Annual Budget

Fiscal Year 2012-2013

Reno-Tahoe Airport Authority

Reno • NV

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
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Reno-Tahoe Airport Authority
FY 2012-13
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 FY 2012-13 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 63rd busiest airport in the nation. RTS is a general aviation facility of 5,000 acres that is home to approximately 200 based aircraft and the famous Reno National Championship Air Races. Together, these airports have a $2 billion annual economic impact on the local economy as defined by Washoe County environs.

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.

RTIA is a medium hub airport as defined by the FAA that served 3.56 million total passengers in FY 2011-12. 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 represented fourteen percent (14%) of total RTIA landed weight for FY 2011-12, which is a significant factor in lowering overall landing fee costs for all carriers.

Air Service Market Update

RTIA passenger activity has not been immune from the economic slowdown. For the FY 2011-12, the Authority's total passenger traffic is down 6.2% as compared to the same period last year.

The main reasons for the passenger decline include a reduced level of ski traffic caused by an unseasonably warm and dry winter season in Northern Nevada. In addition, a significant drop in January traffic resulted from the loss, for this year, of the Safari Club International convention.

In addition, the regional economy has seen only a modest recovery from the 2008-2009 economic slowdown and recent high fuel costs, which are typically passed on to travelers, also contributed in the year-over-year passenger decline. According to a Los Angles Times article "Airfares Climb, Routes Disappear as Fuel Prices Rise" published on March 3, 2012, the nation's airlines buy about 48 million gallons of fuel each day at a price that has jumped nearly 40% in the last year. In 2012, the largest airlines have already pushed through two fare increases of $10 to $20 per round trip. On a system wide basis, U.S. airlines are focused on reducing seat capacity and eliminating costly routes from their networks to offset higher fuel costs and softening travel demand.

The July 2012 Flight Schedule at the Reno-Tahoe International Airport (RNO) provides 66 nonstop departures a day to 15 destinations with 226,920 monthly available seats. This compares with 71 daily departures to 17 destinations and 259,160 seats in July 2011. The July 2012 flight schedule is a 7.0% decrease in flights and a 12.4% decrease in seat capacity over July 2011. These flight decreases are a result of the airline's desire to increase passenger load factors on flights to certain cities from RTIA. The airlines appear to be achieving the desired results with load factors registering 79.3% and 85.4% for May and June, 2012, respectively. This is an increase from the 76.9% and 81.8% recorded for May and June, 2011.

Alaska Airlines and Southwest Airlines eliminated non-stop flights to Los Angeles and Boise from their networks, respectively. United Airlines reduced its non-stop flights to Denver from four flights a day to two flights a day and reduced its non-stop daily flights to Los Angeles by one flight. This action leaves United with a total of two non-stop flights to Los Angeles daily. In addition, Delta Air Lines reduced the number of non-stop flights between Reno and Salt Lake City from five flights a day to four flights a day.

The non-stop daily flight to Houston on Continental Airlines, which began in February 2011, continues to operate in March. However, the airline temporarily discontinued this flight for the months of April and May 2012.

Effective June 4, 2012, Alaska Airlines began two new non-stop daily flights to San Jose, CA. Flights will be timed by Alaska to meet all daily Hawaii flights, as well as having an early morning Reno departure to benefit business travelers. The new San Jose service also provides outstanding connections to the entire Alaska network each day, including flights to Boise, ID, Guadalajara, MX, Honolulu/Oahu, HI, Kona/Hawaii, HI, Los Angeles, CA,

Lihue/Kauai, HI, Kahului/Maui, HI, Portland, OR, Palm Springs, CA, Seattle/Tacoma, WA and San Jose Cabo, MX.

Recent Financial News

Despite lower passenger traffic for the fiscal year, the Authority had its "A" credit rating confirmed on February 27, 2012 by Fitch Ratings, a national recognized credit rating agency, with the outlook remaining as "stable". This is a very positive achievement considering the challenging economic environment.

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

- Low Historical Cost Profile and Stable Framework: The airport's cost per enplaned passenger (CPE) remains low relative to peers at $5.45 for FY 2010-11 with an increase to the $7.00 range for FY 2011-12. Reno-Tahoe Airport Authority (RTAA) has a new use and lease agreement that provides the airport with a larger cost recovery base, providing more cushion to volume declines.

- Stable Debt Structure: All of RTAA's senior lien debt is fixed rate with debt service payments dropping substantially from $6.9 million in FY 2010-11 to approximately $2.5 million in FY 2011-12 and remains relatively flat through maturity in 2026.

  Senior lien debt represents borrowing that has a priority claim on Authority revenues after payment of operating expenses.

- Low Leverage and Strong Liquidity: In FY 2010-11, the airport's senior lien debt service coverage ratio increased to 1.66 from 1.36 in FY 2009-10. Debt service coverage ratio is net revenues, excluding depreciation and other non-cash expenditures, divided by principal and interest requirements for the fiscal year. The airport also maintains healthy liquidity with $41.3 million in unrestricted cash, equivalent to 451 days cash on hand, as well as $40.1 million in restricted cash.

  Days cash on hand represents the level of cash and investments available to fund daily operating expenses without incoming revenues.

- Moderate Infrastructure Plan: The two-year capital improvement plan (CIP) is modest at $55 million and will be largely funded through the Series 2011 subordinate notes and passenger facility charge (PFC) monies, as well as minimal local proceeds.

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 that meet certain FAA criteria. No local tax dollars are used 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 respond to challenges and opportunities.

Local Economy Update

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%, slightly above the national average of 41.5%.

The four season 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.

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

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

The metro area of Reno/Sparks'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.

According to a 2011 study commissioned by the Governor's Office of Economic Development, logistics and distribution were identified as key industries that Nevada should focus on as part of its economic diversification efforts and a key to recovery from the recession and prolonged economic growth. (Findings are documented in a November 2011 report entitled *Nevada Industry and Competitive Analysis: Identification of Industry Opportunities*).

The report calls the logistics and operations industry cluster "a natural target industry for Nevada," and one which "has strong potential for job creation over both the short- and long-terms." Additionally, it identifies an opportunity for Nevada to "serve as a West Coast hub of operations" for warehousing and distribution; advanced logistics; air cargo; integrated manufacturing- distribution, assembly manufacturing and food-processing operations; and freight transportation (ground and rail). According to the report, key to the state's success is its location and geographic advantages, strong existing infrastructure and cost and regulatory advantages.

Nevada possesses strong infrastructure: existing north-south and east-west routes and strong rail connections (Union Pacific and Southern Pacific); excellent cargo facilities through the Reno-Tahoe International Airport; and existing technology infrastructure (fiber optics, etc.) all make northern Nevada very appealing to companies seeking a distribution location.

Reno is a Network Access Point for internet traffic. The Interstate 80 (I-80) corridor and rail road Right-of-Ways (ROWs) is the primary east/west, state-of-the-art digital and fiber optic highway with recent upgrades. The Reno and Northern Nevada region is served by six major interstate fiber-optic networks and all major long-distance carriers, including AT&T, Level3, Qwest, and Verizon. Recent fiber dense wave digital modulation (DWDM) infrastructure improvements by major network operators allow for superior, large corporate volume data through put. There is a lower latency, a synonym for the delay it takes for a packet of data to get from one designated point to another, from Reno to the Pacific Rim than the San Francisco Bay area. Reno has completed Sonnet Fiber Optic technology covering the valley and readily available to all businesses in the region.

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

As evidence of Reno's strength in warehousing and distribution, Urban Outfitters Inc recently opened a new 462,000 square-foot warehouse-distribution center at Reno-Stead and a 300,000 square foot distribution center for Toys"R"Us is expected at the Tahoe-Reno Industrial Center.

As a result of all these regional benefits, Apple Inc. recently announced it plans to begin construction in August, 2012 on a data center to house its various online services, such as the iTunes store, the App Store, and its iCloud data storage and syncing services. This data center will be constructed on 350 acres at the Reno Technology Park located approximately 11 miles east of Sparks. It is estimated that the data center will result in 41 full-time jobs, 200 long-term contractor jobs and approximately 580 construction jobs on top of an expected $343 million of economic activity.

In addition, Apple will also construct a downtown Reno office where the equipment for the data center will be purchased. This business and purchasing office will be in the so-called Tèssarra District, a state and local government sanctioned "tourism improvement district" that allows for sales tax abatement.

The anticipated investment in Northern Nevada by Apple in these facilities over the next ten years is estimated to be approximately $1 billion. The economic benefits of Apple's announcement will likely multiply because the company is so well-respected that other corporations may give northern Nevada a closer look for new facilities.

Along with this positive news, several additional positive factors in the Reno-Sparks-Tahoe market provide a solid foundation for optimism for next year. These factors include the following:

- Approximately 245,000 U.S Bowlers are anticipated to attend the United States Bowling Congress (USBC) Tournament at the National Bowling Stadium in downtown Reno in both 2013 and 2014. In calendar year 2012, this facility is forecasting to attract 115,000 bowlers.

- Over 17,000 attendees will be returning to the Reno-Sparks Convention Center in January 2013 in association with the Safari Club International annual convention.

- The University of Nevada at Reno will be joining the Mountain West Conference. This will attract new visitors from the Denver, Colorado metropolitan area (Air Force Academy, Colorado State University, and University of Wyoming) and Albuquerque, NM (University of New Mexico). In addition, this new conference affiliation should intensify the rivalry with Fresno State and the University of Nevada at Las Vegas.

- In November 2011, Squaw Valley and Alpine Meadows joined operations under one company called Squaw Valley Ski Holdings LLC to become the largest ski area in the country. The merger provides skiers access to over 6,000 acres of terrain, forty-four (44) lifts, and more two hundred and seventy (270) trails in less than a ten minute drive as well as a connection by complimentary shuttles.

- Vail Resorts invested $30 Million in projects to enhance guest experience at Northstar-at-Tahoe for the 2011-2012 Season installation of the following:

  a. New high-speed chairlift
  b. New trails
  c. New 500-seat on-mountain restaurant
  d. New national retail outlets
  e. New signature restaurant in The Village

- Think snow. With last year's average annual snowfall (2010-11) of more than 800 inches, the current unseasonably warm and dry winter of 2011-12 will hopefully be a bad memory for the ski areas.

- Modest recovery in the local Northern Nevada economy with housing prices beginning to stabilize and the unemployment rate falling along with the generally positive trends in the national economy. The unemployment rate in the Reno-Sparks area has dropped from it peak of 13.8% in December 2010 to an estimated 11.7% in June 2012.

Based on existing and announced new service, the improving economic climate, and the offsetting positive factors in the local air service market, the FY 2012-13 Budget is based on a modest growth scenario starting from a significantly lower passenger activity base due to the recent decline in passenger traffic.

The forecast for FY 2011-12 enplaned passengers is 1,767,856, a decrease of 8.6% as compared to the adopted budget. From this lower base, the proposed budget for FY 2012-13 anticipates enplaned passenger traffic to grow by 3.8% to 1,834,444.

Air Cargo Update

Reno-Tahoe International Airport handled 113,065,512 pounds of cargo for the FY 2011-12, a decrease of 3.5% versus last year. These numbers are affected by lower cargo demand due to uncertainty in the world's major economies.

According to an industry forecast prepared by the International Air Transportation Association ("IATA") in December 2011, the worldwide air freight markets shrank by 5%

during the period between May and October. Over the same period, world trade also began to decline, by one percent. Per IATA, air freight is suffering more than other transport modes as the slump in business confidence has led shippers to switch to cheaper and less timely modes, as they anticipate a build-up of inventory.

On the positive side, Reno-Tahoe International Airport handled 9,706,074 pounds of cargo in May 2012, an increase of 14.1% versus last year, representing the first year-over-year monthly increase in nine months. The growth in cargo volume is primarily driven by a general increase in air cargo demand, as reported by airports and airlines across the globe.

In May 2012, Hong Kong International Airport, one of the largest cargo hubs in the world, reported their first year-over-year monthly increase in 14 months, mainly caused by a 3.0% year-over-year growth in exports. In addition, the U.S. Census Bureau reported that overall retail sales increased 5.0% in May 2012 versus May 2011. Non-store retailers (i.e. e-commerce) sales increased 12.4% for the same period, a large contributor to northern Nevada air cargo.

Operating Environment

In evaluating the Authority's current operating circumstances and the strategic discussions held at the October 2011 Board Retreat, three (3) significant factors impacted the development of the FY 2012-13 Budget.

Airport Gateway Program / Airport Capital Improvements

With security screening requirements mandated by the Transportation Security Administration (TSA) increasing beyond the capabilities of the existing checkpoints and the aging terminal building, several interim capital projects in the terminal are underway to address the security checkpoint deficiencies as well as enhance customer service and the overall passenger experience.

These projects are collectively referred to as the "Airport Gateway Program" and project descriptions are provided as follows:

- Reno-Tahoe International Airport - Terminal Refurbishment Project

  This project was undertaken to create a "sense of place" and improve customer service of the Reno-Tahoe International Airport Terminal Building Baggage Claim and Main Lobby areas. The work, reflecting Lake Tahoe, Truckee River and beautiful Northern Nevada, consisted of installation of architectural finishes to match the new Ticketing Lobby.

With the 2009 completion of the Integrated Explosive Detections System (ABC Project), the ticketing area was remodeled with new tile, ceiling treatment, and ticket counters that provided a "Lake Tahoe" sense of place. This project, along with the Consolidated Security Checkpoint of the Future discussed below, will complete the updated image of the terminal facilities that welcome visitors to our community.

- Reno-Tahoe International Airport - Consolidated Security Checkpoint of the Future

  This project, which was necessitated by the need to install Advanced Imaging Technology (AIT), will design and construct an expanded and consolidated security checkpoint area to replace two overcrowded existing checkpoints. The two existing checkpoints are currently located on the second floor of the terminal. The new centralized checkpoint will be constructed on the first floor of the terminal through a combination of building expansion and relocation of an existing concession area. The displaced concessions will be relocated to the second floor as part of the project and will thereafter be located post security.

  Construction for the relocated concessions will consist of "shell" space including: (1) structural foundations; (2) exterior and interior walls and columns; (3) floor, roof, window and door systems; (4) electrical, plumbing, heating, ventilation and air conditioning systems.

  The construction of these projects will temporarily impact the passenger experience at RTIA. This includes the closure of several retail outlets (Ponderosa Pines and Designs by Sue) along with the elimination of the pre-security food court. While a new pre-security food and beverage restaurant was made available prior to closing the food court, it is anticipated that the revenue generated by the remaining retail and the new food and beverage outlet will not fully offset the loss of revenue from the closures. However, upon completion of the new concession program, revenues are projected to increase by a minimum of 15% over pre-construction revenues.

One of the primary goals over the next year will be to successfully complete the Airport Gateway Projects on schedule and budget, while maintaining excellent customer service and minimizing impact to the traveling public.

In addition to the Airport Gateway Program, the following capital improvements are proposed to be completed in FY 2012-13:

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

  This project will extend the north end of the existing Taxiway "C" into the northeast section of the airfield. The new extension will continue beyond Taxiway "North A" and provide airfield access to the new Fixed Base Operator (FBO) and General

Aviation Maintenance and Storage Hangar site north of the existing Dassault Aviation facility.

The Taxiway "C" Extension consists of new concrete pavement (approximately 9,200 square yards), asphalt shoulders, grading, drainage, utilities, pavement marking, lighting, and signage. The extension will provide immediate access to the primary runways and taxiing capability to all other parts of the airfield.

- Reno-Tahoe International Airport – General Aviation (GA) Aircraft Apron

  This project consists of design and construction of a new aircraft apron in support of general aviation aircraft. The new ramp will be in the northeast corner of the airfield and will be constructed in conjunction with private Fixed Based Operator (FBO) and hangar development. The GA Apron design will be coordinated with the Taxiway "C" Extension construction and the design (by others) of the proposed FBO development under contract with Million Air.

- Reno-Stead Airport – Terminal Building/Emergency Operations Center

  This project consists of construction of a new building at Reno-Stead that is comprised of two categories of function: Core Space and Primary Emergency Operations Center (EOC). The core space is dedicated to replace and upgrade the existing airport manager's office and pilot lounge facility. The EOC space will be directly in support of emergency operations. During non-emergency periods, this space could also be used to support aviation-related activities and community functions.

Funding of Capital Improvement Program

The Reno-Tahoe Airport Authority on June 1, 2011 obtained financing for the Airport Gateway Program and the other capital projects funded partially using Subordinate Lien Airport Revenue Notes ("Notes") with a maximum principal amount of $30,000,000 at any time for a term of 6 years. This relatively short repayment period is strategically proposed to quickly retire the note in anticipation of future capital improvement projects that may include replacement of the terminal concourses resulting in new debt.

The notes are classified as "subordinate lien" because the lender's claim on the Authority's revenues, after payment of operating expenses, is subject to and made only after the payment of debt service on the 2005 senior lien bonds is completed.

The negotiated fixed rate interest for the 2011A Note six year term is 2.75% payable semiannually starting on January 1, 2012. The rate for the 2011B Note is established at 1.581% over sixty-five percent (65%) of the six month London Interbank Offering Rate

(LIBOR) rate. The 65% factor is to adjust for the tax-exempt status of these notes versus the taxable LIBOR rate. As of May 31, 2012, the six month LIBOR rate was 0.74%. The interest rate on the 2011B Note will be capped at 12%.

The proceeds for the 2011 Subordinate Notes, along with Passenger Facility Charges ("PFC"), federal grants, and Authority internal funds, will be used to finance the Airport Gateway Program and the other projects as outlined.

The following table provides the most recent cost estimates for the projects along with the sources of funding:

Uses of Funds	Estimated Costs
Terminal Refurbishment	$ 6,801,600
Consolidated Security Checkpoint of the Future	22,398,000
Total Airport Gateway Program	$ 29,199,600
Stead Emergency Operations Center/ Terminal Building	6,563,100
Taxiway "C" – Extension North	3,673,000
General Aviation Aircraft Apron	4,000,000
Total Costs	$ 43,435,700

Sources of Funds	
Subordinate Notes – Series A	$ 10,627,700
Subordinate Notes – Series B	11,921,000
Passenger Facility Charges	10,729,400
Federal Aviation Administration (FAA) Grant	3,792,600
Transportation Security Administration (TSA) Grant	1,500,000
RTAA Internal Funds	4,865,000
	$ 43,435,700

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.

A more detailed explanation of the Source of Funds is provided in Section 3 – Capital Projects under the Capital Improvement Program discussion.

President/CEO Succession Planning

With the announced retirement of the President/CEO in December, 2013, succession planning and development of the recruitment effort by the Board has begun. In FY 2012-13, the proposed budget includes $100,000 intended to cover recruitment expenses of a new President/CEO.

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 passengers 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 RTIA. 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.

With the Airport Gateway 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 four years the 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. With the Authority faced with lower than budgeted passenger traffic, the FY 2012-13 operations and maintenance budget is $36.38 million, which represents a decrease of $329,463 or 0.9% from the adopted FY 2011-12 Budget.

The following are key drivers and major initiatives undertaken to reduce costs included in the FY 2012-13 Budget:

1. The FY 2012-13 Budget does not include an increase in employee staffing levels and no new positions have been requested.

2. To limit the potential increase in health insurance and other benefit costs, health plans were restructured. In order to achieve cost reductions it was necessary to modestly increase deductibles in some categories and make various plan design changes.

3. The entire employee benefit package was subject to competitive bidding and significant savings were achieved through a change in the provider of medical insurance.

4. Effective on July 1, 2012, the Authority is transitioning from a self-funded pharmacy plan to stop loss insurance in order to limit upside exposure associated with this benefit.

5. Due to lower energy rates and savings generated from installation of new, energy efficient light fixtures and solar power at the Aircraft Rescue and Fire Fighting (ARFF) facility, the FY 2012-13 Utility Budget reflects a reduction of $264,435 or 7.7%.

6. Purchased services have been reduced by $114,343 or 2.3%. Budget reductions have been made to the following services: (1) engineering consulting, environmental testing, real estate appraisal and surveying, and other professional services; and (2) contracted maintenance services in support of the airfield, the terminal building, and the baggage handling system.

7. Materials and Supplies have been reduced by approximately $90,000 or 4.8% with reductions in supplies associated with the baggage conveyor system, lumber and building, printing, signs, and telephone equipment.

8. Administrative expenses are projected to increase by approximately $164,000 or 7.1%. This increase is due to three extraordinary events taking place in FY 2012-13 which include the following: (1) executive search firm and interview costs associated with the recruitment of a new President/CEO of $100,000; (2) additional resources focused on air service development to retain existing and attract new air service of $97,000; and (3) expected increased airport liability insurance impacted by the accident in September 2011 at the Reno Air Racing Championships of $66,000.

9. The budget also reflects a decrease of approximately $383,000 in lower expenditures associated with the purchase of fixed assets, which include vehicles, maintenance equipment, and computer technology.

The Authority's annual debt service obligations on existing senior lien bonds declined to $2.52 million in FY 2011-12 and will remain at this level in the FY 2012-13 Budget through FY 2025-26 unless new debt is incurred. The 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 construction of the Airport Gateway Program and other capital improvement projects funded through the Subordinate Notes, net debt service, after use of eligible PFC revenues, on the Subordinate Lien Revenue Notes is estimated to be $2.021 million. This compares to $2.322 million included in the FY 2011-12 Budget, a decrease of $290,000 or 12.5%.

The total debt service for FY 2012-13 is projected to be $4.545 million, a decrease of $287,300 or approximately 5.9% from the FY 2011-12 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 RTIA as measured by the number of seats and flights.
- Maintain our focus on increasing the level of air cargo activity as another means of increasing landed weight at RTIA.
- Diversify our revenue sources through expanding business and land development at both Reno-Tahoe International and Reno-Stead Airport.

- With the improvements incorporated in the Airport Gateway Program, the concession programs are growing and expanding with a focus on providing new services and products to meet customer demands.
- While the full benefits of the Airport Gateway Program will not be realized until the construction is completed in April 2013, RTAA's on-going focus on non-airline revenue has generated 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 impact operations and facility availability.

The RTAA 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

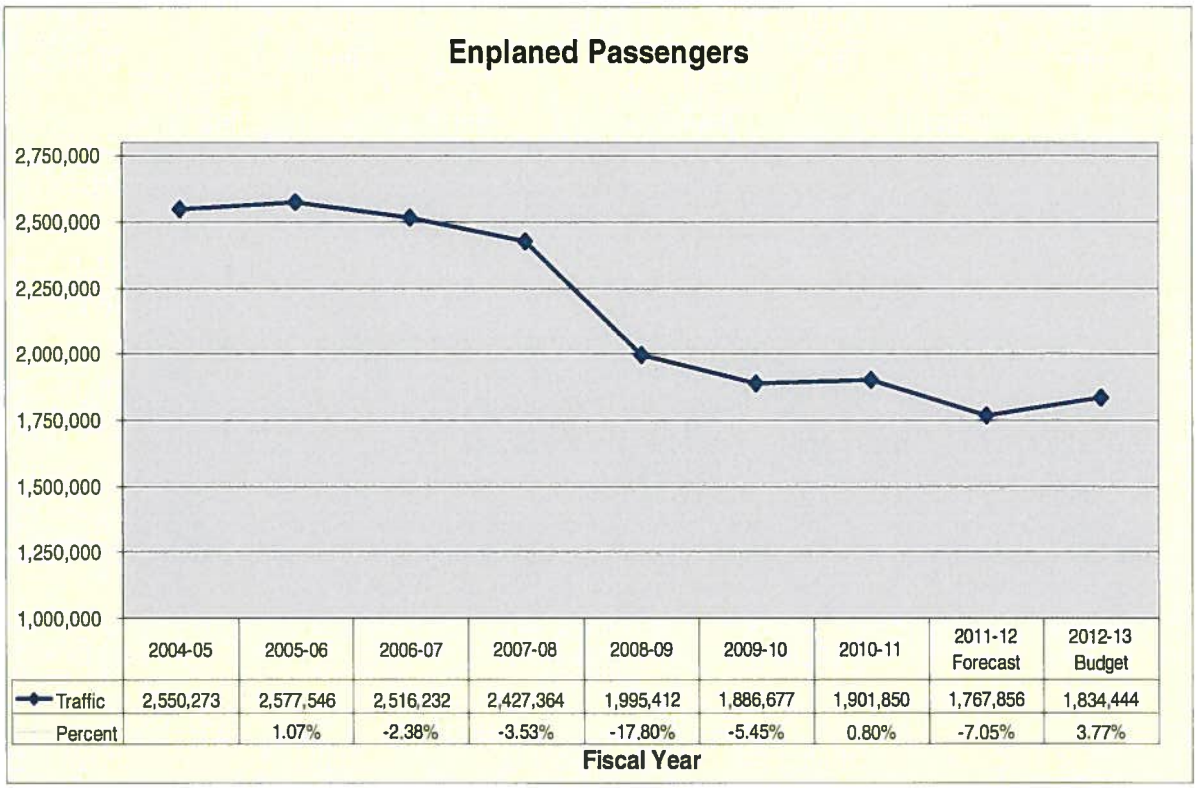
The FY 2012-13 Budget reflects, in part, the Authority's operating environment. Uncertainty exists with respect to the magnitude and strength of the current economic recovery and its impact on air travel. While the budget reestablishes funding for some critical needs, the budget is based on conservative 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 2012-13 Budget.

