the new concessionaire, Creative Host Services (CHS). CHS changed its name to SSP America effective June 19, 2008. The minimum annual guarantee amount is set annually at 85% of prior years payments, or $800,000, whichever is greater. Revenues are budgeted at $885,800 in FY 2012, which reflects a 6.3% increase as compared to the FY 2011 budget.

The revenue per enplaned passenger at Reno-Tahoe International Airport is increasing from $0.43 in FY 2011 to $0.46 in FY 2012. This increase is higher than the estimated increase in enplanements for the next budget year as actual revenues per enplaned passenger during FY 2010-11 have registered a slight increase.

Last year, SSP made a significant investment in its facilities and changed a number of its venues to offer passengers more variety and better quality food and beverage offerings, reducing wait times, and a renewed focus on improving the overall customer experience. This investment is designed to increase sales and customer reaction and financial results have been very positive.

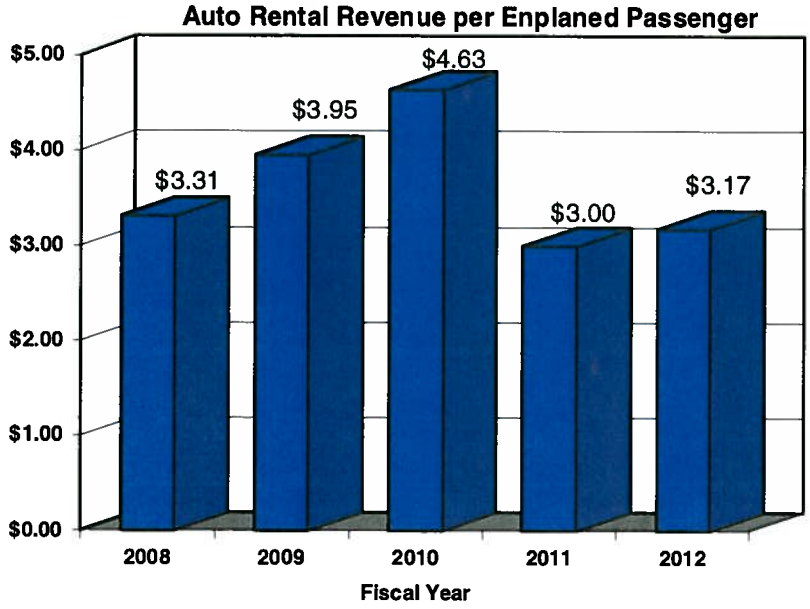


Merchandise Concession Revenue per Enplaned Passenger

The merchandise concession stores have furnishings that would fit in any upscale shopping mall. A remodeled PGA Tour Golf Shop and an expanded duty free shop in a post security location have added to the mix of shops found in the most airports.

The concession agreement awarded to the Paradies Shops calls for payment to the RTAA of a percentage of revenues ranging from 12% to 23% depending on product type, or a minimum annual guarantee (MAG) which is 85% of pervious year's payments but not less than $901,000, whichever is greater. Revenues are budgeted at $979,400 in FY 2012, which reflects a 2.7% increase as compared to the FY 2011 projection. Given the MAG was higher than the percent of gross revenue in FY 2011, the increase in revenue in FY 2012 is not as proportionally strong as the increase in passenger traffic, which results in a decrease in overall revenue per enplaned passenger.

The Paradies Shop stores include the Ponderosa Pines, which promotes the outdoor theme of the area, a PGA Golf Shop, Designs by Sue, offering value savings to it's customers by having quality merchandise at prices under $10, and news and gift shops located in the main lobby and on the B and C concourses. In addition to Paradies Shops, Northwest Duty Free Shops have operated another merchandise alternative on the concourses for passengers since 1996. The store located on the concourse serviced by Southwest has been relocated to a better location past the TSA security checkpoint.