With fiscal year-to-date actual results through May 2012 being available prior to the adoption formal adoption of the budget, the FY 2012-13 Budget reflects the following results and estimates:

- Through May, 2012, the enplaned passenger (passengers boarding an airline) results for the first 11 months of FY 2011-12 registered a decrease of 6.5% over the same period in the previous year.

- Passenger enplanements are projected to increase to 1.83 million or 3.8 percent from the FY 2011-12 updated forecast results. Despite this increase, the FY 2012-13 Budget is 5.1% below the estimate of 1,933,238 passengers used in the prior year budget.

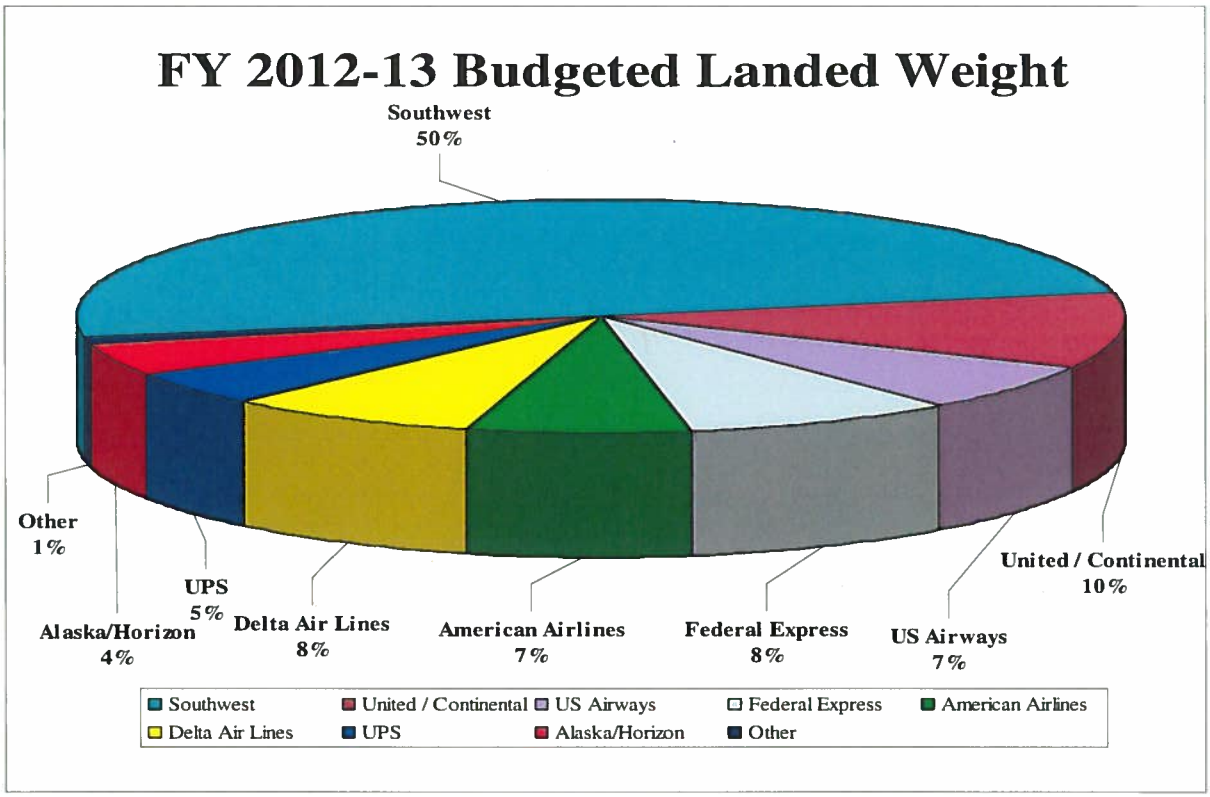
- The FY 2012-13 Budget reflects the seat capacity reflected by new air service announcements through May 31, 2012.



	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12 Forecast	2012-13 Budget
Traffic	2,550,273	2,577,546	2,516,232	2,427,364	1,995,412	1,886,677	1,901,850	1,767,856	1,834,444
Percent		1.07%	-2.38%	-3.53%	-17.80%	-5.45%	0.80%	-7.05%	3.77%

- Landed weight is forecasted to be 2,811,754 lb units in FY 2012-13, an increase of 3.9% over the FY 2011-12 forecast; however, this estimate represents a decrease of 4.3% from the prior year budget.

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

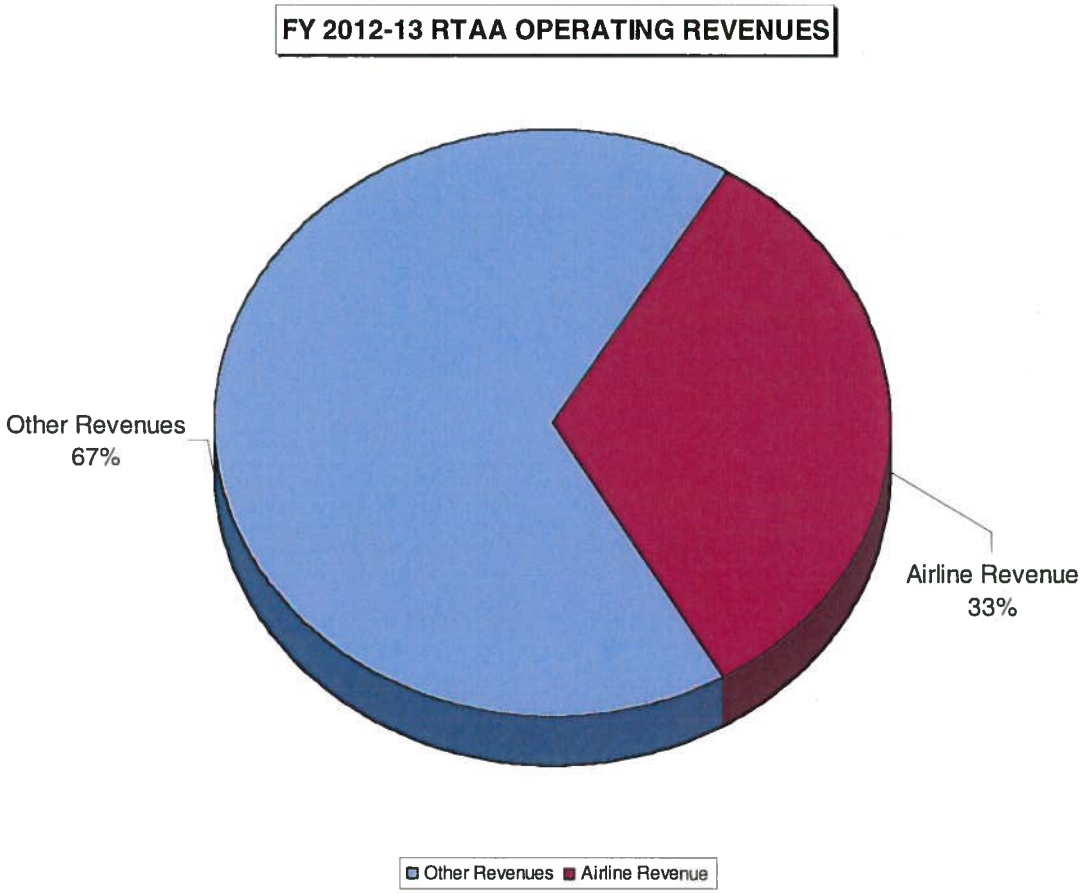


Budget Summary

This budget is for the RTAA's 2012-13 fiscal year, which begins on July 1, 2012 and ends June 30, 2013. RTAA has conservatively based its budget on a forecast of a slight increase in passenger enplanements (passengers boarding an airline) of 1,834,444 as compared to the FY 2011-12 projected amounts. A 3.8 percent increase in passenger enplanements is projected for the FY 2012-13 Budget as compared to the FY 2011-12 forecast.

The Total Operating Revenue budget for FY 2012-13 is $43,515,306. This represents a 4.6% decrease from the FY 2011-12 Budget. Of the total operating revenues, $14,360,366 or 33% are revenues attributed to the airlines such as landing fees and terminal building rents and $25,154,940 or 67% 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 Parking Revenues, Rental Car Concessions, Gaming Concessions, Reimbursed Services associated with cost recovery of maintenance of the new Baggage Handling System (BHS), News and Gifts Concessions, Terminal Building Advertising Concession, and the Food and Beverage Concession.



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

Airline Revenues

The airline agreement, discussed in further detail 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, the RTAA and the airlines have structured a five (5) year business arrangement and lease that became effective on July 1, 2010. The FY 2012-13 Annual Budget was developed based on the business arrangement specified under this Airline Agreement.

The total FY 2012-13 Airline Revenues are forecasted to be $14,360,366, a decrease of $690,888 or 4.6% over the FY 2011-12 Budget. This reflects lower cost recovery associated with airline cost centers as a result of decreased operating expenses and lower cost recovery for items such as fixed assets and capital project amortization paid through landing fee revenue and terminal building rental revenues.

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 2012-13 signatory landing fee rate is $2.49. This is a $0.06 decrease from the budgeted FY 2011-12 signatory landing fee rate of $2.55. Total Landing Fee revenue for FY 2012-13 is estimated to be $6.85 million as compared to $7.35 million in the FY 2011-12 Budget. This decrease is due primarily to the following factors:

- The Fixed Assets and Airfield Maintenance Project costs allocated to the Airfield Cost Center are 78.2% below the FY 2011-12 adopted Budget as no capital projects scheduled for the next fiscal year are allocated to the Airfield.

- The operation and maintenance costs allocated to the Airfield Cost Center are decreasing 0.2% as compared to the prior year budget. This modest decrease is due primarily to an overall reduction in contractual services, utilities, and supplies and materials, both directly assigned and indirectly allocated, to the airfield cost center. A portion of indirect or administrative costs are allocated to the airfield per formulas established in the airline agreement.

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 2012-13 is estimated to be $7.50 million as compared to $7.70 million in the FY 2011-12 Budget, a decrease of 2.6%. The detailed terminal building rental rate calculation appears in the Section 3 Financial Plan.

The average rental rate for FY 2012-13 is $58.80 per square foot per year. This is a $1.23 decrease from the FY 2011-12 budgeted average rental rate of $60.03.

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

- The operation and maintenance costs allocated to the Terminal Building under the adopted FY 2012-13 Budget are decreasing 0.8% from the FY 2011-12 Budget. This is primarily due to a significant reduction in utility costs.

- With passenger traffic forecasted to be 5.1% below the prior year budget, lower non-airline operating revenues are primarily responsible for the profit sharing credit of $972,600, used to offset terminal rental rates, being $188,500 or 16.2%

below from the prior year budget. The Authority has partially offset this negative revenue impact on operating revenues through reductions in operating costs, fixed asset purchases, and capital projects.

Non-Airline Revenue

Total Non-airline operating revenues are forecasted to be $29,154,940 in the FY 2012-13 Budget. This represents an expected decrease of $1,391,319 or approximately 4.6% from the FY 2011-12 Budget. This decrease is due primarily to lower projected passenger traffic and a reduction in concession revenues as a result of the construction from the Airport Gateway Program in the Terminal Building

A detailed breakdown of the FY 2012-13 non-airline revenue appears in the Section 3 Financial Plan - Revenues.

Operation and Maintenance Budget

The FY 2012-13 Operation and Maintenance budget is decreasing 0.9% or $329,463 to $36,378,241 as compared to the FY 2011-12 Budget.

- The Personnel Services budget is decreasing by 0.1% from the FY 2011-12 Budget. Modest salary increases as established under existing collective bargaining agreements and Board adopted management and civil service guidelines are offset by lower employee benefit costs. These savings are a result of various plan design changes and estimated savings in employee health insurance and long term disability/life insurance contributions.

  As part of the FY 2012-13 budget review process, no new positions are being filled and eighteen (18) positions will remain frozen and unfunded in the FY 2012-13 Budget.

- The Utilities and Communications FY 2012-13 Budget is 7.7% or $264,000 under the FY 2011-12 Budget and 2.6% or $80,000 above the updated projected expenditures for the 2011-12 fiscal year. The decrease in the FY 2012-13 Budget for utilities is due to lighting and electrical upgrades that allow the Authority to be more energy efficient, as well as lower than anticipated electricity rates charged by NV Energy. Another reduction in electrical costs has resulted from the installation of solar power generation to provide electricity to the Aircraft Rescue and Firefighting (ARFF) facility. These panels provide approximately 100% of the electrical needs for the operation of the firehouse.

- Purchased Services are decreasing 2.3% or $114,000 below the FY 2011-12 Budget and increasing 4.3% or $204,000 above the updated projected expenditures for the

2011-12 fiscal year. The decrease from the previous year's budget is primarily due to the reduced use and identified savings in (1) engineering consulting, environmental testing, real estate appraisal, surveying, and other professional services; and (2) contracted maintenance services in support of the airfield and building facilities, as well as the baggage handling system.

- The Materials and Supplies Budget is decreasing 4.8% or $90,000 from the FY 2011-12 Budget and increasing 0.2% or $3,000 from the projected expenditures for the FY 2011-12. The largest decrease is $22,800 for sign and sign maintenance. The other significant savings is a decrease of $19,900 in lumber and building supplies.

- Administrative Expenses are increasing 7.1% or $164,000 above the FY 2011-12 Budget and increasing 16.4% or $349,000 above the projected expenditures for fiscal year 2011-12. This increase is due to three extraordinary events taking place in FY 2012-13, which include the following: (1) executive search firm and interview costs associated with the recruitment of a new President/CEO of $100,000; (2) additional resources focused on air service development to retain existing and attract new air service of $97,000; and (3) expected increased airport liability insurance impacted by the accident in September 2011 at the Reno Air Racing Championships of $66,000. These increases are partially offset by $94,000 in lower travel and conference registration fees.

Personnel Complement

267.5 positions are budgeted and/or authorized for FY 2012-13, the same amount as in the adopted FY 2011-12 Budget. A specific explanation of any title changes, 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 2012-13 Budget is based on the existing revenue bond debt scheduled to be outstanding on July 1, 2012 of $25,025,000 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 2012-13 is budgeted to be $4,566,985.

The debt service coverage ratio (revenue less operating expenses divided by annual debt service) for senior lien debt is estimated to decrease from 3.88 times in the FY 2011-12 Budget to 3.13 times in the FY 2012-13 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) funds pledged toward repayment of eligible debt service, is estimated to be 1.80 times in the FY 2012-13 Budget.

If the minimum coverage requirement of 1.25 times is not met, the airline landing fee and rental rates are required under the Revenue Bond Resolution 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 2012-13 is $348,761. This is a decrease of approximately $382,689, or 52% from the FY 2011-12 PP&E budget amount of $731,450. This decrease is due primarily to a reduction in one time purchases of information technology required last year, as well as no critical vehicle replacement needs in the upcoming year. 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 on the airline profit sharing reflected in the FY 2012-13 Budget are estimated to cost $1.8 million. These projects are primarily focused on addressing deferred maintenance of airport infrastructure, such as maintenance of the airfield and landside pavement, general aviation pavement and landside access as well as access controls for an employee parking lot. 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% 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% 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.

Total Net Revenue to be shared under the profit sharing formula is projected to be $1,945,252 for FY 2012-13, a decrease of $376,919 as compared to the FY 2011-12

Budget and $296,944 lower than the current FY 2011-12 estimate. The airline's 50% share of this net revenue is estimated to be $972,626. A detailed breakdown of the calculation is included in the Section 3 - Financial Plan tab.

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. 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 12, 2012 and May 15, 2012	Public Budget Workshops with the RTAA Board of Trustees
April 15th	April 15, 2012	Tentative budget filed with the Nevada Department of Taxation
Seven to 14 days before the Third Thursday in May	May 6, 2012	Notice of Budget Public Hearing published
Third Thursday in May	May 17, 2012	Hold Public Hearing on the budget
On or Before June 1st	May 17, 2012	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%.

The FY 2012-13 budgeted net pledged revenues for repayment of the outstanding senior lien bonds is 188% above the debt service requirements for the fiscal year, which exceeds the 25% 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

The RTAA strives to maintain its 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 the RTAA's high standard of customer service.

The RTAA actively plans and prepares for the airport facility needs for both the Reno-Tahoe International Airport (RTIA) and Reno-Stead Airport (RTS) in order to accommodate future aviation needs.

Currently, RTIA has adequate airfield and terminal concourse facilities to support existing passenger levels as well as long term growth. No significant changes to the airfield are expected; however there is an ongoing planned pavement reconstruction program in place.

The terminal building and security checkpoints do require improvement and are being addressed under the Airport Gateway 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 recently relocated tenant employee parking, followed eventually 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 maintenance are completed. However, terminal facilities, which are World War II vintage, have exceeded their functional life. This shortfall is being addressed by the Reno-Stead Terminal Building/Emergency Operations Center project outlined on page 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 specifically to the RTIA sound insulation program. The sound insulation program is available to approximately 5,400 homes north and south of RNO as well as to eligible schools, churches and a long-term health care facility. To date, improvements have been completed on approximately 4,500 of the total homes eligible. Additional noise mitigation programs include the 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 2012-13 Budget to GFOA to determine its eligibility for another award. This document will also be posted on the RTAA's website, www.renoairport.com.

The RTAA Board of Trustees adopted this budget on May 17, 2012. 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

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, 2011

President Executive Director

Reno-Tahoe Airport Authority
FY 2012-13
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 that 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
Jerry L. Hall, Chair	City of Reno	June 2013
Adam Mayberry, Vice-Chair	City of Sparks	June 2015
Randi Thompson, Secretary	Washoe County	June 2013
Mark Crawford, Treasurer	Washoe County	June 2015
Rick Murdoch	City of Reno	June 2013
Steve Katzmann	City of Reno	June 2015
Dr. Kosta Arger	City of Reno	June 2015
William "Bill" Eck	City of Sparks	June 2013
John Wagnon	Reno-Sparks Convention & Visitors Authority	June 2013

FY 2012-13 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

A Marketing Coordinator position has been moved to Marketing and Public Affairs to better accommodate the needs of the two departments.

Marketing and Public Affairs

The Marketing Program Manager position has been reclassified as the Manager of Air Service Marketing & Special Events to more accurately reflect the duties and responsibilities of the position.

The Manager of Marketing and Public Affairs 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 Director of Airport Economic Development position has been reclassified as the Vice-President of Airport Economic Development to more accurately reflect the duties and responsibilities of the position.

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

The Concession Program Manager position has been reclassified as Manager of Concessions to more accurately reflect the duties and responsibilities of the position.

Airport Police

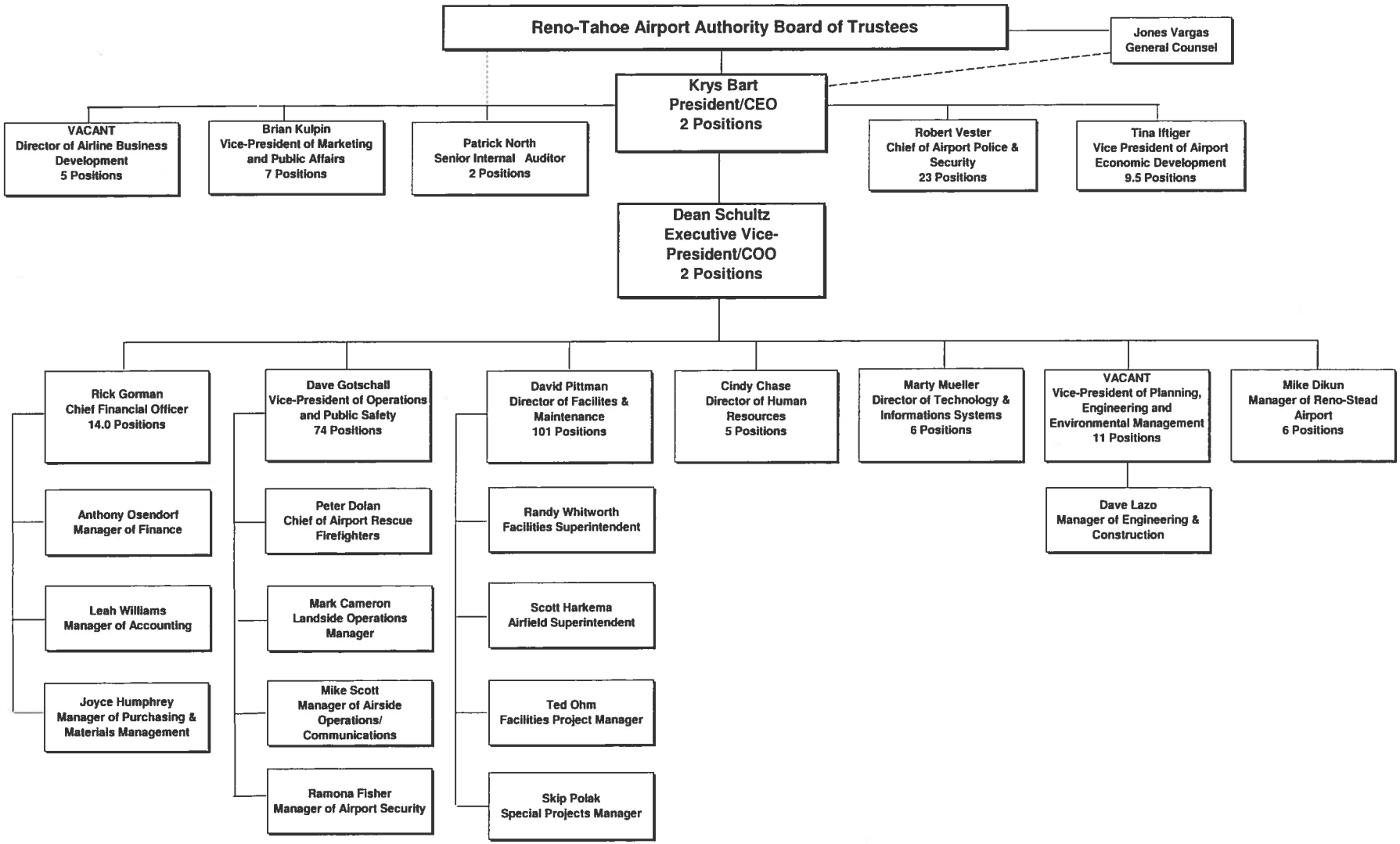
The Chief of Airport Police and Security position has been reclassified as the Chief of Airport Police to more accurately reflect the duties and responsibilities of the position due to the separation of Police and Security departments.

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 2012-13 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 savings present themselves.