Rental Car Concession Revenue per Enplaned Passenger

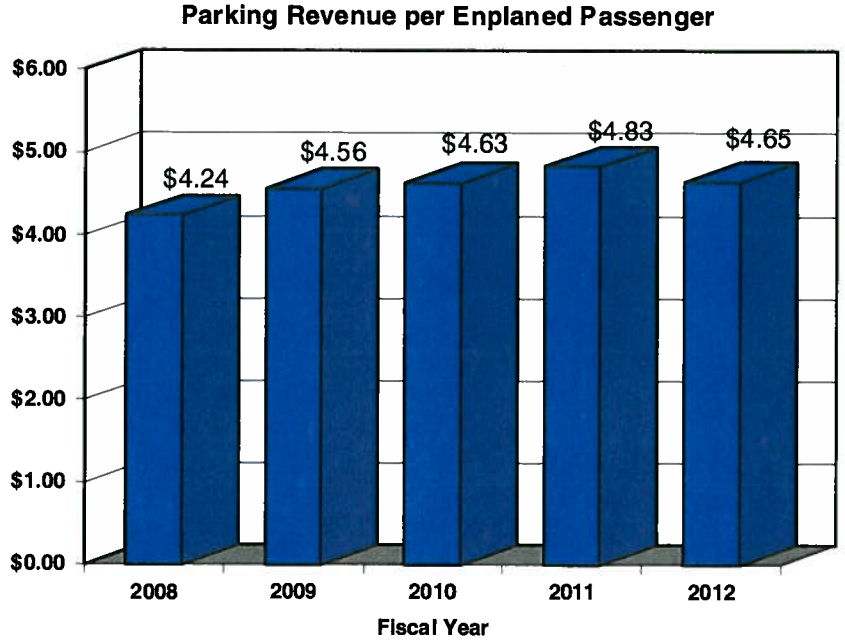
There are six airport car rental companies operating at RTIA, which offer nine distinct brands. The rental car graph above shows a historically stable revenue trend, with increasing minimum annual guarantees under the old concession agreement, and a significant drop for FY 2011, which reflects the conditions of the new agreement.

Effective July 1, 2010, the rental car companies bid for the right to operate on-airport for a period of five years. Authority revenues are the greater of the minimum annual guarantee or 10% of gross receipts earned by companies. Given the current economic times, and the decrease in passenger traffic for the last few years, the new agreement established a substantially lower minimum annual guarantee (MAG) than the previous agreement. Through FY2008, most of the rental car companies have paid 10 percent of gross revenues, which exceeded their MAG. However, with the drop in passenger traffic in FY 2009, resulting from the slower economy, most of the rental car companies switched to paying the MAG established during better economic times.

Although the FY 2011-12 budgeted passenger traffic only reflects a modest increase over last year's budget, rental car revenues are forecasted to increase 5.8% over the FY 2010-11 Budget as revenues per enplaned passenger are going from $3.00 to $3.17. This projected increase reflects actual results through May 2011 and reflects a stronger rebound in the business line than originally forecasted.

One unique aspect of the rental car concession agreement is the provision that MAG may be abate for any month in which deplaning passenger levels drop more than 25% compared to the same monthly period in the previous year. The FY 2011-12 Budget does not forecast any MAG abatement. This will ensure that the larger of the percentage of gross receipts or the MAG will be paid to the RTAA

except in a situation of extreme passenger decline.



Parking Revenue per Enplaned Passenger

Total auto parking and ground transportation revenues are budgeted to decrease 3.7% from the prior year budget. The decrease in forecasted revenue from last year's budget is due to the lower facility use per passenger being forecasted based on actual operating results. While the current year's actual results are an improvement over last year, the lower than budget results reflect a less robust recovery in parking transaction than anticipated. With the lingering effect of the economic recession impacting the community during FY 2010-11, the prior year budget was overly optimistic and this is reflected in the lower FY 2010-11 projections and the FY 2011-12 Budget.

Auto parking represents 29% of the RTAA's total budgeted non-airline operating revenues.