FY 2012-13


Reno-Tahoe Airport Authority Board of Trustees
Jones Vargas
General Counsel
Krys Bart
President/CEO
2 Positions
VACANT
Director of Airline Business Development
5 Positions
Brian Kulpin
Vice-President of Marketing and Public Affairs
7 Positions
Patrick North
Senior Internal Auditor
2 Positions
Robert Vester
Chief of Airport Police & Security
23 Positions
Tina Iftiger
Vice President of Airport Economic Development
9.5 Positions
Dean Schultz
Executive Vice-President/COO
2 Positions
Rick Gorman
Chief Financial Officer
14.0 Positions
Anthony Osendorf
Manager of Finance
Leah Williams
Manager of Accounting
Joyce Humphrey
Manager of Purchasing & Materials Management
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
Ramona Fisher
Manager of Airport Security
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
VACANT
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 2012 - 13
ANNUAL BUDGET

Personnel Complement

	Budgeted and/or Authorized FY 2010-11	Budgeted and/or Authorized FY 2011-12	Budgeted and/or Authorized FY 2012-13
Board of Trustees Department			
Board of Trustees *	9.0	9.0	9.0
Internal Audit Section			
Senior Internal Auditor	2.0	2.0	1.0
Internal Auditor	0.0	0.0	1.0
Total Internal Audit Section	2.0	2.0	2.0
Total Board of Trustees Department	2.0	2.0	2.0
President/CEO Department			
President/CEO	1.0	1.0	1.0
Manager of Airline Business	0.0	0.0	0.0
Executive Assistant	1.0	1.0	1.0
Total President/CEO	2.0	2.0	2.0
Air Service Business Development Section			
Vice-President of Air Service Business Development	1.0	0.0	0.0
Director of Air Service Business Development	0.0	1.0	1.0
Manager of Air Service	0.0	1.0	1.0
Air Cargo Manager	1.0	0.0	0.0
Aviation Analyst	1.0	1.0	1.0
Marketing Coordinator	2.0	2.0	1.0
Executive Assistant	1.0	1.0	1.0
Total Air Service Business Development Section	6.0	6.0	5.0
Marketing and Public Affairs Section			
Vice-President of Air Service, Marketing and Public Affairs	0.0	1.0	1.0
Director of Marketing and Public Affairs	1.0	0.0	0.0
Manager of Air Service Marketing & Special Events	0.0	0.0	1.0
Marketing Program Manager	0.0	1.0	0.0
Customer Service Supervisor	1.0	0.0	0.0
Marketing Coordinator	1.0	1.0	2.0
Manager of Public Affairs and Customer Service	0.0	0.0	1.0
Manager of Marketing and Public Affairs	0.0	1.0	0.0
Public Affairs Coordinator	1.0	0.0	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	7.0
Economic Development Section			
Vice-President of Airport Economic Development	0.0	0.0	1.0
Director of Airport Economic Development	1.0	1.0	0.0
Assistant Director of Airport Economic Development	0.0	1.0	0.0
Airport Economic Development Supervisor	1.0	0.0	0.0
Real Estate Supervisor	0.0	0.0	1.0
Concessions Program Manager	0.0	1.0	0.0

Reno-Tahoe Airport Authority
FY 2012 - 13
ANNUAL BUDGET

Personnel Complement

	Budgeted and/or Authorized FY 2010-11	Budgeted and/or Authorized FY 2011-12	Budgeted and/or Authorized FY 2012-13
Manager of Concessions	0.0	0.0	1.0
Airport Economic Development Specialist	4.0	3.0	3.0
Property Specialists	2.0	0.0	0.0
Property Technician	0.0	2.0	2.0
Administrative Assistant I/II	1.5	1.5	1.5
Total Economic Development Section	9.5	9.5	9.5
Airport Police Section			
Chief of Airport Police and Security	1.0	1.0	0.0
Chief of Airport Police	0.0	0.0	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	46.5	46.5	46.5
Executive Vice President/COO Department			
Executive Vice-President/COO	1.0	1.0	1.0
Senior Program Manager	1.0	0.0	0.0
Executive/Board Assistant	1.0	1.0	1.0
Total Executive Vice President/COO	3.0	2.0	2.0
Technology and Information Systems Section			
Director of Technology and Information Systems	1.0	1.0	1.0
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	1.0	1.0	1.0
Total Technology and Information Systems Section	6.0	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	2.0	2.0	2.0
Equipment Mechanic	1.0	1.0	1.0
Lead Airfield Maintenance Technician	1.0	1.0	1.0
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	1.0	1.0
Benefits Specialist	1.0	0.0	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

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

Personnel Complement

	Budgeted and/or Authorized FY 2010-11	Budgeted and/or Authorized FY 2011-12	Budgeted and/or Authorized FY 2012-13
Total Executive Vice President/COO Department	20.0	19.0	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	1.0	1.0	1.0
Payroll Administrator	1.0	1.0	1.0
Accounting Technician	1.0	1.0	1.0
Accounting Specialist II	1.0	1.0	1.0
Administrative Assistant II	1.0	1.0	1.0
Total Finance and Accounting Section	7.0	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	14.0	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	1.0	0.0	0.0
Administrative Assistant I/II	1.0	1.0	1.0
Total Vice-President of Operations and Public Safety	3.0	2.0	2.0
Airside Operations Section			
Manager of Airside Operations/Communications	1.0	1.0	1.0
Operations Supervisor	6.0	6.0	6.0
Senior Communications Specialist	1.0	1.0	1.0
Airport Communications Specialist I/II	9.0	9.0	9.0
Total Airside Operations Section	17.0	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	9.0	8.0

Personnel Complement

	Budgeted and/or Authorized FY 2010-11	Budgeted and/or Authorized FY 2011-12	Budgeted and/or Authorized FY 2012-13
Parking Shift Leader	5.0	4.0	5.0
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	6.0	6.0
Fire Fighter	8.0	9.0	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
Operations Supervisor	1.0	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	74.0	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
FY 2012 - 13
ANNUAL BUDGET

Personnel Complement

	Budgeted and/or Authorized FY 2010-11	Budgeted and/or Authorized FY 2011-12	Budgeted and/or Authorized FY 2012-13
Special Projects Manager	0.0	1.0	1.0
Total Director of Facilities and Maintenance Section	4.0	5.0	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	0.0	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	12.0	12.0	12.0
Administrative Assistant I/II	1.0	1.0	1.0
Total Airfield Maintenance Section	27.0	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	100.0	101.0	101.0
TOTAL AIRPORT (Does not include the appointed Board of Trustees)	268.5	267.5	267.5

* Appointed positions

Reno-Tahoe Airport Authority
FY 2012-13
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 significantly 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.

The Authority is also subject to the Local Government Securities Law, which defines the process to be used by local 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, this 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 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, in turn, receive a significant portion of the non-aeronautical revenue as a credit or reduction towards the rates and charges paid to an airport.

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 positioned 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 went 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 component 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 cost recovery in the airline rates of large 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. The airlines will review and vote on the projects over these thresholds. 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) of the airlines must vote to deny a project as provided in the airline agreement.

The Majority In Interest for an Airfield project is 60% of the number of signatory airlines that landed at least 50% of the signatory airline landed weight during the immediate preceding fiscal year or 50% of the number of signatory airlines that landed at least 60% of the signatory landed weight for the same period.

The Majority In Interest for a Terminal Building project is 60% of the signatory airlines that paid at least 50% of the total terminal rents during the immediate preceding fiscal year or 50% of the signatory airlines that paid at least 60% of the total terminal rents for the same period

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 enplaned passenger. This is the sum of the airline's costs to operate at RTIA (landing fees and terminal rents) divided by the number of airline enplaning passengers.

The RTAA budgeted cost per enplanement (CPE) for fiscal year 2011-12 was $7.33 and it is currently forecasted at $7.42. Due to a forecasted increase in enplanements as compared to the FY 2011-12 actual, the CPE for FY 2012-13 is budgeted to be $7.38.

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 mitigate 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 deposited 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. 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 Increased Airport Security Mandates

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.

- The full-time assignment of Law Enforcement- Police Officers to respond to security incidents at the security checkpoints operated by the TSA.

- Hiring Airport Security Specialists to control vehicle parking on the front curb of the terminal building.

Staffing, equipping, and operating these programs, which did not exist in 2000, increased the RTAA's O&M Budget. TSA grants are available to reimburse the Authority for most of the costs associated with the Explosives Detection Canine Team Program and a portion of the costs of providing full time Law Enforcement - Police Officer response at the TSA security

checkpoints. 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 re-financings. The RTAA's revenue bonds and associated debt service are discussed further in *Section 3 - Debt Summary*.

The President/CEO instructed the management staff to prepare departmental work plans to implement the Board of Trustees' goals as the basis for their budgets. Summaries of the Board goals, and department work plans are in *Section 3 – Expenditures*. The RTAA staff will continue to maintain an aging terminal building facility and look for ways to reduce or maintain the overall operation and maintenance expense budget without sacrificing safety, security or customer service.

In response to the forecasted lower passenger activity as compared to the FY 2011-12 adopted budget, staff has been directed to lower operating and maintenance expenses by focusing on "mission critical" areas and exploring every opportunity to reduce costs. As a result, the FY 2012-13 operating budget reflects a reduction of 0.9%.

New Personnel, Property, Plant and Equipment, and Capital Projects are proposed and reviewed by Authority Finance staff. 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 with the President/CEO and Executive Vice President/COO. 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 that are subject to the Majority In Interest (MII) review requirement within 30 days of this meeting.

Section 3 is the financial details for the RTAA budget for the fiscal year beginning July 1, 2012. This section contains the following schedules:

- Detailed airline landing fee and rental rate calculations.
- The allocation of the non-airline revenues to the appropriate 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 are further broken down into the following six departmental expenditure categories:

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

2. Utilities and Communications - airport communications system (telephone, internet, data, etc), 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 operating 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 2012-13

		Cost Centers						
		Airfield	Terminal	Baggage Sys	Ground Trans	Other	Reno Stead	Total
Airline Revenue (Before Profit Sharing)		7,001,366	8,581,572	-	-	-	-	15,582,938
Non Airline Revenue		883,900	5,895,712	1,837,828	14,721,300	5,378,000	568,300	29,285,040
Total Revenue		7,885,266	14,477,284	1,837,828	14,721,300	5,378,000	568,300	44,867,978
O&M Expense		$ 7,717,186	$ 16,366,866	$ 1,837,828	$ 5,112,276	$ 3,500,487	$ 1,401,822	$ 35,936,466
Debt Service		-	-	-	2,523,900	1,423,687	597,386	4,544,973
Pre Bond Loan		67,726	79,485	-	32,676	41,921	22,152	243,960
O&M Reserve		-	-	-	-	-	-	-
Fixed Asset		108,323	143,807	-	45,475	42,197	8,960	348,761
Capital Project		-	53,000	-	225,000	346,600	45,000	669,600
Amort of Capital Items		207,643	-	-	299,254	-	-	506,897
Special Fund			672,070					672,070
LOI Transfer		-						-
Total Requirement		$ 8,100,878	$ 17,315,228	$ 1,837,828	$ 8,238,580	$ 5,354,892	$ 2,075,320	$ 42,922,727
Net Revenues		$ (215,612)	$ (2,837,944)	$ -	$ 6,482,720	$ 23,108	$ (1,507,020)	$ 1,945,252
Airport Share	50.00%							$ 972,626
Airline Share	50.00%							$ 972,626

RENO - TAHOE AIRPORT AUTHORITY
FY 2012-13
ANNUAL BUDGET
Summary of Sources and Uses of Funds

	Actual 2010-11	Budget 2011-12	Budget 2012-13
SOURCES OF FUNDS			
Revenue Fund			
Landing and Aircraft Fees	$ 6,134,543	$ 8,165,254	$ 7,726,166
Gaming Concession Fees	2,256,664	2,280,300	1,920,200
Food and Beverage Revenue	882,108	885,800	653,300
Merchandise Revenue	1,143,635	1,102,200	860,600
Auto Rental Concession Fees	6,051,446	6,123,100	6,137,300
Other Concession Fees	1,394,142	1,389,300	1,273,500
Auto Parking and Ground Transportation	8,927,778	8,980,800	8,584,000
Terminal Rents	6,074,226	7,705,700	7,509,000
Other Rents	6,204,598	6,219,400	6,272,900
Reimbursed Services & Miscellaneous	2,410,695	2,745,659	2,578,340
Non-Operating Pledged Revenue	265,025	202,400	130,100
Total Revenue Fund	$ 41,744,860	$ 45,799,913	$ 43,645,406
Non Rate Base Revenue			
Non-Rate Base Interest	46,874	68,100	39,100
Fuel Tax Revenue	319,073	329,000	327,100
Fuel Tax Interest	704	2,000	900
PFC Interest	28,761	28,500	5,400
PFC Revenue	7,318,014	7,383,600	7,006,300
Other Revenue	(22,489)	500	400
Total Non Rate Base Revenue	7,690,937	7,811,700	7,379,200
TOTAL SOURCES OF FUNDS	$ 49,435,796	$ 53,611,613	$ 51,024,606
USES OF FUNDS			
Operation and Maintenance Fund			
Personnel Services	$ 22,421,307	$ 24,085,700	$ 24,061,025
Utilities	2,934,201	3,443,255	3,178,820
Purchased Services	4,072,998	4,823,547	4,709,204
Materials and Supplies	1,852,810	1,851,220	1,761,625
Administrative Expenses	1,736,905	2,159,282	2,225,792
Total Operation and Maintenance Fund	$ 33,018,221	$ 36,363,004	$ 35,936,466
Bond Fund			
Interest Account	1,543,650	1,276,150	1,213,900
Principal Account	5,350,000	1,245,000	1,310,000
Total Bond Fund	$ 6,893,650	$ 2,521,150	$ 2,523,900
Subordinate Debt Fund			
Interest Account		253,906	587,423
Principal Account		2,315,000	3,625,000
PFCs Applied		(257,811)	(2,191,351)
Total Subordinate Debt Fund	$ -	$ 2,311,095	$ 2,021,073
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	$ 109,184	$ 108,547	$ -
Short Term Financing			
Prebond Loan	$ 415,215	$ 243,960	$ 243,960
Property, Plant & Equipment	$ 886,682	$ 731,450	$ 348,761
Capital Projects			
Current Year	1,859,926	1,303,000	669,600
Prior year project reimbursement	278,256	508,500	506,897
Total Capital Projects	$ 2,138,182	$ 1,811,500	$ 1,176,497
Special Fund			
35 % of projected gaming revenue to Special Fund	$ 789,832	$ 798,105	$ 672,070
General Purpose Fund			
Current Year Profit Sharing Total	1,196,164	2,322,188	1,945,306
Current Year Profit Sharing Airline Share	(556,683)	(1,161,086)	(972,626)
Prior Year Profit Sharing Airline Share	(2,996,904)	-	-
LOI Transfer	-	-	-
Air Service Incentive	(148,683)	(250,000)	(250,000)
Total General Purpose Fund	$ (2,506,106)	$ 911,102	$ 722,680
Non-Rate Base Interest	46,874	68,100	39,100
Fuel Tax	319,777	331,000	328,000
PFC Fund	7,346,775	7,412,100	7,011,700
Other Revenue	(22,489)	500	400
	$ 7,690,937	$ 7,811,700	$ 7,379,200
TOTAL USES OF FUNDS	$ 49,435,796	$ 53,611,613	$ 51,024,606

The Total Operating Revenue budget for FY 2012-13 is $43,515,306. This is a 4.6% decrease from the FY 2011-12 Budget. Budgeted airline revenues are $14,360,366 or 33% of total operating revenues. The total non-airline operating revenue budget is $29,154,940 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 revenues.

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 these revenue sources have on other local governments. 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 and charges to be competitive with other airports, which is useful when seeking new air service.

With the slowdown in the economy, airline traffic has decreased significantly from 2.43 million enplaned passengers for the pre-recession FY 2007-08 to 1.90 million in FY 2010-11. 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. Passenger traffic for FY 2011-12 has reached 1.78 million enplanements.

For FY 2012-13, the Authority is forecasting a 3.0% increase in enplanements to 1.83 million as compared to FY 2011-12 actual results and a 5.1% decrease as compared to the FY 2011-12 Budget. This modest increase is the key driving factor behind the forecasted increase in concession revenues and the overall profit sharing with the airlines as compared to current year estimates. However, the estimated passenger traffic for FY 2012-13 is 98,794 lower than last year's adopted budget, a decrease of 5.1%.

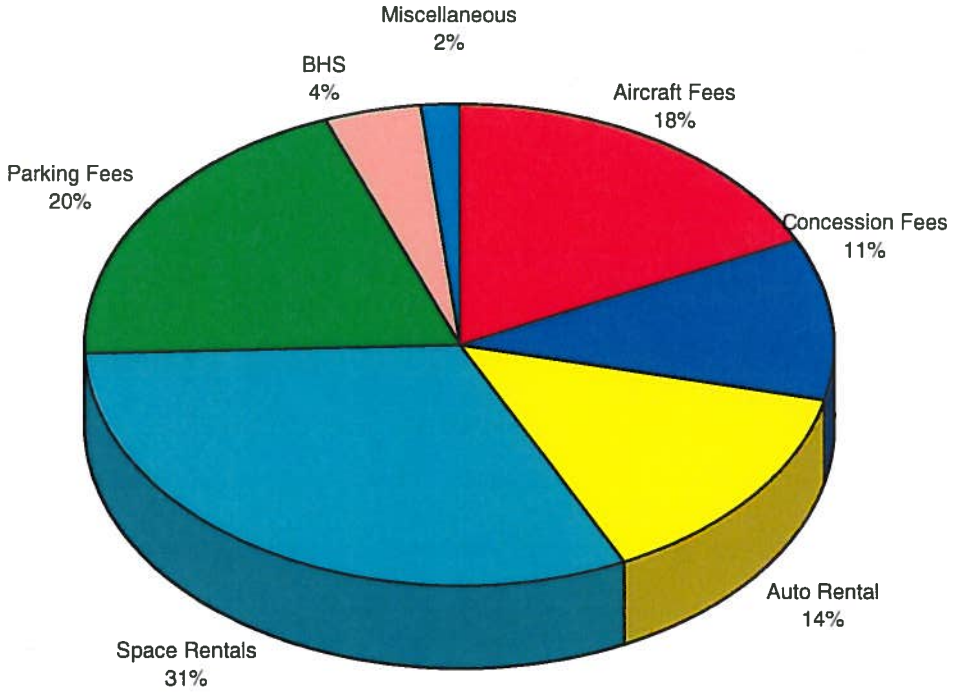
In addition, the forecasted landed weight for FY 2012-13 is project to increase to 2,811,794 (thousand pound units), an increase of 4.2% over the actual results for FY 2011-12; however, this estimate represents a decrease of 127,639 (thousand pound units) from the adopted Budget for FY 2011-12 or a 4.3% decrease. An increase in airline landed weight impacts the landing fee calculation by increasing the base used to recover airfield costs.

The FY 2012-13 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 and minimum annual guarantees, as established in existing contracts, 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 into the estimates.

Non-airline operating revenues are forecasted to be $29,154,940 in the FY 2012-13 Budget. This represents an expected decrease of $1,391,319 or approximately 4.6% from the FY 2011-12 Budget. This decrease is due primarily to the reduction of concession revenues being impacted by the construction from the Airport Gateway Program in the Terminal Building.

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Operating Revenues

FY 2012-13
Operating Revenues

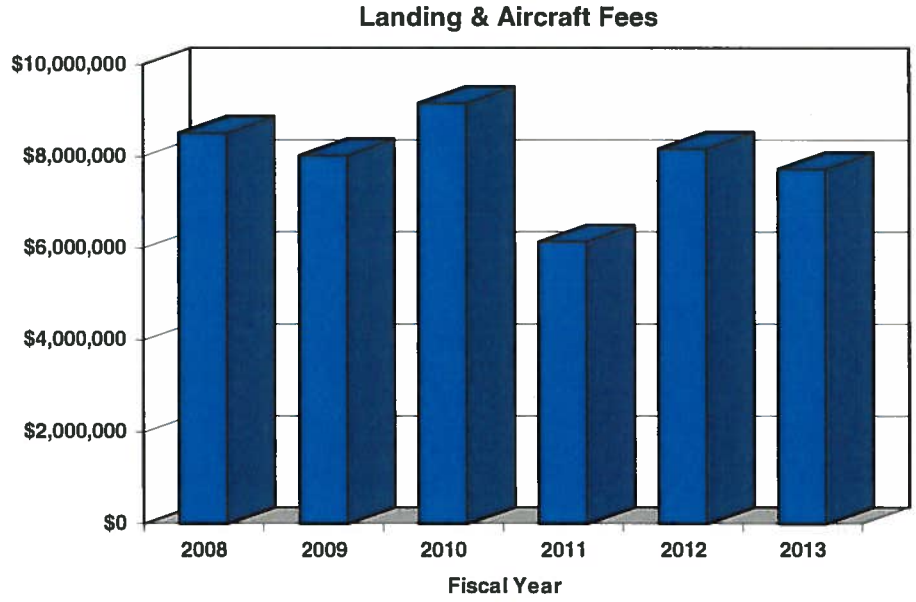


REVENUES	
Aircraft Fees	$ 7,726,166
Concession Fees	4,707,600
Auto Rental	6,137,300
Space Rentals	13,781,900
Parking Fees	8,584,000
BHS	1,837,828
Miscellaneous	740,512
Total	$ 43,515,306

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Section 3 – Revenues

There are seven major sources of revenue received by the RTAA: (1) landing and aircraft fees, (2) concession revenue, (3) auto parking and ground transportation revenue, (4) space rentals, (5) reimbursed services, (6) non-operating revenues, and (7) non-rate base revenues. Overall, the RTAA is projecting a 4.6% decrease in operating revenues for FY 2012-13 as compared to the FY 2011-12 Budget and a 1.8% increase from the current year updated estimate. Key inputs used in the revenue budget include the CPI (Consumer Price Index), the projected change in passenger and aircraft traffic, and regional and national economic indicators. The charts presented in this section depict actual revenues for the fiscal years 2007-08 through 2010-11 followed by budgeted revenues for fiscal years 2011-12 and 2012-13.

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 2012-13 Budget are anticipated to decrease 5.4% as compared to the FY 2011-12 Budget due primarily to the decrease in the capital projects, fixed assets and operation and maintenance costs allocated to the Airfield Cost Center.

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.

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 FY 2011-12 landing fee rate was budgeted at $2.55 per thousand pounds of landed weight, while the FY 2012-13 landing fee rate will be $2.49. In the current airline agreement, there is no premium charged for landing fees assessed to non-signatory airlines as compared to signatory airlines. Therefore, the $2.49 rate will be charged to all airlines, signatory or non-signatory.

The following is the detailed landing fee calculation:

CALCULATION OF FY 2012-13 LANDING FEE RATE

		FY 2010-11 Actual	FY 2011-12 Budget	FY 2012-13 Budget	Variance
O&M Expenses		$ 7,219,537	$ 7,734,670	$ 7,717,186	$ (17,484)
Debt Service		-	-	-	-
Coverage		-	-	-	-
Pre Bond Loan		133,096	67,726	67,726	-
O&M Reserve		22,067	22,872	-	(22,872)
Fixed Assets		239,914	226,962	108,323	(118,638)
Capital Projects		213,620	271,000	-	(271,000)
Amortization of Capital Items		-	-	-	-
LOI Transfer		-	-	-	-
Total Requirement		$ 7,828,234	$ 8,323,230	$ 7,893,235	$ (429,995)
Total Landed Weight (000s)		2,896,599	2,939,432	2,811,794	(127,639)
Non-Signatory Rate	A	$ 2.70	$ 2.83	$ 2.81	$ (0.02)
Signatory Landed Weight (000s)	B	2,841,025	2,939,432	2,811,794	(127,639)
Signatory Revenue Prior to Revenue Sharing	A * B	$ 7,678,042	$ 8,323,230	$ 7,893,235	$ (429,995)
Less: Non-Airline Airfield Revenue		-	-	-	-
Less: Other Airfield Revenue		(986,485)	(832,300)	(883,900)	(51,600)
Less: Revenue Sharing		(1,498,452)	-	-	-
	C	5,193,105	7,490,930	7,009,335	(481,595)
Signatory Landed Fee Rate	C / B	$ 1.83	$ 2.55	$ 2.49	$ (0.06)

The following are significant factors impacting the requirements in the Airfield Cost Center and the calculation of the landing fee in the FY 2012-13 Budget:

- The Fixed Assets and Airfield Maintenance Project costs allocated to the Airfield Cost Center are 78.2% below the FY 2011-12 adopted Budget as no projects scheduled for the next fiscal year are allocated to the Airfield.

- The operation and maintenance costs allocated to the Airfield Cost Center are decreasing 0.2% as compared to the prior year budget. This modest decrease is due primarily to an overall reduction in contractual services, utilities, and supplies and materials, both directly assigned and indirectly allocated, to the airfield cost center. A portion of indirect or administrative costs are allocated to the airfield per formulas established in the airline agreement.

- The FY 2012-13 landing fee rate of $2.49 is a $0.06 decrease from the budgeted FY 2011-12 landing fee rate of $2.55. 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 decrease from $326.40 to $318.72, a decrease of $7.68.