Reno-Tahoe Airport Authority
FY 2011-12
ANNUAL BUDGET
Section 4 – Supplemental Data

RENO-TAHOE AIRPORT AUTHORITY
POPULATION IN AIR TRADE AREA
FOR THE CALENDAR YEARS 2000-2009
(unaudited)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Nevada										
County										
Churchill	24,025	24,469	24,248	24,241	24,289	24,556	25,036	24,891	24,896	24,897
Douglas	41,465	42,227	43,230	44,170	45,933	47,017	45,909	45,406	45,180	45,464
Humboldt	15,919	15,969	16,143	16,562	16,863	17,129	17,446	17,523	17,763	18,260
Lyon	34,893	36,254	38,019	40,290	43,336	47,515	51,231	52,479	53,022	52,641
Pershing	6,665	6,588	6,566	6,446	6,396	6,360	6,414	6,376	6,291	6,286
Storey	3,393	3,424	3,421	3,541	3,731	4,074	4,132	4,193	4,341	4,441
Washoe	341,348	351,584	361,640	371,062	380,612	389,872	396,428	406,079	410,443	414,820
Carson City	52,548	53,446	54,547	55,269	55,926	56,062	55,289	54,939	54,867	55,176
Subtotal	520,256	533,961	547,814	561,581	577,086	592,585	601,885	611,886	616,803	621,985
California										
County										
Alpine	1,207	1,204	1,217	1,188	1,197	1,159	1,180	1,145	1,061	1,041
El Dorado	157,198	161,363	165,711	169,119	172,723	176,841	178,066	175,689	176,075	178,447
Lassen	33,767	33,652	33,569	34,114	34,606	34,751	34,715	35,031	34,574	34,473
Mono	12,866	12,895	12,993	12,832	12,687	12,509	12,754	12,801	12,774	12,927
Nevada	92,537	93,868	95,071	96,235	97,447	98,394	98,764	97,027	97,118	97,751
Placer	251,327	264,818	278,911	293,457	306,305	317,028	326,242	332,920	341,945	348,552
Plumas	20,781	20,899	21,006	21,185	21,328	21,477	21,263	20,615	20,275	20,122
Sierra	3,576	3,528	3,497	3,542	3,486	3,434	3,455	3,328	3,263	3,174
Subtotal	573,259	592,227	611,975	631,672	649,779	665,593	676,439	678,556	687,085	696,487
Total	1,093,515	1,126,188	1,159,789	1,193,253	1,226,865	1,258,178	1,278,324	1,290,442	1,303,888	1,318,472
Percentage increase	4.22%	2.99%	2.98%	2.89%	2.82%	2.55%	1.60%	0.95%	1.04%	1.12%
Unemployment rate										
Washoe County	3.6%	4.4%	5.1%	4.7%	4.2%	3.9%	4.0%	4.4%	11.8%	13.6%

Source: U.S. Department of Commerce, Bureau of the Census and Economagic.com.