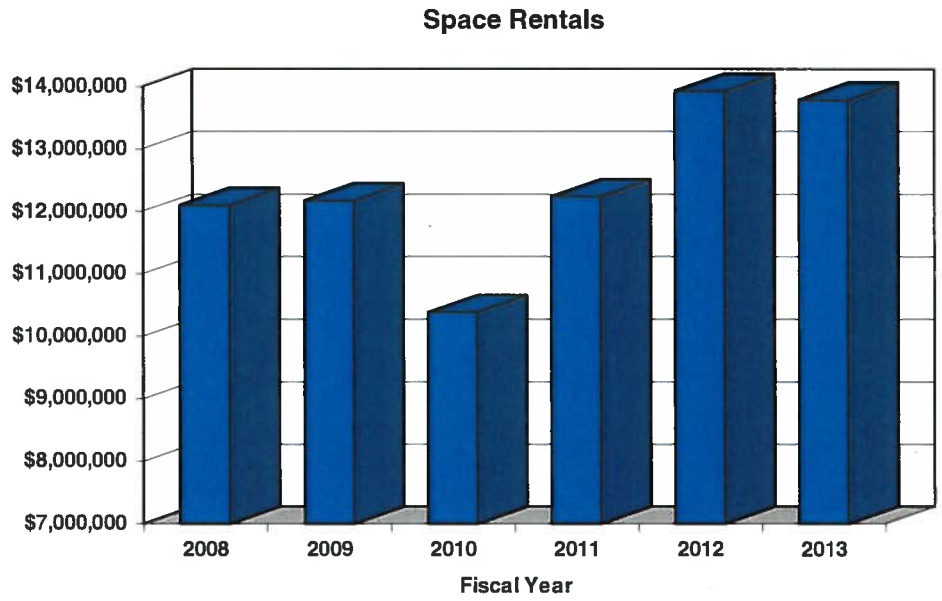
- Total revenues generated by landing fees are estimated to be $6,851,366 in FY 2012-13, a decrease of approximately $494,000 or 6.7% from the FY 2011-12 adopted budget.

It would be an administrative burden to charge a landing fee to all the small private aircraft (general aviation) using the airports. Airfield revenues are collected from the general aviation aircraft in the form of fuel flowage fees. This ensures that general aviation aircraft pay a share of the expenses of maintaining and developing the airfield area. An estimate of $160,300 is included in the aircraft fees' section of the revenue budget for fuel flowage fees, a decrease of 13.8% as compared to the FY 2011-12 Budget.

Fuel farm system revenue of $637,300 is paid by a consortium of signatory airlines for use of Authority owned fueling facilities, equipment, and associated land. Revenue is established based on a determination of fair market value as established by independent appraisals.

The Landing Fees and Fuel Flowage Fees of $27,000 for the Reno-Stead Airport reflect fees assessed for use of airfield facilities by based fire fighting aircraft and fuel flowage fees from sales to general aviation aircraft at this airport.

SPACE RENTALS



Space Rentals for FY 2012-13 are budgeted to reach $13.78 million, a decrease of approximately $143,000 or 1.0% as compared to the prior year adopted 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 54.5% or $7.51 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 Terminal, 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, as shown in the Calculation of Terminal Rental Rate table, 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. As part of this calculation, 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 2012-13 Budget, the average budgeted rental rate is $58.80 per square foot per annum, a decrease of 2.0% from the FY 2011-12 average budgeted rental rate of $60.03. Total signatory airlines terminal space rental revenue is estimated to be $7,320,900 in FY 2012-13, a decrease of $154,000 or 2.1% from the FY 2011-12 Budget.

The following is the detailed terminal rental rate calculation:

CALCULATION OF FY 2012-13 TERMINAL RENTAL RATE

		FY 2010-11 Actual	FY 2011-12 Budget	FY 2012-13 Budget	Variance
O&M Expenses		$ 14,683,473	$ 16,504,006	$ 16,366,866	$ (137,139)
Debt Service		-	-	-	-
Coverage		-	-	-	-
Pre Bond Loan		117,138	79,485	79,485	-
O&M Reserve		47,828	48,803	-	(48,803)
Fixed Assets		253,385	280,137	143,807	(136,331)
Capital Projects		753,621	427,500	53,000	(374,500)
Amortization of Capital Items		-	-	-	-
Special Fund		-	-	-	-
Airline Reimbursements (Disposal Fee)		(269,054)	(301,000)	(276,600)	24,400
Total Requirement	A	$ 15,586,391	$ 17,038,932	$ 16,366,558	$ (672,373)
Square Footage	B	245,697	245,697	245,697	-
Terminal Rental Rate	A/B= C	$ 63.44	$ 69.35	$ 66.61	$ (2.74)
Signatory Airline Terminal Leased Space	D	124,329	124,528	124,508	(20)
Signatory Airline Share of Net Requirement	C*D = E	$ 7,887,115	$ 8,635,938	$ 8,293,823	(342,115)
Less: Revenue Sharing Credit	F	(2,055,135)	(1,161,100)	(972,600)	188,500
Adjusted Signatory Airline Net Requirement	E+F= G	5,831,980	7,474,838	7,321,223	(153,615)
Signatory Airline Terminal Leased Space	H	124,329	124,528	124,508	(20)
Signatory Airline Average Rental Rate (Net)	G/H	$ 46.91	$ 60.03	$ 58.80	$ (1.22)

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 2012-13 Budget:

- The operation and maintenance budget allocated to the Terminal Building is decreasing 0.8% from the FY 2011-12 Budget. This is primarily due to a significant reduction in utility costs.

- With passenger traffic forecasted to be 5.1% below the prior year budget estimate, the negative impact on operating revenues is only partially offset by reductions in operating costs, fixed asset purchases, and capital projects. The proposed profit sharing used to offset the airlines' terminal rental rate for FY 2012-13 is $972,600, a decrease of $188,500 or 16.2% from the prior year budget.

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 reappraisal.

Non-airline terminal rents of $733,700 reflect an increase of $105,800 due to additional leased space provided to the Transportation Security Administration (TSA) and a new shuttle operator to Lake Tahoe.

RTIA non-terminal rents are forecasted to increase by $13,000 to $5.02 million, a 0.3% increase from the FY 2011-12 Budget. The slight increase is primarily a result of higher building and land rents from leases with the car rental companies and annual CPI adjustments on general aviation hangar rents.

Facility and land rent at the Reno-Stead Airport is $65,300 lower than last year's adopted budget primarily due to the termination of a large hangar lease with the Reno Air Race Association.

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 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 2012-13, this revenue is estimated to be $1,837,828. This represents the Authority charging $1.35 per processed bag based on an estimate of 1.81 million enplaned passengers check-in with 0.71 bags per passenger on average.

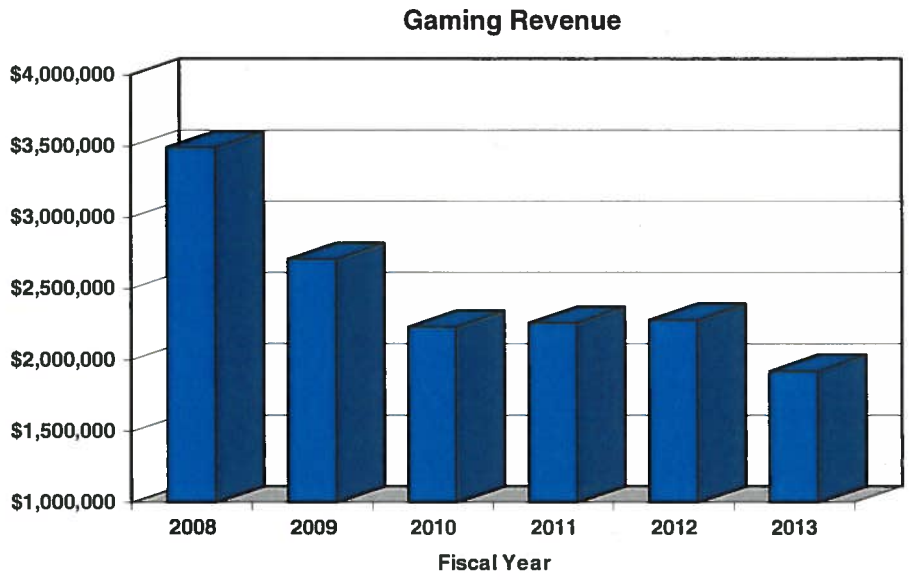
- The Baggage Handling System (BHS) costs of $1,837,828 are included in the FY 2012-13 Budget. This represents approximately 5.8% decrease from the FY 2011-12 Budget mainly due to the reduction in utility cost resulting from operating the system.
- The total operation and maintenance costs related to the Baggage Handling System (BHS) are reduced by an estimated $82,900 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 decrease 7.9% for FY 2012-13 to $10.84 million compared to the budget for FY 2011-12 of $11.78 million. Concession revenue consists of the following: food and beverage, merchandise, gaming, rental cars, advertising, aircraft ground service providers and fixed base operators. This overall revenue decrease is the result of lower estimated passenger traffic for FY 2012-13 as compared to the prior year budget. In addition, a reduction in concession revenues per enplaned passenger for food and beverage, merchandise, and gaming are anticipated due to construction impacts from the Airport Gateway Program in the terminal building. See Section 1 Introduction and Summary for an expanded discussion of the history and traffic assumptions used in the FY 2012-13 Budget.

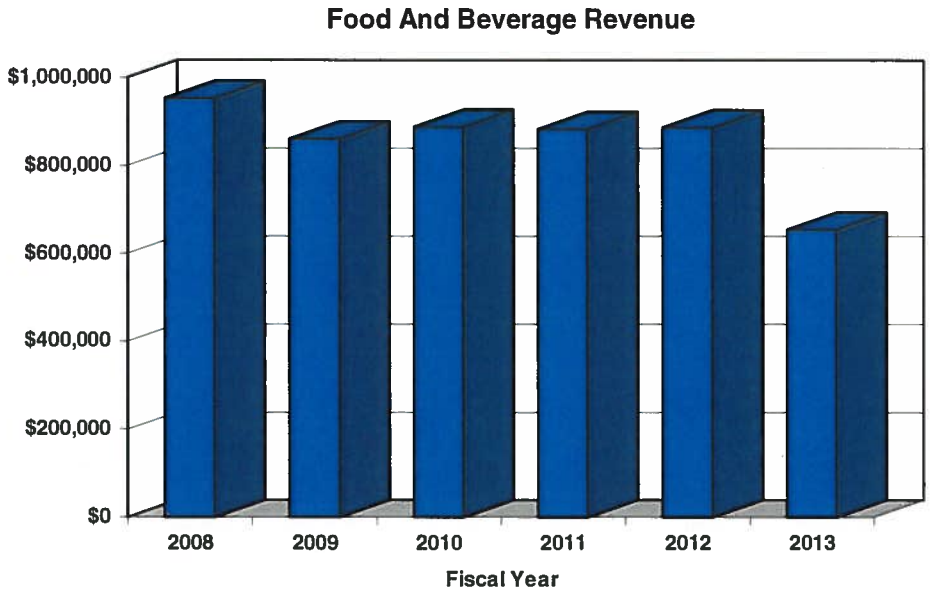
There are also smaller concessions such as luggage carts, massage chairs, charging stations, pre-paid phone cards, and newspaper vending machines that contribute a percentage of their gross revenues to the RTAA. The concession agreements are usually based on the greater of a minimum annual guarantee (MAG) or percentage of gross revenues being paid to the RTAA.

The following narrative provides additional information regarding the largest contributors to concession revenue:



Gaming Revenue is a unique source of revenue for Nevada airports. International Game Technology (IGT) operates the gaming concession under an agreement that expires on November 30, 2015. The contract provides 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 2012-13 Budget is 15.8% under the prior year budget; however, a 5.1% increase is forecasted as compared to the FY 2011-12 updated forecast due to higher anticipated passenger traffic.

As the economy continues to struggle to recover and with gaming in the central core of the terminal building likely affected by the Airport Gateway Program, the FY 2012-13 Budget reflects a significant decrease as compared to the prior year's adopted budget. The trend of passengers being concerned about the economy and less willing to spend their discretionary income on non-essential entertainment is reflected in the revenue estimate; however, modest improvement is expected from actual results registered in FY 2011-12. The graph depicts actual gaming concession revenues for the past four years and the budgeted amounts for FY 2011-12 and FY 2012-13.

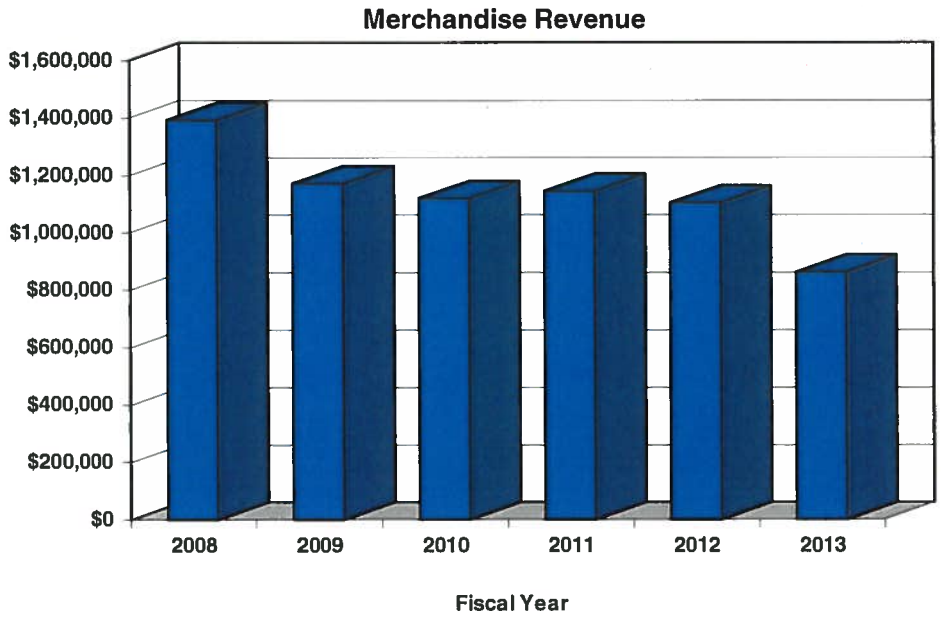


Food and Beverage Revenue - Creative Host Services, Inc. (CHS) was awarded the food and beverage concessions effective October 2001. Effective June 19, 2008, Creative Host Services, Inc. changed its name to SSP America, Inc. (SSP). The concession agreement calls for SSP to pay the RTAA a percentage of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

In FY 2012-13, a reduction from the MAG was negotiated to reflect the anticipated impact of the Airport Gateway Program, which requires closure of the food court from May 2012 to April 2013. The three restaurant outlets closed includes McDonalds, Brew Brothers, and Greens. This loss has been partially offset by the opening of a new landside, café venue, Mountain House Dinner. The café, along with Peet's Coffee and Tea, will serve as the pre-security food and beverage outlets. SSP also operates the restaurants, bars, and coffee outlets on the concourses.

This year's adopted budget of $653,300 reflects lower forecasted gross sales and a reduction by 35% to the MAG negotiated with SSP for nine months of the 2012-13 fiscal year. This reflects a 26.2% decrease in revenues as compared to the FY 2011-12 Budget.

With the above mentioned construction project and a significant investment to be made by SSP in new post-security facilities to offer passengers more variety and an improved overall customer experience, the revenue forecast following completion of the Airport Gateway projects reflects a 15% increase in anticipated in sales starting in April 2013.

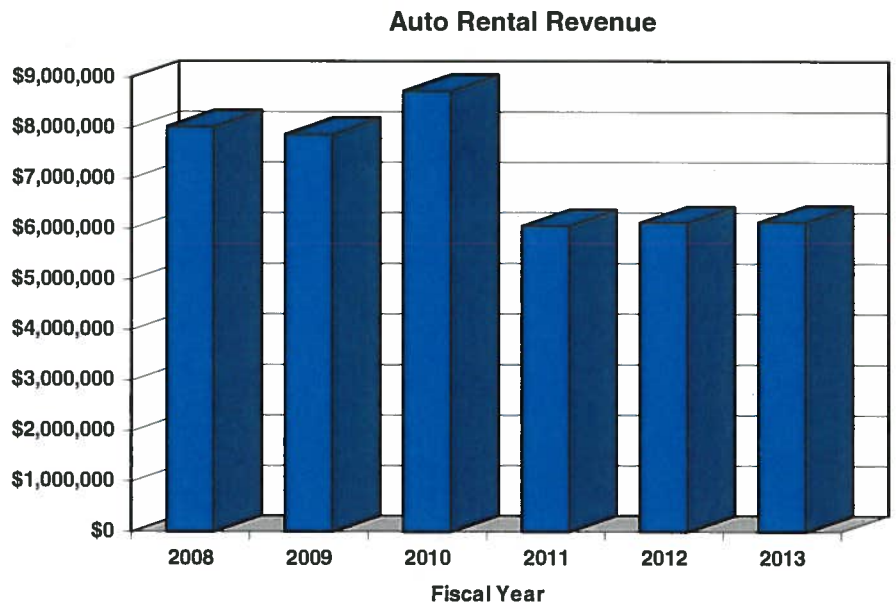


Merchandise Revenue is projected to be $860,600, a decrease 21.9% from the FY 2011-12 Budget. The primary concession agreement for merchandise and news and gift services is with The Paradies Shops. This agreement provides payment to the RTAA based on a percentage of revenues ranging from 12% to 23% depending on product type or a Minimum Annual Guarantee (MAG), which is 85% of previous year's payments but not less than $901,000, whichever is greater.

With the anticipated impact of the Airport Gateway Program, a reduction of 29% from this MAG to $640,000 is in place for approximately nine months of FY 2012-13. This reduction was negotiated in conjunction with two retail/merchandise stores closed in October 2011. The MAG will return to $901,000, as established in the original contract, for the remaining three months of the fiscal year.

Merchandise revenue also includes Forever Heather and Northwest Duty Free Shop sales, which are not owned and operated by The Paradies Shops and are not affected by the Gateway Project.

Advertising Revenues are budgeted to decrease 3.1% from the FY 2011-12 Budget. The decrease from last year's budget is due to renegotiating a number of advertising contracts in light of the economic slowdown and lower passenger traffic. However, the FY 2012-13 Budget is slightly higher than the updated current year forecasted revenues, due to the increase in passenger levels expected for the 2012-13 fiscal year based on current year actual results.



Auto Rental Revenue - 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 exception of Simply Wheelz (Advantage), also qualified through their 2010 bid submissions to lease the following: (1) ready/return parking, (2) a lane in the quick turnaround ("QTA") building and associated parking; and (3) a service facility and associated vehicle storage located away from the terminal on airport property. The ready/return parking spaces ("Ready/Return Premises") are conveniently located in the Parking Structure, across from the Terminal; the QTA building and associated vehicle parking, which provides efficient fueling and car wash services, are located immediately north of the Parking structure; and the Service/ Storage Facilities are located south of the Terminal Building, 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.

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Section 3 – Revenues

Revenues are budgeted at $6,137,300 for FY 2012-13. This amount is based on the greater of 10% of gross receipts derived by the rental car companies or a Minimum Annual Guarantees (MAG). The current agreement, which started on July 1, 2010, established the first year MAG at $5,076,486. After the initial first year, the MAG will be the greater of the first year bid or 85% of revenue paid to Authority for the prior year. This concession represents approximately 21% of the Airport's total budgeted non-airline operating revenues.

The budgeted amount is 0.2%, or approximately $268,000 above the FY 2011-12 Budget. This increase, despite lower budgeted passenger traffic, reflects higher gross revenue per rental car contract than forecasted in the prior year budget. The Minimum Annual Guarantee (MAG) for FY 2012-13 is forecasted to be set at $5,263,651. Based on this estimate, the Authority's budget is forecasted that 10% of gross receipts will be higher than the MAG

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 2012-13 Budget does not forecast any MAG abatement due to the forecasted increase in passenger traffic.

Parking and Ground Transportation Revenue - Total auto parking and ground transportation revenues are budgeted to decrease 4.4% from the prior year budget and a 4.2% increase compared to the updated FY 2011-12 projected revenues. The decrease in revenue from last year's budget is due primarily to the estimated decrease in passenger traffic of 5.1%. This lower

transaction activity is partially offset by slightly higher revenue per parking transaction. Auto parking represents 29% of the RTAA's total budgeted non-airline operating revenues.

Ground transportation fees are projected to be $221,700 in FY 2012-13. These fees are paid by transportation operators such as limousines, shuttle buses, and taxicabs.

REIMBURSED SERVICES

Reimbursed services of $2.57 million are budgeted in FY 2012-13 to decrease 6.1% from the FY 2011-12 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 Baggage Handling System (BHS) Charge is the largest revenue source in this category and reflects 100% cost recovery of the operating maintenance agreement, utilities, supplies, and other direct costs of operating the system.

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 $458,100 in the FY 2012-13 Budget consists primarily of interest earnings on the surplus and reserve funds the RTAA has available for investment. A decrease of $73,400 is predicted for investment earnings in the FY 2012-13 Budget as compared to the current adopted 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 $327,100 in FY 2012-13. 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, efforts to increase the number and availability of flights at the airport.