Nevada Statewide

2011 Industrial Employment

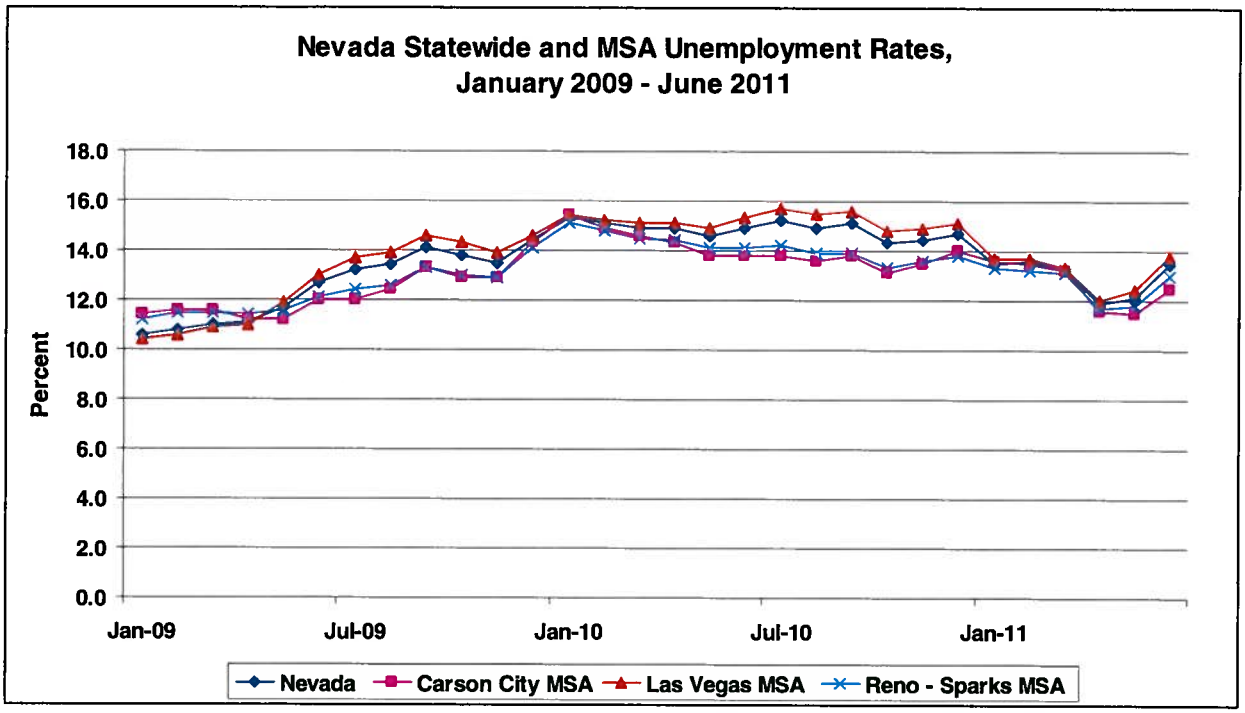
Estimates in thousands	June 2011	June 2010	Change	% Change
Total All Industries	**1119.5**	**1123.3**	**-3.8%**	**-0.3%**
Goods Producing	*104.5*	*111.4*	*-6.9*	*-6.2%*
Natural Resources & Mining	12.8	12.4	0.4	3.2%
Construction	55.4	60.8	-5.4	-8.9%
Manufacturing	36.3	38.2	-1.9	-5.0%
Services Producing	*1015.0*	*1011.9*	*3.1*	*0.3%*
Private Service Providing	***866.6***	***857.2***	***9.4***	***1.1%***
Trade, Transportation & Utilities	202.7	208.8	-6.1	-2.9%
Information	12.7	12.5	0.2	1.6%
Financial Activities	48.2	52.2	-4.0	-7.7%
Professional & Business Services	141.5	136.3	5.2	3.8%
Education and Health Services	104.5	99.9	4.6	4.6%
Leisure and Hospitality	322.1	313.3	8.8	2.8%
Other Services	34.9	34.2	0.7	2.0%
Government	148.4	154.7	-6.3	-4.1%

Detail may not add due to rounding. This report reflects non-ag employment by place of work. It does not necessarily coincide with labor force concept. Includes multiple jobholders.

Information compiled by DETR's Reseach & Analysis Bureau

Employment Statistics

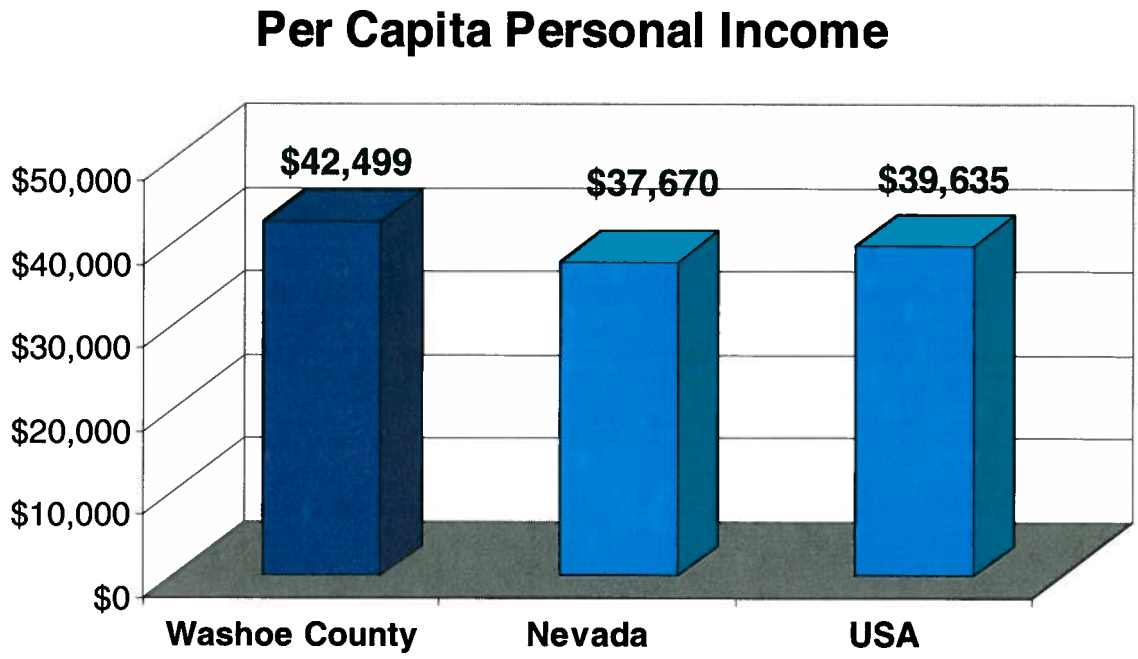
The chart above demonstrates Nevada's diversified economy. Continuing diversification of the local economy will help to reduce any future economic downturns and reduce the economic impact as Indian gaming increases in the states surrounding Nevada. The chart above shows that employment in the largest sector of the economy. Leisure and Hospitality has shown a 2.8% increase in employment in June 2011 as compared to June 2010. In addition, natural resources and mining, professional and business services, education and health services, and information also registered employment increases. The construction, manufacturing, and financial services sectors continue to reflect the impact of the recent recession and have been slow to recover.



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.

The nationwide unemployment rate at the end of June 2011 registered 9.1% as reported by the Bureau of Labor Statistics.



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 2009 demonstrates, the Reno-Tahoe area of Washoe County not only has a higher per capita personal income than the state in general, but also a higher level than the national average per capita personal income level.

RENO-TAHOE AIRPORT AUTHORITY
PRINCIPAL EMPLOYERS WITHIN AIR TRADE AREA
FISCAL YEAR ENDED 2010 AND 2000
(unaudited)

	2010		2000	
Employer	Rank	Employees	Rank	Employees
Washoe County School District	1	8,500-8,999	1	6,500-6,999
University of Nevada-Reno	2	4,000-4,499	2	2,500-2,999
Washoe County	3	2,500-2,999	4	2,500-2,999
Renown Regional Medical Center	4	2,000-2,499	6	2,000-2,499
Peppermill Hotel Casino-Reno	5	2,000-2,499	-	-
International Game Technology	6	2,000-2,499	-	-
Silver Legacy Resort Casino	7	1,500-1,999	5	2,500-2,999
CHW/St. Mary's Hospital	8	1,500-1,999	-	-
Atlantis Casino Resort	9	1,500-1,999	-	-
City of Reno	10	1,500-1,999	-	-
Reno Hilton	-	-	3	2,500-2,999
Eldorado Hotel & Casino	-	-	7	2,000-2,499
Sparks Nugget Inc.	-	-	8	2,000-2,499
Circus Circus Casino	-	-	9	2,000-2,499
Harrah's Reno	-	-	10	2,000-2,499

Each of the years reflect respective 4th quarter (December) information. Nevada Revised Statute Chapter 612 stipulates that actual employment for individual employers may not be published.

Source: Nevada Department of Employment, Training and Rehabilitation, Division of Labor Marketing.

RENO-TAHOE AIRPORT AUTHORITY
FORTUNE 100 COMPANIES WITHIN AIR TRADE AREA
FISCAL YEAR ENDED 2010
(unaudited)

Ranking	Company
2	Wal-Mart Stores
5	General Electric
6	General Motors
8	AT&T
11	Bank of America
12	Citigroup
17	Verizon Communications
18	Cardinal Health
24	Costco
25	Home Depot
26	AmerisourceBergen
28	Target
30	Morgan Stanley
31	State Farm
34	Microsoft
36	Walgreen
41	Wells Fargo
43	United Parcel Service
44	Caterpillar

Ranking	Company
46	Pfizer
47	Lowe's
50	Safeway
52	Pepsico
54	Lockheed Martin
56	Best Buy
57	Cisco Systems
58	Johnsons Control
59	FedEx
62	Sysco
63	Honeywell
64	Sprint Nextel
73	Coca-Cola
74	American Express
76	New York Life Insurance
86	Liberty Mutual
87	Deere
90	Alcoa
96	Macys

Thirty-eight Fortune 100 companies have a significant presence in northern Nevada. These companies represent a range of top multi-national brands that have chosen Reno/Sparks/Lake Tahoe to do business in northern Nevada.