NON-RATE BASE REVENUE

Non-rate base revenue of $7.05 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 policy restrictions apply to these funds as outlined for all Authority investments and hence the same rate of return 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
FY 2012-13
ANNUAL BUDGET
Summary of Budgeted Revenues

	FY 2010-11 Actual	FY 2011-12 Budget	FY 2012-13 Forecast	Percent Change
Landing Fees - Reno-Tahoe				
Signatory Airlines-Scheduled Carriers	$ 4,539,802	$ 6,349,071	$ 6,008,198	
Signatory Airlines - Freight Carriers	659,274	941,967	920,818	
Non Signatory Airlines - Scheduled Carriers	78,635	182,254	50,406	
Charters, FBO's	-	0	0	
Non Signatory Airlines - Charters	12,101	0	0	
Non-Signatory Airlines - Air Freight Carriers	15,661	22,262	21,944	
Air Service Incentive- Landing Fees	(82,103)	(150,000)	(150,000)	
	5,223,368	7,345,554	6,851,366	-7%
Aircraft Fees - Reno-Tahoe				
Fuel Flowage	172,514	186,000	160,300	
Aircraft Parking	29,757	88,000	41,200	
Aviation Gas Tax Refunds	-	-	-	
Fuel Farm Use Fee and Ground Rent- RFFC	678,419	505,500	637,300	
Fuel Farm Use Fee - Jet West	13,668	9,000	9,000	
	894,358	788,500	847,800	8%
Aircraft Fees - Reno-Stead				
Fuel Flowage	16,432	18,100	17,400	
Landing Fees	384	13,100	9,600	
	16,816	31,200	27,000	-13%
TOTAL Aircraft Fees	$ 6,134,543	$ 8,165,254	$ 7,726,166	-5%
Concession Revenue				
Gaming Revenue	$ 2,256,664	$ 2,280,300	$ 1,920,200	-16%
Food and Beverage Revenue	882,108	885,800	653,300	-26%
Merchandising Revenue				
Confection	93,241	30,000	-	
Duty Free Shop	100,162	92,800	93,600	
Newsstand and Gift Shop	950,232	979,400	767,000	
	1,143,635	1,102,200	860,600	-22%
Other Concession Revenue				
FBO's and Ground Handling				
Fixed Base Operators - Reno-Tahoe	92,127	43,800	36,100	
Security Services	44,912	50,000	48,100	
Ground Handling/Support Services	160,086	169,700	167,900	
	297,125	263,500	252,100	-4%
Stead Concession Revenue				
RARA Concession Revenue	37,875	39,000	-	
Fixed Base Operators - Reno-Stead	20,703	21,600	21,700	
Other Concession Revenue	443	300	300	
	59,021	60,900	22,000	-64%
Advertising Revenue	857,538	866,900	840,100	-3%
Miscellaneous Concession Revenue				
Other Concessions	30,072	33,000	23,600	
Luggage Carts	30,385	45,000	14,700	
Lockers/Lost & Found/Luggage Storage	-	-	-	
Pay Telephones	-	-	-	
Vending Machines	-	-	-	
ATM	120,000	120,000	121,000	
	180,457	198,000	159,300	-20%
Total Other Concession Revenue	1,394,142	1,389,300	1,273,500	-8%
Total Concession Revenue Excluding Auto Rental and Gaming	3,419,885	3,377,300	2,787,400	-17%

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Summary of Budgeted Revenues

	FY 2010-11 Actual	FY 2011-12 Budget	FY 2012-13 Forecast	Percent Change
On Airport Auto Rental	6,051,446	6,123,100	6,137,300	
Off Airport Auto Rental	-	-	-	
	6,051,446	6,123,100	6,137,300	0%
TOTAL Concession Fees	$ 11,727,995	$ 11,780,700	$ 10,844,900	-8%
Auto Parking and Ground Transportation				
Auto Parking/Traffic Control				
Public Parking Lot	8,408,363	8,441,500	8,065,400	
Employee Parking	282,220	289,200	287,700	
Parking Fines	10,595	11,600	9,200	
	8,701,178	8,742,300	8,362,300	-4%
Ground Transportation				
Taxi Loop	90,477	98,800	88,900	
Limousines	6,566	5,300	5,800	
Buses/Courtesy Shuttles	125,578	130,400	123,200	
Permit Fees	3,980	4,000	3,800	
	226,600	238,500	221,700	-7%
TOTAL Auto Parking and Ground Transportation	$ 8,927,778	$ 8,980,800	$ 8,584,000	-4%
Space Rentals				
Terminal Rents, Signatory Airlines				
Ticket Counter	$237,317	$324,600	$318,000	
Queuing	-	-	-	
Hold Room	1,222,360	1,563,700	1,529,900	
Back Office	459,518	587,100	575,100	
Bag Claim	1,093,509	1,396,800	1,368,900	
Bag Service Office	128,552	164,300	160,900	
Bag Makeup	1,095,465	1,399,400	1,370,800	
Baggage System	737,531	942,200	922,900	
Operations Space	566,398	723,600	708,800	
Common Use Drives	265,583	339,400	332,500	
Outside Storage	26,429	33,800	33,100	
Gate Use Charge/ Non-Signatory Use Fees	308,144	330,800	288,100	
Air Service Incentive- Terminal Rent	(66,580)	(100,000)	(100,000)	
	$6,074,226	7,705,700	7,509,000	-3%
Terminal Rents, Other				
Concessionaires	-	-	-	
Government Agencies	246,813	226,100	296,600	
Car Rental Counters & Offices	274,115	305,600	304,100	
Welcome Center	-	-	-	
Other Terminal Rents	107,593	96,200	133,000	
	628,521	627,900	733,700	17%
Reno/Tahoe Non-Terminal Rents				
Building Rental	1,425,893	1,233,000	1,221,200	
Building Rental - Auto Rental	425,479	430,100	445,000	
Hangar Rental	803,600	858,300	883,900	
Land Rental	1,415,907	1,534,000	1,499,300	
Land Rental - Auto Rental	941,915	951,500	970,500	
Sewer Use Fee	-	-	-	
	5,012,794	5,006,900	5,019,900	0%
Reno Stead Rents				
Building Rental	5,174	86,800	-	
Hangar Rental	313,722	253,100	247,800	
Airfield Rental	56,684	58,600	47,800	
Land Rental	136,890	141,900	143,200	
Sewer Use Fee	8,979	8,100	9,200	
Wash Rack	-	100	100	
Mini Warehouse Rent	14,741	12,000	14,800	

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Summary of Budgeted Revenues

	FY 2010-11 Actual	FY 2011-12 Budget	FY 2012-13 Forecast	Percent Change
Other Rental	27,093	24,000	56,400	
	563,282	584,600	519,300	-11%
TOTAL Space Rentals	$ 12,278,824	$ 13,925,100	$ 13,781,900	-1%
Reimbursed Services				
Security Services	442,594	460,600	439,512	
Utilities	69,670	85,000	72,600	
Maintenance	5,273	10,200	6,100	
Disposal Fees	199,385	216,000	204,000	
Passenger Aides	-	-	-	
Other	5,639	5,310	6,300	
Rental Car QTA Admin Costs	-	-	-	
BHS Reimbursement - Signatory Airline	1,533,719	1,875,649	1,729,928	
BHS Reimbursement - Non-Signatory Airline	33,847	-	25,000	
BHS - TSA Reimbursement	78,159	80,900	82,900	
TOTAL Reimbursed Services	$ 2,368,284	$ 2,733,659	$ 2,566,340	-6%
Miscellaneous Revenue				
Miscellaneous Revenue	38,476	12,000	12,000	
Damage Claim Reimbursement	3,935	-	-	
	42,411	12,000	12,000	0%
TOTAL OPERATING REVENUE	$ 41,479,835	$ 45,597,513	$ 43,515,306	-5%
Non-Operating Revenue				
Investment Interest	253,652	200,700	129,900	
Investment Interest, CFC	718	1,700	200	
Investment Interest, Fuel Tax Fund	704	2,000	900	
Gain (Loss) on Sale of Fixed Assets	3,226	-	-	
Aviation Gas Tax	319,073	329,000	327,100	
Miscellaneous	7,430	-	-	
TOTAL Non-Operating Revenue	584,802	533,400	458,100	-14%
TOTAL Pledged Revenue	$ 42,064,636	$ 46,130,913	$ 43,973,406	-5%
Non-Pledged Revenue				
Insurance Claim Reimbursement	-	-	-	
Investment Interest, Construction-Subordinate	1,111	-	4,800	
Investment Interest, Construction- 2016 Bond	-	-	-	
Investment Interest, Pre-Bond	1,333	3,000	1,600	
Investment Interest, Other Restricted	-	500	400	
Investment Interest, Flood Grant	9,769	12,800	6,900	
Investment Interest, Acquisition Fund	17	100	-	
Investment Interest, Flood Proceeds	34,644	42,500	20,600	
Investment Interest, Fuel Tax Fund	-	-	-	
Investment Interest, Consent Decree	-	9,700	5,200	
Investment Interest, PFC	28,761	28,500	5,400	
PFC Revenue	7,318,014	7,383,600	7,006,300	
Gain (Loss) on Investments Value	(22,489)	-	-	
Gain (Loss) on Debt Defeasance	-	-	-	
Miscellaneous	-	-	-	
TOTAL Non-Pledged Revenue	$ 7,371,160	$ 7,480,700	$ 7,051,200	-6%
TOTAL REVENUES	$ 49,435,796	$ 53,611,613	$ 51,024,606	-5%

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Non-Airline Revenues

	2010-11 Actual	2011-12 Budget	2011-12 Forecast	2012-13 Budget	% Percent Change FY 13 Budget to	
					FY 12 Budget	FY 12 Forecast
Non Airline Revenue						
Aircraft Fees - Reno	894,358	788,500	843,100	847,800	7.5%	0.6%
Aircraft Fees - Stead	16,816	31,200	26,400	27,000	-13.5%	2.3%
Gaming Concession	2,256,664	2,280,300	1,827,100	1,920,200	-15.8%	5.1%
Food & Beverage	882,108	885,800	834,100	653,300	-26.2%	-21.7%
Merchandising Revenue	1,143,635	1,102,200	854,300	860,600	-21.9%	0.7%
Advertising	857,538	866,900	813,700	840,100	-3.1%	3.2%
Other Concessions	536,604	522,400	431,200	433,400	-17.0%	0.5%
Auto Rental	6,051,446	6,123,100	5,869,500	6,137,300	0.2%	4.6%
Auto Parking	8,701,178	8,742,300	8,026,200	8,362,300	-4.3%	4.2%
Ground Transportation	226,600	238,500	211,100	221,700	-7.0%	5.0%
Other Terminal Rents	628,521	627,900	681,400	733,700	16.8%	7.7%
Reno/Tahoe Non-Terminal Rents	5,012,794	5,006,900	4,978,900	5,019,900	0.3%	0.8%
Reno Stead Rents	563,282	584,600	471,300	519,300	-11.2%	10.2%
Baggage Handling System	1,645,724	1,956,549	1,870,990	1,837,828	-6.1%	-1.8%
Reimbursed Services	722,560	777,110	746,780	728,512	-6.3%	-2.4%
Miscellaneous	42,411	12,000	62,800	12,000	0.0%	-80.9%
Total Non Airline Revenue	$ 30,182,240	$ 30,546,259	$ 28,548,870	$ 29,154,940	-4.6%	2.1%
Non Operating Revenue	584,802	533,400	533,000	458,100	-14.1%	-14.1%
TOTAL NON-AIRLINE REVENUES	$ 30,767,042	$ 31,079,659	$ 29,081,870	$ 29,613,040	-4.7%	1.8%

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Section 3 – Expenditures

The total Operating and Maintenance (O&M) expenses in the FY 2012-13 Budget are $36,378,241. This is 0.9% below the FY 2011-12 Budget and 3.1% above the FY 2011-12 projected expenditures.

	CURR. YR. BUDGET 2011-12	CURR. YR. PROJECTED 2011-12	BUDGET REQUEST 2012-13	PERCENT CHANGE FY13 BUDGET TO	
				FY12 BUDGET	FY12 PROJECTED
Personnel Services	$ 24,085,700	$ 23,603,986	$ 24,061,025	-0.1%	1.9%
Utilities & Communications	3,443,255	3,098,930	3,178,820	-7.7%	2.6%
Purchased Services	5,013,547	4,695,575	4,899,204	-2.3%	4.3%
Materials & Supplies	1,851,220	1,758,659	1,761,625	-4.8%	0.2%
Administrative Expenses	2,313,982	2,128,863	2,477,567	7.1%	16.4%
Total	$ 36,707,704	$ 35,286,013	$ 36,378,241	-0.9%	3.1%

The Airport's budget process is a zero-based process in which each expenditure line item is evaluated on its merit each year. The underlying structure of the FY 2012-13 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.

The following narrative lists the more significant changes:

- The Personnel Services budget is decreasing by 0.1% from the FY 2011-12 Budget and is 1.9% above the updated projected expenditures for the 2011-12 fiscal year. Modest salary increases are offset by decreases in employee benefit costs due to various plan design changes and estimated savings in retired employee health insurance and long-term disability/life insurance contributions.

  As part of the FY 2012-13 budget review process, 18 positions remain "frozen" and are not funded in the requested budget. With the support of the Board, RTAA management over the past four 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.

  Retirement contributions are projected to see a slight increase due to salary increases. The contribution rates under the Employer-pay Contribution Plan are 23.75% for regular employees and 39.75% for Police/Fire members. These rates are established by Public Employee Retirement System (PERS) based on an actuarial valuation report adopted by the Retirement Board.

Health insurance costs are estimated to decrease approximately 8.8% in the next fiscal year due primarily to insurance plan design changes and switching both health and long-term disability insurance to carriers that offered lower rates.

- The Utilities and Communications FY 2012-13 budget is 7.7% or $264,000 under the FY 2011-12 Budget and 2.6% or $80,000 above the updated projected expenditures for the 2011-12 fiscal year.

  The decrease in the FY 2012-13 Budget for utilities is due to lighting and electrical upgrades that allow the Authority to be more energy efficient, as well as lower than anticipated electricity rates charged by NV Energy. Another factor in the reduction of electrical costs results from the installation of solar power generation to provide electricity to the Aircraft Rescue and Firefighting (ARFF) facility. These panels provide almost 100% of the electrical needs for the operation of the firehouse.

- The Purchased Services Budget is 2.3% or $114,000 below the FY 2011-12 Budget and increasing 4.3% or $204,000 above the updated projected expenditures for the 2011-12 fiscal year. The decrease from the previous year's budget is primarily due to the reduced use and identified savings primarily in (1) engineering consulting, environmental testing, real estate appraisal, surveying, and other professional services; and (2) contracted maintenance services in support of airfield, building, and the baggage handling system.

- The Materials and Supplies Budget is decreasing 4.8% or $90,000 from the FY 2011-12 Budget and increasing 0.2% or $3,000 from the projected expenditures for the FY 2011-12. The largest decrease is $22,800 for sign and sign maintenance. The other significant savings is a decrease of $19,900 in lumber and building supplies.

- The Administrative Expense Budget is increasing 7.1% or $164,000 above the FY 2011-12 Budget and increasing 16.4% or $349,000 above the projected expenditures for fiscal year 2011-12. This increase is due to three extraordinary events taking place in FY 2012-13, which include the following: (1) executive search firm and interview costs associated with the recruitment of a new President/CEO of $100,000; (2) additional resources focused on air service development to retain existing and attract new air service of $97,000; and (3) higher airport liability insurance premiums of $66,000 due to the accident in September 2011 at the Reno Air Racing Championships. These increases are partially offset by $94,000 in lower travel and conference registration fees.

The following are the strategic goals adopted by the Board, the status of the previous FY 2011-12 key initiatives, and the new FY 2012-13 key initiatives related to the Board goals:

1. Efficient Airport Operations

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

FY 2011-12 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 1544.

  - ***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. This year new vehicles were obtained for all three teams.*

- Provide regular maintenance and schedule inspections on Police Division vehicles and facilities to ensure assets are available to respond to priority emergency situations.

  - ***Progress:*** *Ongoing. RTAA police vehicles are purchased and maintained through the Maintenance division 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 has revised departmental policies and procedures and is in the process of preparing compliance files in preparation for an onsite audit tentatively scheduled for December 2012.*

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

- ***Progress:*** *Complete and ongoing. Access of RTAA information technology has been successfully limited to authorized users. No breach of security has been observed and system security is routinely evaluated and improved as necessary.*

❖ Implement an email archival system capable of retaining email messages up to three years.

- ***Progress:*** *Complete. The Jatheon Email archiving solution was implemented in July of 2011. The system records all email messages for a period up to three years. The system can be expanded to extend the storage period if necessary.*

❖ 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.

- ***Progress:*** *Ongoing. The installation of a Data Loss Prevention System was initiated during FY 2011-12.*

❖ Computer Workstation Replacement.

- ***Progress:*** *Complete and Ongoing. All computer workstations have been replaced. Phase II of the project, the upgrade of workstations software, will be completed during FY 2012-13.*

❖ Telephone System Replacement.

- ***Progress:*** *Complete and Ongoing. Phase I of the phone system replacement, the upgrade of the central telephone switch, has been completed. Phase II, the upgrade of telephone sets, will be completed during FY 2012-13.*

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

- ***Progress:*** *Ongoing. The ACAMS (Access Control and Monitoring System) project is nearing completion. Extending the system to outlying buildings will be completed FY 2012-13. In addition, an upgrade to the software that manages employee personnel information and calculates payroll was completed in FY 2011-12.*

❖ Police Records Management System and Computer-Aided Dispatch Replacement.

- ***Progress:*** *The replacement of this system has been deferred until additional needs analysis can be performed.*

- Meet requirements of 14 CFR Part 1542 and other Transportation Security Administration (TSA) security directives.

  - ***Progress:*** *Complete and ongoing. TSA has conducted multiple periodic spot inspections without findings. The annual comprehensive inspection of Reno-Tahoe International Airport (RTIA) was conducted the last week in January 2012.*

- Develop security plans to serve as guidelines to airport employees, tenants and contractors to meet the applicable standards of the TSA and the airport.

  - ***Progress:*** *Complete and ongoing. Staff works regularly with tenants and tenant employees to ensure all operate within allowable security rules and regulations.*

- Ensure all RTIA security access badge applicants meet TSA requirements with regard to Criminal History Records Checks and Security Threat Assessments.

  - ***Progress:*** *Complete and ongoing. In TSA's annual comprehensive inspection of RTIA conducted in fall of 2011, no issues were found. In addition, required internal audit of the Criminal History Record Checks process conducted in July 2011 found no issues.*

- Conduct annual aviation security tabletop exercise.

  - ***Progress:*** *Complete. RTIA hosted an aviation security exercise on October 20, 2011 which simulated a threat to cargo. RTAA Police set up and ran an actual vehicle inspection checkpoint to provide realism to the exercise as well as to provide a training opportunity for police and security staff. The event was attended by all stakeholder air carriers, air cargo operators, fuel providers and TSA.*

- Provide input and review construction plans of airport projects to ensure the physical security and Transportation Security Administration (TSA) requirements for protecting facilities and resources of the airport are met.

  - ***Progress:*** *Ongoing. Staff participated in a number of construction project meetings. In addition, staff wrote and received approval for six temporary amendments to the Airport Security Program during 2011 to accommodate changes in security necessary for construction to occur.*

- Provide for the security of the traveling public through responses to door alarms, inspections of badges, badge holders and deliveries.

- ***Progress:*** *Ongoing. TSA has conducted multiple periodic spot inspections without findings. The annual comprehensive inspection of RTIA was conducted the last week in January 2012.*

❖ Develop a Landside Operations manual that will establish regular landside facility inspections, identify maintenance needs, facilitate repairs and provide data for budget planning.

- ***Progress:*** *Ongoing. The Landside Operations manual is estimated to be 50% complete. Facility inspections have been fully implemented as have facility repairs and project tracking.*

❖ 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. Provided RTAA Incident Command during National Championship Air Race accident response. Performed multi-agency coordination to activate and open the Family Assistance Center. Organized and facilitated three (3) NIMS-compliant tabletop exercises for RTAA that covered different hazard responses for staff and tenants. Completed re-draft of Airport Emergency Plan according to NIMS principles; coordinated with external agencies; forwarded to FAA for review.*

❖ 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 seven (7) events in FY 2011-12 to standard. Prepared updated Snow and Ice plan and briefed staff and tenants in November 2011 for current season.*

❖ 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. Routine monitoring and reporting for situational awareness.*

❖ Track the rule making for the Safety Management System (SMS).

- ***Progress:*** *Ongoing. Awaiting further FAA guidance.*

- 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 No operational safety incidents related to ramp or runway construction and maintenance.*

- 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. On track to reduce reported bird strikes from 8 in FY 2010-11 to 7 in FY 2011-12. In coordination with United States Department of Agriculture, addressed sea gull hazard at vacant Parklane Mall site near RTIA.*

- Reduce pilot/vehicle deviations/incursions into airfield operating areas. 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. No reported vehicle deviations. RTAA representative sent to Federal Aviation Administration (FAA) Region runway safety meeting.*

- 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. The Communications Center fielded 69,000 calls from the public and made 15,000 pages using the terminal public address system. Performed daily operational checks for the FAA-Fire "crash phone".*

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

  - ***Progress:*** *Complete and ongoing. Coordinated three ramp freezes for Federal Government Official visits in coordination with Secret Service.*

- Coordinate and publish revised Airport Rules and Regulations.

  - ***Progress:*** *Complete. Internal staffing draft finalized April 2012.*

- 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. Successfully transitioned leadership of the program in the Communications Center. Preparing for bi-annual inspection.*

- 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. Logged 46,000 dispatch entries of staff and tenant activities, assignments, and incident responses. Coordinated 221 medical responses on the airport with RTAA Fire, Operations, Police, and Regional Emergency Medical Services Authority (REMSA).*

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

  - ***Progress:*** *Complete and ongoing. Working with FAA Tower and tenants in runway safety meetings to make local adjustments.*

- Revise driving regulations and consolidate rules and regulations.

  - ***Progress:*** *Ongoing. Prepared internal staff draft April 2012.*

- Ensure effective communications support to RTAA during routine and emergency operations, resulting in a clear common operating picture at all times.

  - ***Progress:*** *Complete and ongoing. Processed 18,466 calls for police service, 14,120 TSA related calls, 70,000 business-related calls, and 46,000 entries in the computer-aided dispatch system. Sent 400 information pages/emails to airport staff and tenants for situational awareness.*

- Develop, coordinate, and publish a Continuity of Operations Plan consistent with Homeland Security Presidential Directive (HSPD)-20, *National Continuity Policy* and Federal Emergency Management Agency (FEMA) Continuity Guidance Circular 1, "Continuity Guidance for Non-Federal Entities", and regional and tenant plans.

  - ***Progress:*** *Ongoing. Participating in community planning effort.*

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

  - ***Progress:*** *Complete and ongoing. Reno-Tahoe Airport Firefighters responded to 218 emergency medical calls and 73 aircraft or other emergency situations that occurred at Reno-Tahoe International Airport and Stead Airport. Under the leadership of three Fire Captains, airport firefighters responded as well-trained professionals protecting life, property and the environment. Firefighters responded to a mass casualty incident at Stead Airport and mutual aid request from Reno for a wild-land fire involving structures. In both responses, airport firefighters were praised for their actions. During the annual Federal Aviation Administration inspection, airport firefighters met or exceeded record inspection requirements. A timed emergency runway response drill was conducted and successfully completed.*

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

  - ***Progress:*** *Complete and ongoing. Conducted facility fire inspections at Reno-Tahoe International and Reno-Stead Airport using national and local fire codes. All inspections were conducted in a timely manner and all noted deficiencies have been corrected. Fire equipment has been inspected and maintained to ensure response capabilities continue to be a high priority. This capability will ensure vehicles are ready when needed for emergency response or to meet standby requirements.*

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

  - ***Progress:*** *Complete and ongoing. The Federal Aviation Administration requires that specific facilities be inspected quarterly. Airport firefighters have developed an inspection program that all facilities and property are inspected as required and that all safety/fire deficiencies are corrected in a timely manner.*

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

  - ***Progress:*** *Complete and ongoing. Veteran and newly hired airport firefighters maintained their fire inspection qualifications through continued specialized aircraft refueling vehicle training programs offered by the Federal Aviation Administration and National Fire Protection Association. Inspection reports were issued to track inspections and corrective actions to provide a history for these specialized inspections.*

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

  - ***Progress:*** *Complete and ongoing. Review of administrative responsibilities for the Captain's position has enhanced their skill to conduct day-to-day business, evaluate employees and correct unacceptable behavior when needed. The Captains have been trained to and can now change the fire department culture to include the importance of the Incident Command System during all emergency events.*

- Enhance fire prevention inspection program for Reno-Tahoe International and Reno-Stead airports.

  - ***Progress:*** *Complete and ongoing. Assigning a lead Captain to oversee the Airport's fire inspection program enhanced organizational structure to the program and proved to be very successful.*

- 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 on-going annual mission critical task that is performed every day. The annual FAA inspection went very well, and the RTAA was commended for the procedures being used in the day-to-day operations of the airport in the 2011 Annual Inspection Closeout document.*

- 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. Herbicide application and mowing operations kept all RTIA properties within FAA and city code compliance. Large area mowing operations were performed on all airside, landside and acquisition properties no less than four times. The aging irrigation system was kept operational and at a high level of efficiency to ensure proper irrigation of turf, shrubs and tress and to ensure water conservation.*

- Maintain airfield lighting systems as follows: (1) airfield lighting system to 99 percent (99%) of operational requirements at all times and (2) airfield ramp and landside parking lighting to 95 percent (95%) operational requirements. In addition, perform preventive and routine maintenance on all eleven airport emergency generators and electrically operated perimeter gates.

  - ***Progress:*** *Complete and ongoing. All electrical systems are kept at a very high level of operational readiness. Airfield lighting deficiencies were routinely corrected within 24*

hours. Proper preventive maintenance procedures were followed on all standby generators. Generators were called upon during the last year and performance met expectations. The challenges of interfacing the Access Control and Monitoring System (ACAMS) project with existing electric perimeter gates were met.

- Fog seal twenty percent (20%) of Asphaltic Concrete pavement at the Reno-Tahoe International 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 (100) compliance with FAA Federal Aviation Regulation (FAR), Part 139.

  - ***Progress:*** *Complete and ongoing. Over 20 percent (20%) of the Asphaltic Concrete pavements at both airports were fog sealed during the past year. Major repairs were performed on large cracks in Runway 16R/34L shoulders. Markings were kept in 100 percent (100%) compliance.*

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

  - ***Progress:*** *Completed and ongoing. Both in-house and contractor resources were used to efficiently meet this goal in a cost effective manner while keeping the RTIA in compliance with FAA FAR Part 139.*

- Maintain airside and landside pavements and markings.

  - ***Progress:*** *Completed and ongoing. All airside and landside markings were maintained to a very high level. In addition to routine maintenance marking operations, the new cell lot and TSA employee lots were striped. Recently acquired sign plotting equipment was very effectively used for the signage needed for the cell lot relocation and various other projects.*

- 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. Over 5% of the roadways and parking lots were crack sealed and patched. Markings were maintained to a high level, and many of the loop road crosswalks were updated.*

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

- ***Progress:*** *Complete and ongoing. While the winter of 2011-12 was very moderate, airfield snow crews performed very well. The performance of the aging snow removal equipment exceeded expectations.*

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

- ***Progress:*** *Complete and ongoing. Fleet management staff is keeping abreast of the latest advancements in the alternative fuel vehicles arena. Staff attended the Police Vehicle show in Pasadena, California to gather knowledge on the advancements in the emergency vehicle arena as well. Diesel fleet now operates exclusively on GDiesel, an environmentally friendly diesel fuel that is locally produced. Fuel Master fueling system was brought online to accurately track fleet fuel usage.*

❖ Paint interior airfield vehicle repair shop and Annex walls and apply an epoxy floor coating on both building bay floors.