Source: Economic Development Authority of Western Nevada.

Domestic Airline Passengers

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

	2009	2010	2009-2010 Pct. Change	2011	2010-2011 Pct. Change
January	51.8	52.6	1.4	53.7	2.2
February	49.8	48.7	-2.3	50.1	2.9
March	61.0	62.2	2.0	63.6	2.2
April	**59.5**	**59.6**	**0.2**	**60.5**	**1.4**
May	59.7	61.5	2.9		
June	63.6	65.0	2.3		
July	68.1	68.4	0.5		
August	65.0	66.3	1.9		
September	54.7	57.4	4.9		
October	58.8	62.1	5.6		
November	54.8	58.2	6.1		
December	56.9	58.6	2.9		
4 Mo. Total	**222.2**	**223.1**	**0.4**	**227.8**	**2.1**
Yr. Total	**703.9**	**720.5**	**2.4**		

Source: Bureau of Transportation Statistics, T-100 Domestic Market
Note: Percent changes based on numbers prior to rounding.

http://www.bts.gov/press_releases/airline_traffic_data.html

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)
Ranked by 4th Quarter 2010 Margin
(Operating Profit/(Loss) as Percent of Total Operating Revenue)

4Q 2010 Rank	Network Airlines	4th Quarter 2009 (%)	1st Quarter 2010 (%)	2nd Quarter 2010 (%)	3rd Quarter 2010 (%)	4th Quarter 2010 (%)	4th Quarter Operating Profit/Loss $(Millions)
1	Alaska	3.4	5.2	15.5	20.0	10.5	90
2	Delta	-2.1	1.6	11.2	13.3	5.0	390
3	US Airways	1.0	-0.4	11.1	9.6	4.0	118
4	United	1.9	2.2	10.2	10.5	1.7	84
5	American	-8.5	-6.4	2.8	5.0	0.4	23
6	Continental	-0.2	-2.3	8.7	10.8	-1.1	-38
7	Northwest	4.5	N/A	N/A	N/A	N/A	N/A
	7-Carrier Total	**-1.2**	**-0.7**	**9.0**	**10.5**	2.6	**668**

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

* System = domestic + international

Table 3: Low-Cost Airline System* Quarterly Operating Profit/Loss Margin (In Percent)
Ranked by 4th Quarter 2010 Margin
(Operating Profit/(Loss) as Percent of Total Operating Revenue)

4Q 2010 Rank	Low-Cost Airlines	4th Quarter 2009 (%)	1st Quarter 2010 (%)	2nd Quarter 2010 (%)	3rd Quarter 2010 (%)	4th Quarter 2010 (%)	4th Quarter Operating Profit/Loss $(Millions)
1	Allegiant	11.7	20.0	13.9	9.3	11.1	18
2	Spirit	12.4	13.1	-1.3	11.0	10.2	22
3	Southwest	6.2	2.1	11.5	11.1	6.9	216
4	JetBlue	7.6	4.8	10.1	14.3	6.4	60
5	AirTran	4.4	0.5	9.7	8.5	0.0	1
6	Frontier	-4.6	-8.1	-0.1	5.1	-4.1	-16
7	Virgin America	-8.2	-13.1	6.1	10.4	-7.3	-13
	7-Carrier Total	**5.5**	**2.4**	**9.9**	**11.0**	**5.1**	**286**

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

* System = domestic + international

http://www.bts.gov/press_releases/2011/bts034_11/html/bts034_11.html

The charts on the previous page list the latest quarterly profit percentages for the Network and Low-Cost Carriers. For the 2nd and 3rd Quarters of 2010, both categories of airlines showed significant improvement in profitability after a three year slump due to the economic slowdown. Starting with the 4th Quarter of 2010 and continuing into the 1st Quarter of 2011, fuel prices increased significantly with March 2011 Jet Fuel being more than 50% higher than the same period in the prior year and price per gallon the highest since the peak in 2008. With fuel being the largest component of an airline's cost structure, this increase is the primary cause of the decrease in profitability in the 4th Quarter of 2010.