- ***Progress:*** *Ongoing. Bid documents are being prepared and this project is expected to begin in early summer of 2012.*

❖ A snow removal equipment storage building will be constructed during FY 2011-12.

- ***Progress:*** *Ongoing. The snow removal equipment storage building construction is very close to completion and an open house is scheduled for July 9, 2012.*

❖ Continue Snow Removal Equipment acquisitions using Passenger Facility Charge funding.

- ***Progress:*** *Ongoing. Action was taken on four pieces of state-of-the-art snow removal equipment in PFC 10. One dedicated snow broom was delivered, one plow truck is on order and a front-end wheel loader is out to bid. Specifications for an airport snow blower are being written and will be bid by late winter.*

❖ Maintain all signs to ensure 100 percent functionality and visibility.

- ***Progress:*** *Complete and ongoing. All signs in both airside and landside areas were maintained to a high level of visibility and functionality. Staff attended a Sign Expo in Las Vegas to gain knowledge on sign making products and procedures.*

❖ 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. Roadways, parking areas and storm drain infrastructures were kept clean and debris free. Ramps and airside roads were kept clean via daily work plans. Trash, pallets and recyclables were effectively managed.*

❖ Seal coat thirty percent (30%) of the asphaltic pavements at both airports.

- ***Progress:*** *Complete and ongoing. Over 30 percent (30%) of all asphaltic pavements were fog sealed and a new crack sealing machine was placed into service to further improve pavement maintenance processes and responsibilities.*

❖ 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. This has been 100% achieved through the process of asset tracking and monitoring based on the administration of the Computerized Maintenance Management System and proper planning and scheduling of the Heating Ventilation, and Air Conditioning (HVAC) staff.*

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

- ***Progress:*** *Complete and ongoing. This has been 100% achieved based on daily planning, scheduling and managing of staff and contracted service providers.*

❖ 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. This has been 100% achieved based on the continual quality assurance inspections performed by the Facilities Management team.*

❖ 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.*

FY 2012-13 Key New Initiatives

- Replace Virtual Server Infrastructure. This equipment hosts most of the mission-critical software applications for the Authority. The existing hardware will enter its sixth year of operation during FY 2012-13 and must be replaced.
- Implement Phase I of a new Geographic Information System (GIS). This initial phase will coordinate the collection, storage, and use of airport planimetric map data, as well as comply with federal eALP (Electronic Airport Layout Plan) mandates.
- Provide staff and tenant training on the revised Airport Emergency Plan.
- Coordinate, finalize and publish RTIA Rules and Regulations.
- Add Continuity of Operations Appendix to Airport Emergency Plan.
- Improve situational awareness with map-based asset location tracking.
- Update and maintain Standard Operating Procedures for all airfield safety compliance issues.
- Enhance airport facility pre-fire plans. This program involves a structural inventory of the airport buildings.
- Design and install curbside canopy gutter and drain system to provide enhanced safety and comfort to passenger arrivals and departures at the Terminal Building.
- Install fiber optic cabling connection to Snow Removal Equipment building.
- Seal column caps on 3rd floor of Parking Structure.
- Provide programming and project support for the Airport Gateway Program, Taxiway C Extension, Reno-Stead Emergency Operations and Terminal Building, and the Snow Removal Equipment Building projects.
- Provide maintenance support to the Reno-Stead Airport Manager for pavement maintenance and logistical support during the National Championship Air Races.
- Develop inventory and investigate light emitting diode (LED) replacement plan for exterior overhead pole lighting.
- Move in and organize snow equipment and accessories into the new Snow Removal Equipment building.
- Expand Storage and Work Areas within the Terminal Building by building-out three drive through bays under the "C" concourse connector. This project is a result of the surrender of existing storage and work space to the Airport Police Department office remodel project.
- Coordinate with Purchasing and Materials Management to dispose of excess equipment from the Baggage Handling System and Access Control and Monitoring System (ACAMS) projects.
- Review plans and equipment submittals associated with the Airport Gateway Program (Terminal Refurbishment Project and Consolidated Security Checkpoint of the Future) projects to ensure RTAA interests are maintained.
- Develop work plans and preventive maintenance plans for new equipment being installed as part of the Airport Gateway Program.

2. Passenger Services and Experience

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

FY 2011-12 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. Staff answered approximately 600 Ask the Airport Questions and started Facebook and Twitter programs to create proactive and fast communication with customers.*

- Showcase four (4) art exhibits annually.
  - ***Progress:*** *Complete and ongoing.*
    - *Reno Open Studios exhibit and Artists Reception – May through July 15, 2011*
    - *KNPB Writer's Contest exhibit and Artists Reception – July 2011*
    - *Burning Man exhibit – August through October 14, 2011*
    - *Nevada Indian Commission exhibit and Opening Reception – November 2011 through January 23, 2012*
    - *5th Annual Employee Art Show exhibit and Opening Reception – February through April 19, 2012*

- Adopt social media as a full fledged marketing, public relations, and customer service tool.
  - ***Progress:*** *Complete and ongoing. Facebook and Twitter are up and running and are fully utilized to promote the airport, educate the public about construction and to advertise coupons for airport concessions. Here are some of the post topics:*
    - *Brighton Promotion*
    - *Skybridge Closure and Opening*
    - *Boutique and Designs by Sue Holiday Sales*
    - *What Continues the Dream Opening Reception*
    - *US Airways 25th Anniversary*
    - *Airport Status due to High Winds*
    - *Southwest Cyber Monday Sale*
    - *Response to ATS Baggage Handler/Canine Story*
    - *Airport Gateway Program*
    - *Danceworks Holiday Performance*
    - *Mobile Website*

- *Holiday Travel Tips*
- *Wolfie Jr. Congratulations/Homecoming*
- *Ski Lake Tahoe Giveaway*
- *Best North American Airports for Skiers*

❖ Develop a mobile version of the web site.

- ***Progress:*** *Complete. The mobile site is up and running.*

❖ Create a communications program for Airport Gateway Program.

- ***Progress:*** *Ongoing. Signage, customer service, public and stakeholder meetings, social media and advertising are all underway to promote the Airport Gateway Program.*

❖ Work with The Paradies Shops, 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. Due to the Airport Gateway Program, Designs by Sue and Ponderosa Pines/Brighton stores were closed at the end of November 2011. All of the merchandise in these stores was heavily discounted to sell as much product as possible prior to closing. Some merchandise was transferred to Adventure News. Both Paradies stores on the concourses are now offering pre-paid calling cards to help offset the removal of the pre-paid calling card vending units at the end of December 2011. Northwest Duty Free (the Boutique) stores continue to expand its merchandise base and are pursuing the sale of bottled wine with local Reno-Tahoe themed labels. TCBY (The Country's Best Yogurt) added a specialty vending unit on each concourse. TCBY has been provided with SSP America's contact information for possible future business at the Airport.*

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

- ***Progress:*** *Complete and ongoing. As part of the Airport Gateway Program, Paradies will be introducing three new store concepts and an expanded version of Brighton. Opening April/May 2013 Paradies' new concepts include No Boundaries (an outdoor clothing and accessory store), Brighton Collectibles (an expanded version of Brighton), CNBC News (a news and gift store), and InMotion (an electronics equipment and accessory store).*

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

  - ***Progress:*** *Ongoing. SSP America assigned a new Manager in the fall of 2011. A new chef is also on board who has greatly improved the catering offerings and level of service. Due to the Airport Gateway Program, Brew Brothers, Greens, and McDonalds restaurants located in the food court area were closed at the end of April 2012 to allow construction of a new single security checkpoint. To provide pre-security food and beverage services, a new restaurant named the Mountain House Dinner was opened on April 28, 2012 adjacent to the ski statue in the main terminal lobby. This new restaurant features a wide ranging menu and a Tahoe-themed décor that celebrates our region's ski culture. The distinctive design, combined with a hearty menu, makes the Mountain House a popular spot to meet and greet travelers. While Gateway construction is underway, Mountain House and Peet's Coffee will provide pre-security food and beverage for customers. Max's Eatz and LaBrea Bakery will offer food and beverage past security.*

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

  - ***Progress:*** *Ongoing. As part of the Airport Gateway Program, SSP America will be introducing a new 4,000 square foot post-security signature restaurant and bar with menu items that reflect the best that the region has to offer, based on SSP America's hands-on research of the local area. Also, an expanded post-security McDonald's will continue the tradition of its pre-security dominance in the quick-serve category. A second quick-serve restaurant will be shelled-out and ready to be put into service when enplanements reach 2.5 million.*

- 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. IGT continues to invest in new and emerging gaming platforms, converting older games to some of the newest slot products available from IGT. IGT removed one carousel from the Terminal Lobby area with plans to remove another for better exposure of the interior Lobby games and better passenger circulation when the Airport Gateway Program is completed. IGT has received approval to place a new bank of games in the B2 holdroom area as well as re-arrange and upgrade various concourse gaming areas.*

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

- ***Progress:*** *Ongoing. As part of the Airport Gateway Program, IGT plans to replace/upgrade 50 gaming machines at an average replacement cost of $10,000 per unit. IGT will also install their Advantage Slot System which will allow for enhanced game offerings, player bonuses, and progressives. Also, IGT will be upgrading their network and surveillance program by replacing outdated wiring and Ethernet fiber and re-routing communication cables within the conduit in all Lobby and concourse gaming areas.*

❖ Concessions participation in the Airport Gateway Program (Terminal Refurbishment Project and Consolidated Security Checkpoint of the Future Project) including design review, stakeholder coordination and customer communication.

- ***Progress:*** *Since April, 2011 staff and the major concession stakeholders have met numerous times to determine concession investment options, proposed concepts, return on investment, and extended lease terms.*

❖ Negotiate new leases with SSP America, The Paradies Shops, and International Game Technology (IGT), as part of the Airport Gateway Program.

- ***Progress:*** *Complete.. Basic lease terms, including new concepts and concept renderings, level of investment, and additional term, have been negotiated with SSP America, Paradies and IGT. The Board approved these basic concepts and lease terms for SSP America and Paradies at the 2011 November Board and for IGT at the 2011 December Board. Contract amendments have been completed for all three concessionaires. In January, 2012, The Younger Agency, a firm that provides advertising services, also indicated its desire to make a capital investment for additional term and a negotiated contract amendment was approved at the March, 2012 Board Meeting. .*

❖ Design and install a visual paging component to the existing terminal public address system.

- ***Progress:*** *This project has been deferred until the construction of a new concourse.*

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

- ***Progress:*** *Completed and ongoing. Facilities are actively being maintained and compliance with regulations enforced on a regular basis.*

❖ 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. Improvements/repairs were made to the surface lot pavement and parking space striping in the fall of 2011. Staffing has been maintained at levels consistent with providing a high quality level of service.*

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

- ***Progress:*** *Ongoing. A ground transportation service program to provide ongoing guidance has not yet been created.*

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

- ***Progress:*** *Complete and ongoing. This is a 24/7 requirement and is achieved daily though work plan assignments and quality assurance checks.*

❖ Schedule quarterly Security Consortium meetings for effective internal communications between airport tenants, airlines and the Transportation Security Administration (TSA).

- ***Progress:*** *Ongoing. Security Consortium Meetings were held October 20, 2011, December 13, 2011, March 20, 2012 and June 19, 2012.*

FY 2012-13 Key New Initiatives

❖ Implement a locally oriented air service marketing and public relations plan.
❖ Create, direct and engage in a Airport Gateway Program customer service program through April, 2013.
❖ Direct an Airport Gateway Program advertising and public relations program through April 2013
❖ Develop a Discovery Museum Children's Play area in the airport
❖ Upgrade the Terminal Public Address System. The terminal public address system hardware will enter its sixth year of operation during FY 2012-13.
❖ Assist the advertising, food and beverage, gaming, retail, specialty retail, and rental car concessions, along with passenger services impact as a result of the Airport Gateway Program. This effort will include minimizing customer impacts and maximizing revenues through public communication and promotion of airport services.

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.

FY 2011-12 Key Initiatives

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

  - ***Progress:*** *Complete and ongoing. The accident at the National Championship Air Races was an example of the importance of media tracking. A new media tracking program was purchased and it helped gather stories from across the nation.*

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

  - ***Progress:*** *Complete and ongoing. One meeting has been held each quarter.*

- Attend classes to develop in-house graphic skills.

  - ***Progress:*** *Complete and ongoing. Staff attended on-line graphics classes for Photoshop, Drupal on-line content management system and social media seminars.*

- Use in-house graphic skills to enhance presentations, web site, social media, invitations, economic development promotions and advertisements.

  - ***Progress:*** *Complete and ongoing:*
    - *SWAAAE Summer Conference Banners and Signs (3 banners and 4 signs)*
    - *For Airport Economic Development: Centershift / www.payrtaa.com*
      - Graphic design
      - Web page/HTML coding
    - *American Century Golf Championship Banner*
    - *Reno-Tahoe Open Banner*
    - *Biggest Little City Golf Tournament Banner*
    - *RTAA 2011/2012 Budget Cover*
    - *Pops on the River – invitation and decorations*
    - *"We Salute You" Ad in Reno Gazette Journal*
    - *2011 Air Races Program Ad*
    - *6 Filler Ads for the Younger Agency/Terminal Advertising*
    - *AAAE Capital Improvement Plan Finance Workshop "Welcome" Banner*
    - *Burning Man Welcome Banner*
    - *Airport Police Coin*
    - *Vietnam Veterans Banner*
    - *SWA Spirit Magazine Ad (design and copy writing)*
    - *US Airways 25th Anniversary In-flight Program Ad (design and copy writing)*
    - *Air Races banners/signs for VIP Chalet*
    - *Junior Achievement Gala Program Ad*

- *RTAA 2011 Comprehensive Annual Report Cover*
- *RTAA Wellness Program Marketing Campaign Design*
- *Airport Gateway Program – 5 signs for terminal/construction wall*
- *Airport Gateway Program Banner for construction wall*
- *December Wellness Destination Poster Design*
- *Created 85 Wellness Program passports for employees from Nov - December*
- *US Airways 25th Anniversary Banner*
- *"RTIA Advantage" Air Service Insert for Thumb Drives*
- *Holiday Party Graphic Design (as member of Pep Squad)*
- *Reno-Tahoe Getaway Planner Ad (RSCVA) – 2012*
- *South Lake Tahoe Travel Planner Ad*
- *Holiday Animated E-Card – design, animation and web page coding*
- *Parking Structure Banner – Gateway Project Message*
- *Runway Reporter – Gateway Edition*
- *January Wellness Destination Poster Design*
- *Computer Cloth Design for Air Service*
- *North Lake Tahoe Vacation Planner Ad*
- *Reno-Tahoe Getaway Planner Ad*
- *Capital One Mascot Challenge – Congrats Wolfie Jr. Banner*
- *Ski Lake Tahoe – Web Banner*
- *Reno-Tahoe Visitor – Web Banner*
- *Banner Replacement of Hotel/Motel Board in Bag Claim for Gateway Project*

❖ 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. Comprehensive outreach with all Reno-Stead Airport (RTS) tenants is in progress to evaluate and remediate any inconsistency in service and rate fees and adjustments. Ground lease assignments, hangar sales, CPI adjustments, subtenant lease agreements and insurance requirements compliance are being performed in a timely manner. This focus on compliance has improved communication with stakeholders and internal customers and provided increased levels of customer service.*

- *Increased relationships have been formed with RTIA Fixed Based Operators general managers (Million Air and Atlantic Aviation) as well as general aviation service provides (Reno Flying Service) and Aircraft Maintenance, Repair, and Overall (MRO) tenants (Dassault and Western Jet).*

- *Staff has been proactively meeting with RTIA and RTS general aviation airport users. Users Group meetings for RTIA and RTS are being held at regular intervals to interact with and gather input from the FBO's and MRO's, as well as other airport users*

including the general aviation community. Staff is developing a more extensive, user-friendly website to advertise any hangar vacancies, create on-line waiting lists, and outline RTAA and FBO services, properties, and land available.

- *Staff has instituted bi-weekly meetings with RTAA's Advertising Agency, Marketing/Public Affairs and Airport Economic Development to better coordinate efforts among the Agency and RTAA departments with regard to conventions and events, special promotions, and other related events for cross-over benefits that provide additional depth, scope and support to the advertising and marketing messages and possible additional revenue opportunities.*

- *Staff has made great strides in improving outside property tenant relations. Through regular site visits, tenants and staff have built good working relationships and tenant issues are realized and handled expeditiously. The Centershift software has streamlined rent collection and property management at the Airport Mini Warehouse providing a more efficient office operation and better customer service.*

❖ 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. All staff members have received basic training on airport property management compliance software that tracks insurance expiration, rate adjustments, agreement expiration, and bond recalculation dates.*

- *Complete review of all division systems, processes, procedures and forms began in July 2011 and will continue to ensure consistency with RTAA and external policies and practices. Goal expectation is a Policies and Procedures Manual, updated filing system and improved operations for maximum effectiveness and efficiency.*

❖ Implement new financial and lease management software, Centershift; provide staff with skills training to ensure the basic suite of business software training is current.

- ***Progress:*** *Complete. Centershift software was implemented in 2011 allowing web-based payments for tenants at the Airport Mini Warehouse, 1280 Terminal Way & Stead Mini-Storage facilities. Staff has received training from Centershift personnel and is proficient with the application. Staff will continue to receive online support and training.*

❖ 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 police 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.

❖ Conduct the biennial Fair Labor Standards Act (FLSA) overtime eligibility review on all positions.

- ***Progress:*** *Complete. All RTAA positions were reviewed to ensure compliance with the Fair Labor Standards Act. Class specifications were updated as each position was reviewed.*

❖ Transition the RTAA's position control number history and records from paper to electronic format.

- ***Progress:*** *Complete. 100% of the 300 position control records have been transitioned into an electronic format.*

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

- ***Progress:*** *Complete and ongoing. Over 90+ training programs were provided at every level of the organization to give employees ample and diverse opportunities. Classes involved topics from safety, to aviation, to terrorist treats, to computer/software, to learning how to serve deaf and hard of hearing customers. In addition, a new webinar series on various leadership topics has been provided to all RTAA supervisors and managers that features high quality programming delivered in key note format from leading management experts and authors.*

❖ Increase internal department employee knowledge with on-going cross training and position specific procedure manuals.

- ***Progress:*** *Ongoing. Completed thirty (30) Benefit Specialist and Human Resources Specialist procedures that provide step by step guidelines on how to complete various*

functions related to these positions. Ongoing cross training of Human Resources department personnel through staff meetings and job shadow opportunities.

- Provide management training on the updated performance appraisal system. Support managerial efforts to review and update as necessary performance factor applicability to current positions.

  - ***Progress:*** *Completed and ongoing. System upgrade completed in January 2012. Group and individual training sessions were provided to supervisors and managers. These training sessions provided a comprehensive overview and discussion of the new features and changes to the system. Ongoing support provided to over thirty (30) management employees who reviewed position performance factors to ensure 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.

  - ***Progress:*** *Completed and ongoing. The completely updated RTAA employee intranet was unveiled in July 2011 and presented to the entire organization in a series of "road shows". These "road shows" included the Human Resources team meeting individually with employees in all 21 divisions to give them a tour of the site, demonstrate ease of use and feature available resources.*

- Conduct employee evaluations in a timely manner.

  - ***Progress:*** *Complete and ongoing. Initiated over 50 email and verbal communications to supervisors/ managers encouraging timely completion of performance evaluations. Tracked and presented annual measure of organizational wide overdue evaluations by Department to encourage each manager to increase the number of timely evaluations.*

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

  - ***Progress:*** *Completed negotiations with the Police association (AAPOPA), which involved ten bargaining sessions and two mediation sessions during the fiscal year. No reopeners were requested from the Fire union.*

- Continue to support the employee emergency communications call system to provide instructions to employees in the event of an emergency.

- ***Progress:*** *Ongoing. Conducted quarterly "test" messages to all employees to ensure employees have an ongoing awareness of the emergency communication call system and that the system is functioning at an optimal level. Ongoing maintenance of the system to ensure a valid contact number exists for all employees. Utilized the emergency communications system during two emergency events which included the accident at the National Championship Air Races and the Caughlin Ranch fire.*

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

- ***Progress:*** *Ongoing. Provided Executive staff with organizational Human Resource measures in December 2011. These measures provided data related to insurance costs, employee recognition, performance evaluations, labor relations, recruitment and turnover, training and on the job injuries.*

❖ Conduct security and disaster training as required by the Federal Aviation Administration (Security, Airside Operations & Fire departments), and provide required Occupational Safety Health Administration (OSHA) safety training.

- ***Progress:*** *Ongoing. Both an Aviation Security tabletop exercise and Earthquake disaster tabletop exercise were conducted in November 2011. Community-wide aircraft disaster tabletop exercise conducted in May 2012. Activities included daily and weekly checks of the emergency communication systems, review of response plans, regional emergency operations center meetings, mutual aide training with local emergency responders, RTAA Emergency Operations Center training for senior executive staff, command van training for RTAA emergency responders, review and revision of RTAA Emergency Plan (including completion and implementation of the revised RTAA Emergency Evacuation plan), first observer/terrorist awareness classes and exercises of the Fire Department emergency vehicle response times.*

- *Provided 10+ OSHA required safety training classes including confined space, respiratory protection, hazardous materials/communication, flammable/combustible liquids, height safety/fall protection, powered industrial trucks, drug and alcohol testing requirements for Commercial Driver License holders, fire extinguisher, and blood borne pathogens.*

❖ Continue efforts to enhance the new hire on-boarding process through transition of various module topics to an electronic learning format.

- ***Progress:*** *Ongoing. Transitioned four new hire module topics to an electronic learning format including New Hire Benefit Enrollment, Information Technology, Sexual Harassment and Customer Service. Created dedicated RTAA Intranet page to facilitate*

employee access to these modules. In addition, restructured the current on-boarding and orientation process to infuse a positive message into a process that was policy and rules focused.

- Provide training to ensure proper administration and supervisory oversight of any new provisions to the collective bargaining agreements.

  - ***Progress:*** *Ongoing. No bargaining agreement training was required during FY 2011-12. Ongoing administration, including contract interpretation, occurs daily.*

- Continue professional development and improvement through interaction with audit groups and other audit professionals.

  - ***Progress:*** *Complete and Ongoing. Attended all internal training sessions possible with time available, as well as annual Airport Internal Auditor training sessions at the annual conference. Continuing with online Institute of Internal Auditor training as well.*

- 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.

  - ***Progress:*** *Complete. All existing policies and procedures have been consolidated into a Standard Operating Procedures manual and are currently being formatted to reflect a newly established standard. All Landside personnel have been tasked with an annual appraisal goal to assist in reviewing existing procedures and to aid in establishing procedures for which no written procedure currently exist including the development of procedures recently recommended by Internal Audit.*

- Participate in national Security Conference to obtain updates on aviation security issues and topics.

  - ***Progress:*** *Complete and ongoing. Staff attended two Airports Council International-North America (ACI-NA) Public Safety and Security conferences which provided exposure to various government officials as well as peers at other airports. Staff also participated in a credentialing conference which provided updates on badging and credentialing issues.*

- 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.*

❖ 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. Represent RTAA on the Washoe County Joint Operating Committee for the 800 MHz radio system.*

❖ Conduct disaster training as required by the FAA.

- ***Progress:*** *Completed. FAA-required Triennial disaster exercise and three incident specific tabletop exercises for RTAA staff and tenants along with community agencies. Triennial exercise was noted as a contributor to success during the RARA response by several community agencies*

❖ Posture RTAA Operations staff for probable SMS implementation in late FY 2011-12.

- ***Progress:*** *Awaiting FAA guidance. Briefed RTAA Safety Committee on SMS in January 2012.*

❖ Publish and train staff on the revised Airport Emergency Plan.

- ***Progress:*** *Ongoing. Awaiting FAA review of final plan. Have used draft plan for staff and tenant training in three tabletop exercises since July 2011.*

❖ Conduct quarterly Emergency Operations Communications training drills.

- ***Progress:*** *Ongoing. Conducted in 1st and 2nd quarter of the current fiscal year.*

❖ Simplify and, where possible, expand the use of WebEOC as a daily, common operating picture tool for RTAA staff and tenants to promote familiarity with the system for emergency use.

- ***Progress:*** *Ongoing. Reduced the number of "boards" users see in the program. Simplified and enhanced use of WebEOC for snow removal operations.*

❖ To improve knowledge and professionalism, prepare Operations Supervisors (and other interested supervisory staff) for the AAAE Certified Member exam.

- ***Progress:*** *Ongoing. Trained two Operations supervisors; awaiting examination. Provided group training on operations components of the exam in November 2011.*

- Certify two communications specialists as Communications Unit Leaders.

  - ***Progress:*** *Ongoing. Qualified one communications specialist as Communications Technician, a prerequisite to Communications Unit Leader.*

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

  - ***Progress:*** *Complete and ongoing. The fire department is the lead agency at the airport to educate employees on safe working environments. The training provided keeps employees educated and motivated in both general and fire safety practices and procedures.*

- Conduct disaster training as required by the FAA.

  - ***Progress:*** *Complete and Ongoing. Fire department is extremely involved in training for the worst case scenario. Using appropriate training manuals, the fire department has participated in tabletop exercises that test airport employees and tenants and off-airport emergency response agencies.*

- 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. Policies and procedures are in place to ensure all emergency vehicles and assigned equipment is inspected, cleaned and capable of fast, efficient and safe emergency response.*

- Maintain ARFF proficiency as required by standards and codes.

  - ***Progress:*** *Complete and ongoing. Annual fire department training as required by the FAA and NFPA, proficiency is gained by referring to standards and codes as they relate to fire prevention and safety procedures. During the annual FAA inspection it was observed that all required training was accomplished by all assigned firefighters.*

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

  - ***Progress:*** *Complete and ongoing. The fire department encourages its members to reach out to external training sources to further their career development in their perspective positions in the fire department. On-line and fire related training has been provided, enhancing firefighter's skills and knowledge.*

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

  - ***Progress:*** *Complete and ongoing. Fire department works closely with the airport Training Coordinator in scheduling fire department and airport employees for training to ensure they maintain their proficiency in fire prevention practices; confined space, fire extinguisher and hazardous materials subjects.*

- Prepare all firefighters for bi-annual Emergency Medical Technician recertification through the State Fire Marshal's office.

  - ***Progress:*** *Complete. All fire department Emergency Medical Technicians have successfully completed their bi-annual certification as required by the state of Nevada EMT program.*

- Encourage firefighters to develop study habits which will assist them in future promotion opportunities.

  - ***Progress:*** *Ongoing. Firefighters have been given the opportunity and study materials to position themselves for success in future promotional opportunities.*

FY 2012-13 Key New Initiatives

- Integrate agreement compliance and computerized tracking into a monthly review schedule and maintain current tenant records including the communication of future deadlines for strategic planning purposes.
- Maintain current insurance certificates for all tenants, monitor CPI adjustments, security for performance instrument adjustments and expirations, and agreement expirations.
- Create monthly reports to communicate future vacancies, agreement, permit and lease expirations and extensions on an 18-month planning cycle.
- Develop skills of all staff skills in the use of the property management software (GCR Airport Business Manager) by utilizing vender support contract to include telephone and webinar training.
- Produce regular weekly, monthly, and special customized reports on all active accounts to aid in the monitoring and management of lease administration and lease compliance activities and to identify and implement process improvements.
- Familiarize fire department members with new Airport Emergency Plan procedures.
- Provide career development leadership training for Captains and Acting Captains.
- Begin ongoing contract review meetings with management and finance staff in preparation for Teamsters and Fire negotiations. Commence negotiations with these unions in February 2013.

- Develop an Employee Handbook that clearly spells out general policies, organizational principles and general working conditions while revising the CSP by shifting general statements not applicable to CSP Exclusive employees to the new Employee Handbook.
- Develop and present an Occupational Enrichment Program to all employees as a part of the RTAA Wellness Initiative.
- Develop and implement a three (3) year strategic training program.
- Develop and maintain additional in-house training capabilities to reduce cost and increase officer's professional development.

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.

FY 2011-12 Key Initiatives

- Conduct six audits that focus on value-added auditing techniques.
  - ***Progress:*** *Completed and Ongoing. Continuous audits of Purchase Card transactions, Parking, Accounts Payable, and in-terminal advertising are ongoing. Audits of Purchasing and Curbside Tickets are expected to be complete by year end.*
- Conduct four Lease Compliance audits.
  - ***Progress:*** *Completed and Ongoing. All Rental Cars Companies have been audited for lease compliance and payments due RTAA. One concession has been audited, with two more scheduled before the end of the 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. Daily auditing of Parking and Ground Transportation at Reno-Tahoe International Airport was maintained during the fiscal year. This daily monitoring and reporting is to assure that all revenue being generated is recognized and captured.*
- Negotiate SSP America lease documents, as appropriate, as part of the Airport Gateway Program.
  - ***Progress:*** *Complete. The 2011 November Board approved a new pre-security restaurant/bar concept, a post-security signature restaurant/bar, a post-security*

McDonald's, as well as the refurbishment of the concourse bars, the addition of Peet's branded service at the concourse La Brea Bakery outlets, and the replacement of the concourse Max's Eatz outlets with a pizza concept. Total SSP America investment is $4 million in return for an extended term of 10 years.

- Negotiate The Paradies Shops and other news and gifts vendors' lease documents, as appropriate, as part of the Airport Gateway Program.

  - ***Progress:*** *Complete. The 2011 November Board approved the addition of four new post-security outlets including No Boundaries, Brighton Collectibles, CNBC News, and InMotion upon completion of the Airport Gateway Program. Total Paradies Shops' investment is $1.23 million in return for an extended term of 5 years.*

- Negotiate International Game Technology (IGT) lease documents, as appropriate, as part of the Airport Gateway Program.

  - ***Progress:*** *Complete. The 2011 December Board approved IGT's proposal to replace/upgrade 50 gaming machines; install their Advantage Slot System which will allow for enhanced game offerings, player bonuses, and progressives; and upgrade their network and surveillance program by replacing outdated wiring and Ethernet fiber and re-routing communication cables within the conduit in all Lobby and concourse gaming areas. Total IGT investment is $875,000 in return for an extended term of 4 years.*

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

  - ***Progress:*** *Ongoing. Staff and The Younger Agency have worked to completely revise and update the outdated, over-saturated backlit advertising sign program to a new, energy-savings edgelit LED advertising sign program with larger signs and fewer positions. This new advertising is more strategically placed throughout the Terminal building for better visibility for the advertisers, creating more demand at a higher price, improving the overall appearance and revenue capability of the program.*

  - *The Younger Agency was also approved to invest $50,000 into replacing the former column-mounted digital screens in baggage claim with newer technology, back-to-back digital screens mounted on the bag carousels at eye level; this work is being completed under the Terminal Refurbishment portion of the Airport Gateway Program.*

  - *The Younger Agency proposed a Business Wall concept, which they have successfully sold out. An update to the advertising master plan is in process.*

  - *In March 2012, the Board authorized a three year contract extension through December 31, 2015 in return for a $50,000 investment.*

- Negotiate Atlantic Aviation lease extension and capital improvements.

  - ***Progress:*** *Ongoing. RTAA and Atlantic Aviation are in discussion to negotiate a lease extension and capital investment prior to their lease expiration in 2017. A Letter of Intent was drafted and Atlantic is in the review process. They remain committed to RTIA and are eager to enhance their FBO terminal and develop new hangar(s).*

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

  - ***Progress:*** *Ongoing. In September 2011 staff provided a Letter of Intent and incentive package to Dassault Falcon. In October 2011, Dassault advised it is considering a slower, more incremental expansion plan option with their facilities in Littlerock, Arkansas the immediate focus of a large expansion and that their investment at RTIA facilities to be in the existing facilities, Over the next 3-5 years, Dassault intends to expand operations at RTIA by constructing a new hangar leasehold capable of servicing two aircraft each. Staff is assisting Dassault with State tax abatement incentives for their proposed expansion noted above and local workforce recruitment through the Nevada Veterans Affairs.*

- 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:*** *Ongoing. Staff began programming the release of individual hangar sites in the West End Development in December 2011. Surveying, demand analysis, fit analysis, infrastructure requirements, design standards and design phase scope and budget estimates will be produced in 2012.*

  - *Staff made an inquiry with the FAA regarding viability of new lease agreements for M-Block tenants at Reno-Stead Airport (RTS). The FAA has responded that they do not object to the RTAA offering a new lease term of 10 years. They have suggested that several of the current lease term provisions be updated to provide an optimal property management benefit.*

  - *Staff is currently working to develop a more extensive, user-friendly website to advertise any hangar vacancies, create on-line general aviation waiting lists, and outline RTAA and FBO services, properties, and land available.*

- 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. Staff has compiled information on available land such as zoning, infrastructure, runway protection zones, flood zones and height limitations for use in collateral and offering material. The collateral and offering material was completed in early 2012 in conjunction with the Airport Marketing Department. This information will be used in web-based applications and direct marketing campaigns to the brokerage and development community as well as economic development agencies, including NV Energy.*

❖ Optimize the use of the property management compliance software (GCR Airport Business Manager) with a 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. The Airport Economic Development Department has provided training to all staff, including new team members, on the software with a focus on tracking insurance expiration, rate adjustments, agreement expiration, and security deposit recalculation dates. Planning is in process to enlist software support personnel to provide further training. Staff is evaluating the addition of an optional property management component to the software.*

❖ Improve the Airport Warehouse, 1280 Terminal Way Office Building, and General Aviation (GA) tenant business operations by implementing new financial and lease management software ("Centershift") to comply with standard accounting practices and procedures.

- ***Progress:*** *Ongoing. The Centershift application was implemented in 2011 to manage leasing and revenue tracking at the Airport Warehouse and 1280 Terminal Way. At this time, the Authority has decided to not track GA tenant leases using the new software. The Airport Economic Development Department worked closely with Finance and Accounting for consistent compliance with accounting practices and procedures.*

❖ Continue to market the Airport Warehouse and 1280 Terminal Office Building to take advantage of location and leasing opportunities.

- ***Progress:*** *Ongoing. Loopnet, the most prominent online commercial real estate leasing service, has been utilized to market these properties. Staff performed a business analysis on both 1280 Terminal Way and the Airport Mini Warehouse. Marketing plans include the use of signage, advertising and brokerage incentives and will be targeted to reflect*

the unique business units that each property has to offer. For example, the Airport Warehouse offers storage units, commercial space and the Park-to-Travel service. The marketing plan will target each of these very specifically.

- 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.

  - ***Progress:*** *Ongoing. A broker policy was approved in June, 2011 and implemented in July 2011. Staff will continue to interface with the brokerage community to build and maintain awareness of Airport real estate opportunities. Staff serves on the National Association of Industrial & Office Properties (NAIOP) Board. Staff members are active members of the American Planning Association (APA) and the Certified Commercial Investment Member (CCIM). Staff serves as the Airport liaison to the Chamber of Commerce, and works closely with local economic development groups such as the Economic Development Authority of Western Nevada (EDAWN), Northern Nevada Development Authority (NNDA) and NV Energy. Specific efforts with economic development agencies include creating an EB-5 Regional Center to attract foreign capital investment and recruiting Maintenance & Repair Operators (MRO) and unmanned aeronautical vehicle (UAV) companies.*

- 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, 2011.*

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

  - ***Progress:*** *Completed and Ongoing. Staff has developed an enhanced monthly financial package available to executive management in March 2012, which included an income statement, balance sheet, expanded concession reporting, an aged accounts receivable, and cash and investment reports. Staff is working on an enhanced executive summary to be presented to the Board monthly. Operating results are prepared and presented to the Finance and Business Committee on a monthly basis.*

- 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. Updated forecast estimates project a signatory cost per enplaned passenger of $7.51 for FY 2011-12, which is slightly above the budgeted amount of $7.33. Per the 2010 Airports Council International- North America (ACI-NA) Performance Benchmarking Survey, the median airline cost per enplaned passenger for twenty-seven (27) medium sized airports is approximately $7.90.*

❖ 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 2011-12, $7.8 million in Federal Aviation Administration (FAA) grants were received and $15.3 million of PFC funding was applied to eligible capital improvement projects.*

❖ 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. PFC application #11 was approved by the Federal Aviation Administration (FAA) on August 29, 2011 and an amendment was subsequently submitted to the FAA on January 12, 2012. The amendment was approved on April 3, 2012. Amendments to close out completed applications were submitted June 28, 2012.*

- Prepare a Request for Proposal (RFP) and negotiate a new contract for insurance brokerage services.

  - ***Progress:*** *Partially complete. An RFP was issued and six responses were received. Due to the tragic accident that occurred at the National Championship Air Races on September 16, 2011, it was staff's recommendation that a change in the insurance brokerage service provider was not appropriate due to the uncertain claim environment. A one-year extension with the existing broker was executed in order to maintain continuity on our insurance team. The issuance of an RFP in the future will be evaluated in FY 2012-13 based on circumstances at that time.*

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

  - ***Progress:*** *Complete and ongoing. Two public auctions were held this year for the disposition of RTAA surplus property—the first on April 26, 2011 and the second on October 15, 2011. Proceeds from these auctions netted $4,161 and $3,212, respectively, for overall proceeds of $7,373. A total of 14 pallets of surplus property, one bus, two potassium acetate tanks, 37 light fixtures, 65 backlit indoor signs, one walk behind mower, and two vending machines were sold at these auctions in accordance with statutory requirements.*

- Comply with the requirements for competitive bidding, contained in NRS 332 and 338 and the Airport Improvement Project Handbook, by preparing bids and proposal requests that are budgeted in the Fiscal Year 2011-12 budget.

  - ***Progress:*** *Complete and on-going. Purchasing and Materials Management (PMM) issued the following bids for materials, supplies, equipment, capital projects, and maintenance bids in this fiscal year to date: (1) elevator and escalator maintenance, (2) LED panels, (3) copier lease, (4) traffic paint parking, (5) deck coating project, (6) plow truck/spreader, (7) subordinate lien airport revenue note financing, (8) herbicides and fertilizers, (9) roof replacement at 1280 Terminal Way, (10) employee insurance broker services, (11) janitorial paper products/liners, (12) glycol recovery vehicle, (13) snow removal loader, and (14) police office remodel.*

- 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 and on-going. The 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. Information on new*

and surplused fixed assets is provided by Purchasing and Materials Management (PMM) staff to Finance staff for their exclusive input.

- *A fixed asset audit/inventory was completed and forwarded to Accounting in August of 2011. The inventory was performed using an asset list provided by Accounting. PMM staff met with representatives from each department audited. Staff selected assets from the list randomly and physically verified the item and confirmed the asset tag and/or the serial number on the asset. Staff facilitated transfer of the following decommissioned airport equipment to other governmental entities:*

  - *1-Sprung temporary structure to Paine Field.*
  - *4-Jetbridge wheel assemblies to Gallatin Field.*
  - *9-Ground power units to four separate airports.*
  - *7-PC Air units to two separate airports.*
  - *700-Elevated taxiway lights to two separate airports.*

❖ Ensure compliance with Disadvantaged Business Enterprise (DBE) Program.

- ***Progress:*** *Complete and ongoing. Monthly DBE utilization reports were complied for all federally 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).*

<u>2012-13 Key New Initiatives</u>

❖ Effectively manage the advertising, food and beverage, gaming, retail, specialty retail, and rental car concessions, along with passenger services, during the Airport Gateway Program, including negotiating contract amendments, minimizing customer impacts, maximizing revenues, and diversifying client portfolio.

❖ Create targeted awareness campaigns, marketing plans and recruitment strategies for all available land and commercial property at RTIA and RTS. Work with Marketing to create collateral, signage and other marketing tools. Develop and maintain relationships with commercial real estate brokers and developers to build awareness of RTIA and RTS non-aviation properties.

❖ Continued support of general aviation at Reno-Tahoe International Airport; work closely with 1) Million Air to complete construction of phase one at Greenfield site by the summer of 2013; 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; and (4) work closely with other prospective tenants that wish to develop hangars at Reno-Tahoe International Airport with the goal of securing long-term leases.

- 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 airport properties to take advantage of location and leasing opportunities to increase revenue and occupancy rates.
- Financial System Upgrade to enhance management reporting abilities through MAS Intelligence Report Writing. Develop new reports and convert existing reports. Develop a management dashboard report and train selected RTAA management staff in "real time" viewing information.
- Implement Airport Gateway Program financial tracking and cash flow projections. Develop a spreadsheet and update monthly to track expenditure status and funding needs.
- Perform risk assessment to assist in the development of the annual audit plan and in the recognition of risks so that mitigation or correction can be determined for the risk. All stakeholders will be invited to add value to the risk assessment.
- Monitor and assess concession operators who may have reporting difficulties due to the Airport Gateway Program.
- Cross train employees on customizing Professional Service Agreements and managing Request for Proposal processes.
- Research and develop purchasing process improvements such as on-line bidding and automation of the requisition approval process.
- Integrate agreement compliance and tracking into a monthly review schedule and maintain current tenant records including the communication of future deadlines for strategic planning purposes. This effort will also include: (1) maintenance of current insurance certificates for all tenants, monitor CPI adjustments, security for performance instrument adjustments and expirations, and agreement expirations; (2) creation of monthly reports to communicate future vacancies, agreement, permit and lease expirations and extensions on a 18-month planning cycle; (3) production of regular weekly, monthly, and special customized reports on all active accounts; and (4) audit and on-going reconciliation of agreement and working file documents with data in the property management compliance software to ensure lease compliance.

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.

FY 2011-12 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 have been held in FY 2011-12. In addition, bimonthly (or as needed) Regional Marketing Committee meetings were attended, during which multiple marketing programs were established, including Houston, Minneapolis/St. Paul and San Jose.*

- 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 37 passenger meetings in 2011 focusing on maintaining existing routes and expanding service to underserved routes, when applicable. Successfully added nonstop service to Houston-Intercontinental with Continental Airlines (United) and Minneapolis/St. Paul on Delta Air Lines.*

- 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 Southwest and jetBlue four times each, Virgin America and Spirit twice and AirTran once during the course of the year (Southwest and AirTran merged, thus eliminating additional meeting opportunities with AirTran). Meetings were focused on expanding air service options while promoting marketing opportunities, such as with the United States Bowling Congress (USBC). Considerable progress has been made and new service possibilities could be a reality in the next twelve months.*

- Develop international air cargo carriers at RTIA.

  - ***Progress:*** *Ongoing. Sixty 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 FNC International Freight Forwarder Conference. In addition, a relationship was forged with Pactrans Air and Sea, Inc., who is expected to develop a west coast office in Reno in 2012, with the intent of bringing in international air cargo.*

- Support community organizations that contribute to the economic welfare of RTIA – 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 early 2011.*

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

- ***Progress:*** *Complete and ongoing. Staff continued its relationship with AAAE, ACI-NA, TIACA and 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 Sino-International Freight Forwarder Conference and FNC International Freight Forwarders 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, Spirit 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 ongoing. Air service frequency was increased to Los Angeles (LAX), Seattle (SEA) and Denver (DEN), while two new markets were added with Houston (IAH) and Minneapolis-St. Paul (MSP). 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 these operators had a positive customer service experience.*

❖ Pursue international air service as secondary priority.

- ***Progress:*** *Complete and ongoing. Staff met with Air Canada, WestJet, Aeromexico and Volaris a total of five times to explore new opportunities for international expansion. In addition, staff launch a comprehensive, five-phase strategic Canadian air service development program which incorporated benchmarking of like-markets, inbound tourism benchmarking, developing strategic plans for individual airline business cases, actively and independently seeking stakeholder input and creating comprehensive market cases for each carrier. Staff is expected to meet with four different Canadian carriers by the end of 2012.*

❖ 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, Biggest Little City 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 2011 level of 68 daily departures and 8,150 seats.

- ***Progress:*** *Complete and ongoing. Goal partially met. Service levels for June 2012 will be 65 daily departures with 7,474 seats. However, two new markets were added with IAH and MSP. Frequencies were right-sized in other markets.*

❖ 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.*

❖ Approach specific airlines to serve RTIA-LA Basin market but not Los Angeles International Airport (LAX).

- ***Progress:*** *Complete and ongoing. Staff met with Alaska, JetBlue, Spirit and Southwest about various opportunities in the LA Basin. Southwest Airlines recently announced a non-stop daily flight to Ontario, CA to begins January 6, 2013 and run through March 8, 2013. The new flight will feature a 137-seat Boeing 737 and will enhance Reno's connections to the L.A. Basin. In addition, because of Ontario's proximity to Palm Springs, it will offer travelers another option for getting in to the Palm Springs area. For winter sports enthusiasts in the Southern California area, this new flight is just in time for the ski season. In addition, staff will continue to pursue further enhancements to this new service.*

❖ Work with properties to obtain new air service in Vancouver or Bellingham (BLI).

- ***Progress:*** *Ongoing. Currently working with numerous properties, targeting Sun Country as the primary carrier to BLI.*

❖ Foster a relationship between an airline and the United States Bowling Congress (USBC).

- ***Progress:*** *Ongoing. Utilized relationship with USBC staff to gain membership data in order to create density maps for use in airline presentations.*

- Work closely with Southwest/AirTran and United/Continental to bring new service to RTIA following mergers.

  - ***Progress:*** *Ongoing. Continue to meet with both Southwest and United to see what opportunities arise as a result of the merger. Both carriers continue to work through their respective mergers.*

FY 2012-13 Key New Initiatives

- Develop targeted and ongoing air service marketing and advertising program to support local market demand and incorporate the business community in the messaging.
- Aggressively recruit carriers to add capacity in conjunction with the return of the Safari Club International convention and the USBC bowling tournament for both men and women scheduled for early 2013.
- Pursue international charter carrier to support international ski charters for 2013 season.

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.

FY 2011-12 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.

  - ***Progress:*** *Completed. The RFFC expansion project was completed in September 2011. A long-term lease is in place and staff is waiting for a facility appraisal and final construction costs to be provided by RFFC. Once the appraisal and costs are provided, the exact lease amount will be calculated and billing will commence.*

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

  - ***Progress:*** *Complete and ongoing. For FY 2011-12, the Airport Capital Improvement Programs (ACIP) for Reno-Tahoe International Airport and for Reno-Stead Airport were submitted to the FAA in January 2012*

- 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:*** *Complete and ongoing. Assisted with the LCGS installation at the Reno-Tahoe International Airport which became fully operational in early FY 2011-12. Participated in FAA environmental and pre construction meetings in FY 2011-12 for ASR-11 installation. Construction on site began in October 2011. Continuing to coordinate with the FAA on the installation of the ASR-11 through FY 2012-13*

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

  - ***Progress:*** *Completed and ongoing. Continuing to pursue funding and other on-airport locations for additional solar development in FY 2012-13. Staff also focused on development of available RTIA development sites, which includes the following: (1) former Brookside golf course property along Rock Boulevard; and (2) the southwest quadrant property and the general aviation west property. At the Reno-Stead airport, staff focused efforts to develop under-utilized land primarily at the northwest corner of the airport. At both airports, staff has participated in efforts to attract an aircraft manufacturing firm to open a new assembly facility.*

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

  - ***Progress:*** *Completed and ongoing. Through June 30, 2012, this Federal Aviation Administration (FAA) funded program has completed sound insulation on 4,103 units at a total cost of $58.7 million. In FY 2012-13, an additional 905 units are scheduled to be under construction at an estimated cost of $4.9 million.*

- Operate and maintain the permanent noise and operations monitoring system (NOMS).

  - ***Progress:*** *Ongoing. Staff uses the NOMS, which collects and stores aircraft operational and noise data, for creating noise contours, responding to noise complaints, tracking runway use, aircraft flight paths and fleet mix data. This system includes fourteen off-site noise monitor stations that require regular monitoring and maintenance. 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).*

- *In FY 2011-12, staff participated and managed the following efforts: (1) completion of a detailed design of an extension to Reno-Tahoe International Airport Taxiway "C", which will improve airfield access for airport users from general aviation east will be completed in FY 2011-12; (2) determination of conformance from the Truckee Meadows Regional Planning Commission on the Reno-Tahoe International Airport Goals and Policies document; (3) continuation of efforts to receive a determination of conformance on a similar document for Reno-Stead Airport by the end of FY 2011-12; (4) initiation of a Geographical Information System (GIS) Strategic Plan Study which will conclude in FY 2011-12. Based on the results of the GIS study, in late FY 2011-12 or early FY 2012-13, begin efforts on the implementation of an enterprise GIS at Reno-Tahoe International Airport and Reno-Stead Airport.*

❖ 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 2011-12 include the NDOT US395 northbound widening project, the Regional Transportation Commission (RTC) South McCarran widening project, the Mill Terminal Corridor Study, the Olympics 2022 Transportation Committee, the 2035 Regional Transportation Plan Update, and continued participation on the Truckee Meadows Flood Project Working Group. Participated on and will continue to participate on the Regional Transportation Commission's Technical Advisory Committee, which met monthly to discuss various issues.*

❖ Plan for and initiate new on-airport development projects.