BRIAN SANDOVAL
Governor
ROBERT R BARENGO
Chair, Nevada Tax Commission
DINO DICIANNO
Executive Director

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

LAS VEGAS OFFICE
Grant Sawyer Office Building, Suite1300
555 E. Washington Avenue
Las Vegas, Nevada 89101
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RENO OFFICE
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Building L, Suite 235
Reno, Nevada 89502
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Fax: (775) 688-1303

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, 2012

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 $ 65,737,760

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

I Richard G. Gorman
(Printed Name)
Chief Financial Officer
(Title)
certify that all applicable funds and financial operations of this Local Government are listed herein

Signed Richard G. Gorman

Dated: May 19, 2011

APPROVED BY THE GOVERNING BOARD

SCHEDULED PUBLIC HEARING:

Date and Time 5/19/11 - 9 AM Publication Date 5/6/2011

Place: Reno Tahoe Airport Authority - Board Room

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/10	ESTIMATED CURRENT YEAR ENDING 06/30/11	BUDGET YEAR ENDING 06/30/12
General Government			
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support			
TOTAL GENERAL GOVERNMENT			
Utilities			
Hospitals			
Transit Systems			
Airports	236.0	268.5	267.5
Other			
TOTAL	236.0	268.5	267.5

POPULATION (AS OF JULY 1)			416,632
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) ACTUAL PRIOR YEAR ENDING 6/30/2010	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2011	(3) BUDGET YEAR ENDING 06/30/12 TENTATIVE APPROVED	(4) BUDGET YEAR ENDING 06/30/12 FINAL APPROVED
OPERATING REVENUE				
Landing and Aircraft Fees	$ 9,157,170	$ 6,343,833	$ 8,165,254	$ 8,165,254
Gaming Concession	2,229,927	2,224,800	2,280,300	2,280,300
Food & Beverage Concession	887,177	885,800	885,800	885,800
Merchandise Concession	1,118,151	1,156,800	1,184,100	1,102,200
Auto Rental Concession	8,729,117	5,989,400	6,094,100	6,123,100
Parking/Traffic Control	8,738,391	9,031,000	9,154,100	8,980,800
Rents	10,378,966	12,655,348	13,713,100	13,925,100
Other Concessions/Misc.	3,292,460	4,112,361	4,135,469	4,134,959
Total Operating Revenue	$ 44,531,358	$ 42,399,342	$ 45,612,223	$ 45,597,513
OPERATING EXPENSE				
Personnel Services	$ 21,148,848	$ 22,498,089	$ 24,134,500	$ 24,085,700
Utilities and Communications	3,234,216	3,572,691	3,443,255	3,443,255
Purchased Services	3,218,502	4,498,470	5,023,547	5,013,547
Materials and Supplies	1,611,574	1,896,448	1,851,220	1,851,220
Administrative Expenses	1,922,140	2,088,478	2,313,982	2,313,982
Depreciation/Amortization	23,624,026	27,000,000	27,500,000	27,500,000
Total Operating Expense	$ 54,759,306	$ 61,554,175	$ 64,266,504	$ 64,207,704
Operating Income or (Loss)	(10,227,948)	(19,154,834)	(18,654,281)	(18,610,191)
NONOPERATING REVENUES				
Interest Earned	347,571	253,000	269,900	273,000
Jet Fuel Tax Revenue	304,912	322,500	329,000	329,000
PFC Revenues (Passenger Facility Chg.)	7,737,810	7,313,300	7,425,100	7,412,100
Gain (Loss) on sale of capital assets	9,641	-	-	-
Gain (Loss) on debt defeasance	(207,881)	-	-	-
Total Nonoperating Revenues	8,192,053	7,888,800	8,024,000	8,014,100
NONOPERATING EXPENSES				
Interest Expense	2,146,371	1,543,650	1,693,150	1,530,056
Total Nonoperating Expenses	2,146,371	1,543,650	1,693,150	1,530,056
Net Income before Operating Transfers	(4,182,266)	(12,809,684)	(12,323,431)	(12,126,147)
Operating Transfers (Schedule T)				
In				
Out				
Net Operating Transfers	0	0	0	0
NET INCOME	(4,182,266)	(12,809,684)	(12,323,431)	(12,126,147)

RENO-TAHOE AIRPORT AUTHORITY
(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES AND NET INCOME

FUND AIRPORTS

PROPRIETARY FUND	(1) ACTUAL PRIOR YEAR ENDING 6/30/2010	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2011	(3) BUDGET YEAR ENDING 06/30/12 TENTATIVE APPROVED	(4) BUDGET YEAR ENDING 06/30/12 FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating Income (Loss)	$ (10,227,948)	$ (19,154,834)	$ (18,654,281)	$ (18,610,191)
Depreciation/Amortization	23,624,026	27,000,000	27,500,000	27,500,000
Provision for Bad Debt	-	-	-	-
Loss on Sale of Property and Equipment	-	-	-	-
Changes in Current Assets and Liabilities	(1,013,300)	2,000,000	2,000,000	2,000,000
a. Net cash provided by operating activities	12,382,778	9,845,166	10,845,719	10,889,809
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Jet Fuel Tax Revenue	304,912	322,500	329,000	329,000
b. Net cash provided by non capital financing activities	304,912	322,500	329,000	329,000
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Federal Grant Proceeds	19,661,319	30,161,020	12,203,290	12,203,290
Proceeds from sale of Capital Assets	9,641	10,000	10,000	10,000
Acq. & Const. of Capital Assets	(37,478,119)	(50,923,834)	(44,554,442)	(44,674,442)
Principal/Interest Payments	(14,947,335)	(6,893,650)	(4,973,150)	(4,832,245)
Receipts of PFC Revenue	7,737,810	7,313,300	7,425,100	7,412,100
Subordinate Revenue Notes	-	13,500,000	-	-
c. Net cash used for capital and related financing activities	(25,016,684)	(6,833,164)	(29,889,202)	(29,881,297)
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Receipt of Interest	521,451	253,000	269,900	$273,000
Purchase/Sale of Investments	8,789,601	14,500,000	3,000,000	3,000,000
d. Net cash used in investing activities	9,311,052	14,753,000	3,269,900	3,273,000
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	(3,017,942)	18,087,503	(15,444,583)	(15,389,488)
CASH AND CASH EQUIVALENTS AT JULY 1, 20XX	32,613,867	29,595,925	47,683,428	47,683,428
CASH AND CASH EQUIVALENTS AT AT JUNE 30, 20XX	$ 29,595,925	$ 47,683,428	$ 32,238,845	$ 32,293,940

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 7/1/2011	(9) REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/12 INTEREST PAYABLE	(10) PRINCIPAL PAYABLE	(11) (9) + (10) TOTAL
FUND: AIRPORTS										
RTAA, AIRPORT REVENUE REFUNDING BONDS SERIES 2005	4	21	29,775,000	08/18/05	07/01/26	VARIOUS	26,270,000	1,276,150	1,245,000	2,521,150
RTAA, AIRPORT REVENUE SERIES 2011 A SUBORDINATE NOTES	4	6	15,000,000	6/1/2011	7/1/2017	2.75%	15,000,000	253,906	2,315,000	2,568,906
TOTAL ALL DEBT SERVICE			$ 44,775,000				$ 41,270,000	$ 1,530,056	$ 3,560,000	$ 5,090,056

SCHEDULE C-1 INDEBTEDNESS

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

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Section 6 – 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.
Amortization – A term that refers either to the gradual paying off of a debit in regular installments over a period of time or to the depreciation of an asset over a period of time.
Asset – A single item of ownership having exchange value.
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 – A security issued by a corporation or public body and usually carrying a fixed rate of interest and a set date, called the bond's maturity, for redemption of the principal.
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.
Budget – An estimate, often itemized, of expected income and expense for a given period in the future.
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

Reno-Tahoe Airport Authority
2011-12
ANNUAL BUDGET
Section 6 – Glossary

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.
Expenditure – The act of expending something, especially funds; disbursement; consumption
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.

Reno-Tahoe Airport Authority

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