- ***Progress:*** *Complete and ongoing. In April 2012, RTAA's first Construction Manager at Risk project, the new snow removal equipment storage building at Reno-Tahoe International Airport, was completed Continued efforts on the Airport Gateway Program including completion of detailed design and selection of a construction manager at risk in FY 2011-12. Construction is currently underway and will be complete in FY 2012-13.*

❖ Create a Reno-Stead Airport planning document which encapsulates previous planning efforts and will be found in conformance with the Truckee Meadows Regional Plan.

- ***Progress:*** *Ongoing. Pending a successful professional services agreement negotiation in early winter 2012, will continue efforts to receive a determination of conformance with the Truckee Meadows Regional Plan for Reno-Stead Airport in FY 2012-13.*

❖ Engineering and construction management for Reno-Tahoe International Airport (RTIA) and Reno-Stead Airport (RTS) capital projects.

- ***Progress:*** *Complete and Ongoing. All RTIA and RTS capital projects are on schedule. These include; Taxiway "C" Extension, Taxiway "Q" (design), Apron Reconstruction (Phases 14 & 15), Apron Reconstruction Phases 16-18 (design), GA Aircraft Apron (design), Southwest Connectivity, RFFC Facility, Airfield & Landside Pavement Management, and Stead Terminal / EOC (design)..*

❖ 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. All RTIA and RTS capital projects are on schedule. Specifically, the Snow Removal Equipment Building has been completed in April 2012. The Terminal Refurbishment portion of the Airport Gateway Program started in January 2012 and was completed in April 2012. The Reno-Stead Terminal/Emergency Operations Center (EOC) design was completed in April 2012.*

<u>FY 2012-13 Key New Initiatives</u>

❖ Complete construction and initiate contract closeout of the Airport Gateway Program development.
❖ Update of contract documents for recent regulatory and legislative changes for public works and federally funded projects.

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.

FY 2011-12 Key Initiatives

- Random inspection of the airfield, tenant and public areas with sweeping as necessary.
  - ***Progress:*** *Complete and ongoing. RTS is inspected a minimum of once a day, 365/year. Additional inspections are performed as conditions warrant. Sweeping is performed on an as needed basis, with heavy emphasis on weekends.*
- Remove snow promptly to ensure maximum tenant access.
  - ***Progress:*** *Complete and ongoing. The Airport was never closed for more than 4 hours at any time. The winter of 2011-12 did not require extensive snow removal.*
- 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. RTS has minimal landscape. Staff has worked to maintain turf and landscaped areas with limited time and resources.*
- Inspect on a random basis emergency generator, hangar fire suppressions system pump and test monthly.
  - ***Progress:*** *Complete and ongoing. Airfield emergency generator is tested monthly, and serviced annually. All fire systems are inspected monthly. The fire pump for hangars 5 and 6 is inspected daily, tested every two weeks, and flow tested and serviced annually.*
- Fence and graded fire breaks randomly inspected.
  - ***Progress:*** *Complete and ongoing. The perimeter fence is inspected monthly, with repairs as needed. Fire breaks are maintained on a three year cycle, with emphasis on breaks used as access routes on airport.*

- Maintain ongoing assessment and response to tenant needs with a maximum 24-hour response time.
  - ***Progress:*** *Complete and ongoing. Tenant issues are evaluated and addressed in timely manner.*
- Continue the ongoing airfield/asphalt maintenance program.
  - ***Progress:*** *Complete and ongoing. A capital project to "macro-pave" portions of taxiways A and B was completed in late summer of 2011. Crack sealing is on-going each year, and goal is to seal coat 1/5th of asphalt surface each year. Runway 8-26 was completed as part of Runway Safety Area project, and 1/3rd of aircraft ramp was sealed and restriped before September 2011.*
- Maintain ongoing relationship with surrounding neighborhood associations.
  - ***Progress:*** *Complete and ongoing. Airport manager attends all North Valley Citizen advisory meetings, as well as Silver Knolls Property Owners Association meetings.*
- Assist in the success of the Reno Air Races by providing airport facilities that are ready for the event.
  - ***Progress:*** *Complete and ongoing. RTS staff is fully involved in support of National Championship Air Races.*
- Purchase replacement equipment approved in the FY 2011-12 Budget.
  - ***Progress:*** *Complete. In the following areas, equipment purchases were completed: (1) a new towable sprayer purchased to address weed abatement/mowing of aviation surfaces; and (2) vehicle fleet maintenance efforts by Reno-Stead staff was fully integrated with Computerized Maintenance Management System (MAXIMO).*
- 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. Weekly and as needed. Public restrooms in hangar area, pilot lounge and in Administrative offices are checked daily and cleaned once a week or as needed.*

- Expansion of preventive maintenance of building and landscape plumbing systems.
  - ***Progress:*** *Complete and ongoing. With the assistance of Facilities Maintenance at RTIA, all buildings at Reno-Stead Airport (RTS) receive annual HVAC and plumbing inspections and service. RTIA staff also responds to emergencies in very timely manner.*
- Assist the Airport Economic Development in leasing/showing land to interested parties.
  - ***Progress:*** *Complete and ongoing. Currently revamping entire process to track and monitor all RTS leases.*
- Provide hangar sites for RTS development.
  - ***Progress:*** *Complete and ongoing. Evaluating infrastructure costs associated with hangar development at far west taxi lanes. Economic Development / RTS staff will develop lease options based on identified and verified demand.*
- Implement cost-effective pavement maintenance program, with the goal of a three year rotation of surface treatment, restriping, and crack sealing. This can only be accomplished with sufficient staff and budget for materials and equipment.
  - ***Progress:*** *Ongoing. On schedule, but may have to push to 5 year cycle given current budget and staffing.*
- Community Relations / Tenant relations; continue with previous successful efforts.
  - ***Progress:*** *Ongoing. Airport manager is fully engaged in Stead Airport User Association meetings, and works to enhance opportunities for safety training and public events at RTS. Examples include several FAA safety training events, the EAA "Young Eagle" program, and the Stead Airport Users Association annual membership BBQ.*

<u>FY 2012-13 Key New Initiatives</u>

- Complete "Terminal / Emergency Operations Center" construction.
- Support coordination and cooperation between RTAA and NV National Guard plans for enhancements at Stead Guard facility
- Continue to develop plan to lease space at west hangar site
- Support RTAA departments in continued effort to realize economic growth at RTS.

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.

FY 2011-12 Key Initiatives

- Provide airport information and community outreach through various forms of media and programs.
  - ***Progress:*** *Complete and ongoing.*
    - *Samples of Event Participation include:*
      - *Operation Javelin Thrust*
      - *Young Eagles at Stead Airport*
      - *Patriot Guard military welcomes*
      - *Humane Society Walk for Animals*
      - *Humane Society Groundbreaking*
      - *American Century Celebrity Golf Booth*
      - *RTO Military Tent*
      - *In-airport advertising*
      - *Junior Achievement airport tour*
      - *UNR engineering students tour*
      - *Sage Ridge School tour*
      - *Delegation tours*
      - *Swope Job Shadow*
      - *Swope food drive*
      - *Broken Wing VIPs*
      - *Regional Managers Roundtable*
      - *Reno-Sparks Leadership—Public Relations seminar*

- 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:*
      - *Minneapolis Launch*
      - *Gateway project press conference and meetings*
      - *RTO display opening*
      - *Native American display*
      - *Pops on the River*
      - *KNPB Young Writers Awards*

- *Vietnam Veterans Welcome*
- *Sen. Bill Raggio Book Signing*
- *Wolfie Welcome*
- *Broken Wing Media*
- *Control Tower issue*

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

- ***Progress:*** *Complete and ongoing.*
  - *Reno Youth Jazz Orchestra*
  - *Never Enough Ballroom*
  - *Danceworks Dance Studio*
  - *Reno Open Studios Artists Reception in the gallery*
  - *High Desert Harmony*
  - *MasterWorks Chorale*
  - *Nevada Opera Youth Chorus*

❖ Provide airport information through more than 100 media interviews.

- ***Progress:*** *Complete and ongoing. More than 300 print, radio and TV interviews due to national stories like the sleeping FAA controller, Air Race crash and distressed canine.*

❖ 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:*
    - *City of Reno*
    - *City of Sparks*
    - *Washoe County*
    - *Newcomers Club*
    - *Sunrise Kiwanis*
    - *Regional Managers*
    - *Reno-Sparks Leadership*
    - *Reno Sparks Convention and Visitor Authority*
    - *Reno Sparks Chamber of Commerce*
    - *Sunrise Truckee*
    - *Mavericks*
    - *Northern Nevada Development Authority*
    - *Prospectors*

- Improve organizational communication by publishing a monthly newsletter (Runway Reporter).
  - ***Progress:*** *Complete and ongoing. Partially met. With the accident at the National Championship Air Races, staff shifting to part time, and demands of the Airport Gateway Program the newsletter was changed to bi-monthly publication.*

- Optimize communication of airport activities, events and services through 12 issues of the e-newsletter.
  - ***Progress:*** *Ongoing. Went on hiatus for two issues following accident at the National Championship Air Race.*

- Develop new methods for in-airport marketing of RTIA air service.
  - ***Progress:*** *Complete and ongoing. Air Service Marketing Plan complete in winter, 2012.*

- 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:*
      - *Downtown Rotary*
      - *South Reno Ward 2 NAB*
      - *Salvation Army*
      - *American Association of Airport Executives (AAAE)*
      - *National Business Aviation Association*
      - *Leadership Reno-Sparks*
      - *Young Eagles*
      - *Go Red*

- 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:*
      - *SWA Spirit Magazine*
      - *US Airways 25th Anniversary*
      - *Reno-Tahoe Get-away Planner ad*

- *South Lake Tahoe Travel Planner ad*
- *North Lake Tahoe Planner ad*
- *Ski Lake Tahoe web ad*
- *Reno-Tahoe Visitor web ad*

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

- ***Progress:*** *Complete and ongoing. Samples of website updates and additions include:*
  - *Update Board of Trustees*
  - *Update Arts & Entertainment exhibits*
  - *Update Highlights*
  - *Update Non-stops/One-stops*
  - *Added FAA Page*
  - *Added Airport Noise Advisory Panel Quarterly Presentations*
  - *Updated Noise/Environmental Programs page*
  - *Updated Airport Construction & Development*
  - *Added Brighton Promotion*
  - *Parking Structure Closure*
  - *What Continues the Dream Exhibit*
  - *Link to ConstructionWizard.com from Reno-TahoeAirport.com*
  - *Brighton Store Temporary Closure due to Gateway Construction*
  - *Added Facebook/Twitter Icons*
  - *Response to ATS Baggage Handler/Canine Story*

❖ Design and help maintain land development marketing materials.

- ***Progress:*** *Complete and ongoing. Samples of marketing materials (also placed on the website) include:*
  - *Airport Gateway Center*
  - *601 S. Rock*
  - *1120 Telegraph Street*
  - *1280 Terminal Way*
  - *Reno-Stead Airport – 93 acres*

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

- ***Progress:*** *Ongoing and complete. One meeting held each quarter.*

- Maintain and enhance partnership marketing opportunities.

  - ***Progress:*** *Complete and ongoing. Partnerships developed and enhanced with the University of Nevada, Reno-Tahoe Open, American Century Celebrity Golf Tournament, Nevada Military Support Alliance, KNPB Public Television, Burning Man, State of Nevada Indian Commission, Nevada Mining Association, Nevada Manufacturing Association, Squaw Valley*

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

  - ***Progress:*** *On hold. Trip cancelled.*

- Begin planning and preparation for American Association of Airport Executives (AAAE) National Convention to be held in Reno, Nevada in May 2013.

  - ***Progress:*** *Ongoing. Plans are well underway for AAAE 2012 events that set the stage for 2013. The 2013 planning committee is set. Early event planning is underway.*

- 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. Airport Economic Development has established bi-weekly meetings with The Younger Agency and the RTAA's Marketing Department to better coordinate efforts and information between the two agencies.*

- Maintain airport concession Disadvantaged Business Enterprise (DBE) paperwork, enroll certified applicants, and attend conferences and certification meetings as necessary.

  - ***Progress:*** *Completed and ongoing. The DBE program goals were updated for 2011 and the DBE accomplishments report were finalized in December 2011. The new DBE program requirement for a Small Business Enterprise (SBE) component is currently has been submitted in February 2012. Participation in the Uniform Certification Program (UCP) and certification meetings is ongoing. For construction projects and consulting services, the RTAA participated in 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, through the online WebTrak link on the main airport website, or via direct calls to staff. Complaints have been and will continue to be responded to regularly over the telephone, in writing or in person depending on the situation. Responses are geared to provide information and education outreach about specific aircraft, flight paths, etc. 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 residents north of airport occurred as a result of a nighttime diversion of ten military fighter jets into RTIA due to the unexpected closure of Naval Air Station (NAS) Fallon as a result of an accident at the base. In response, additional educational outreach was provided to affected callers. In addition, a face-to-face meeting was held with NAS Fallon staff in order to discuss the incorporation of RTIA operational procedures into the NAS Fallon Ops Manual and to inform their pilot group of the preferred RTIA approach methods to mitigate aircraft noise from military jets. In response to Federal Aviation Administration (FAA) planned Reno-Tahoe International Airport air space modifications in support of the transition to the newer technology Required Navigation Performance (RNP) approach procedures (NextGEN), participated in planning meetings and coordinated a July 2011 FAA public outreach meeting. Continued to educate public on proposed changes pre and post implementation.*

- Train with local mutual aid agencies focusing on equipment capabilities, communications, incident command procedures and Aircraft Rescue Fire Fighting (ARFF) techniques.

- ***Progress:*** *Ongoing. Reno-Tahoe Airport Authority firefighters continue to work with mutual aid agencies to include fire, emergency medical and emergency management leaders to share knowledge of each agency's capabilities. Working together, while under the Incident Command structure in a training atmosphere, helps to develop relationships during a real disaster situation.*

FY 2012-13 Key New Initiatives

- Plan and execute the AAAE Annual Conference now through May, 2013.
- Conduct a Request For Proposal process for an advertising agency for airport marketing.
- Implementation of a Small Business Enterprise (SBE) component into the RTAA Disadvantaged Business Enterprise (DBE) program.

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.

FY 2011-12 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. Staff coordinated facility inspections conducted by the City of Reno, Washoe County and State of Nevada and the disposal of expired chemical and other wastes determined to be hazardous. In addition, staff coordinated and will continue to coordinate a variety of environmental planning and compliance programs including: (1) storm water pollution prevention; (2) water rights recognition; (3) Reno-Stead Airport consent decree remediation program; (4) airport recycling program; (5) underground storage tank monitoring; (6) solar power production; and (7) responding 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 2011, 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 FY 2011-12.

- Complete annual update of water rights recognition.

  - ***Progress:*** *Completed and ongoing. Completed document review and data acquisition for the preparation of the FY 2011-12 annual water rights report. Continued to ensure that all currently owned water rights are maintained and as additional land is acquired, that all land has associated water rights recognized. 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 and collection of additional recyclable materials. Provided presentations on the recycling goals, objectives and metrics to airport staff 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 tank facilities at Reno-Tahoe International Airport and Reno-Stead Airport. Initiated closure of the leaky underground storage tanks located at the former National Rental Car site pursuant to state and county regulations. Closure is anticipated for FY 2012-13. Implemented and coordinated Best Management Practices to reduce and prevent product releases. Coordinated removal of abandoned and disposal of expired chemical and other wastes determined to be hazardous.*

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

- ***Progress:*** *Ongoing. In FY 2011-12, monitored the solar power generation at the 135-kilowatt solar system installed at the Aircraft Rescue and Firefighting facility. To date, the system has generated enough solar power to cover all electrical use at the facility while still banking credits for future use. Submitted application for additional rebates from NV Energy but was not successful in being chosen. Staff will continue to pursue funding and other on-airport locations for additional solar development in FY 2012-13.*

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

- ***Progress:*** *Complete and ongoing. The lighting upgrade projects this year have reduced power consumption by 887,916 kWh with an annual savings of approximately $88,000.*

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

- ***Progress:*** *Complete and ongoing. This goal is being achieved by the progressive employee training and awareness program outlining RTAA's recycle program. By consolidating trash/recyclable product where applicable, the amount of solid waste to our landfills and the costs associated with solid waste disposal has been reduced. Additional waste recycle cans were purchased and located in the terminal to further encourage the traveling public participate in the recycle efforts.*

FY 2012-13 Key New Initiatives

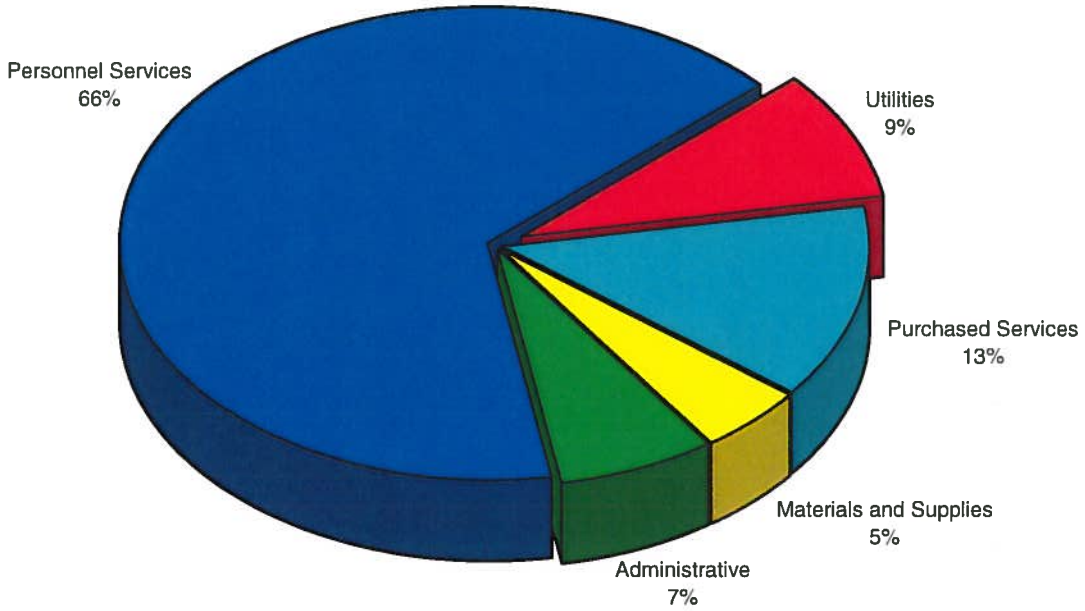
❖ Continue closure of underground storage tanks located at the former National Rental Car site pursuant to state and county regulations.

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 2012-13 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 2012-13
A N N U A L B U D G E T

Operation & Maintenance Expenditures

FY 2012-13 O&M Expenditures



EXPENDITURES		
Personnel Services	$	24,061,025
Utilities		3,178,820
Purchased Services		4,899,204
Materials and Supplies		1,761,625
Administrative		2,477,567
Total	$	36,378,241

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T
Summary of Budgeted Expenditures

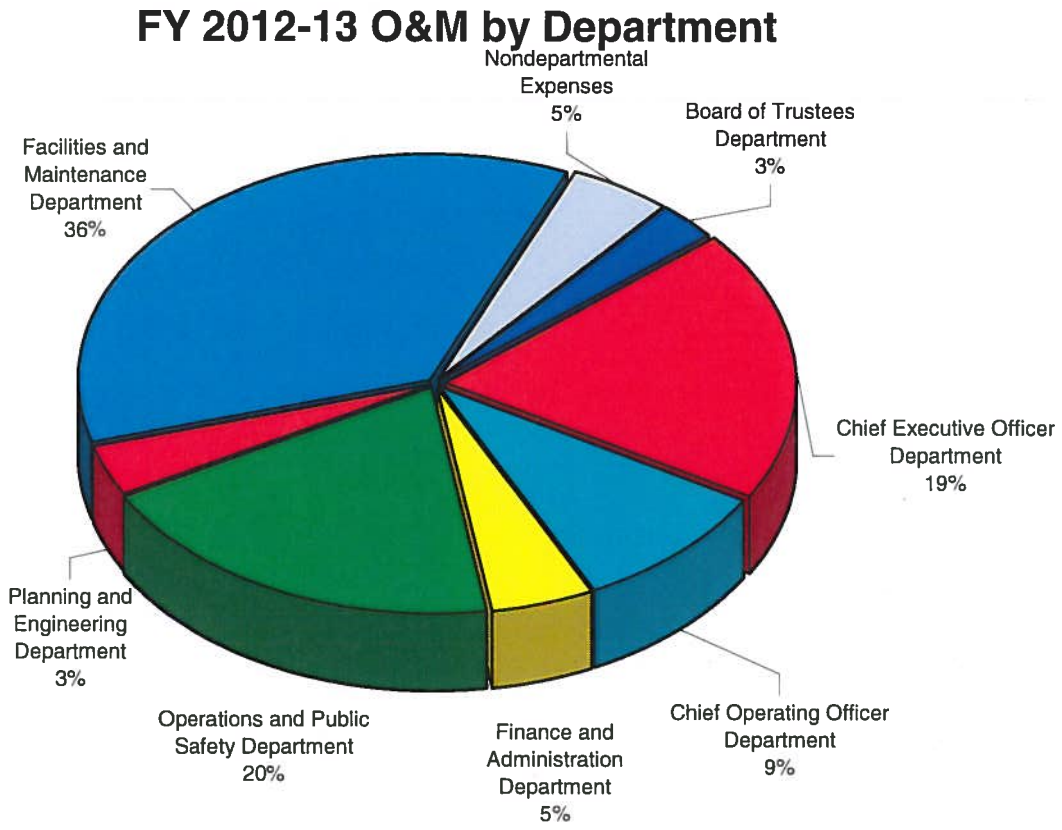
Account Group	2010-11 ACTUAL	2011-12 BUDGET	2012-13 BUDGET	PERCENT CHANGE
Personnel Services	$ 22,421,307	$ 24,085,700	$ 24,061,025	-0.1%
Utilities and Communications	2,934,201	3,443,255	3,178,820	-7.7%
Purchased Services	4,176,135	5,013,547	4,899,204	-2.3%
Materials and Supplies	1,855,013	1,851,220	1,761,625	-4.8%
Administrative Expenses	2,028,418	2,313,982	2,477,567	7.1%
Total Operating Expenses	$ 33,415,074	$ 36,707,704	$ 36,378,241	-0.9%
Property, Plant and Equipment	760,652	731,450	348,761	-52.3%
TOTAL	$ 34,175,726	$ 37,439,154	$ 36,727,002	-1.9%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T
Resources Applied by Organizational Unit

	2010-11 ACTUAL	2011-12 BUDGET	2012-13 BUDGET	CHANGE
Board of Trustees Department				
Board of Trustees	$ 122,815	$ 188,560	$ 244,880	29.9%
Internal Audit	223,545	238,845	220,215	-7.8%
Legal Counsel	802,437	693,976	592,850	-14.6%
TOTAL	1,148,798	1,121,381	1,057,945	-5.7%
President/CEO Department				
President/CEO	604,580	701,820	918,600	30.9%
Air Service Development Section	392,156	678,185	632,005	-6.8%
Marketing and Public Affairs Section	783,256	950,000	905,730	-4.7%
Economic Development Section	1,000,064	1,172,655	1,067,445	-9.0%
Outside Properties Section	729,689	916,505	786,810	-14.2%
Airport Police Section	2,253,946	2,710,250	2,713,960	0.1%
TOTAL	5,763,691	7,129,415	7,024,550	-1.5%
Executive Vice-President/COO Department				
Executive Vice-President/COO	403,923	402,675	336,080	-16.5%
Technology and Information Systems Section	1,353,190	1,292,490	1,313,918	1.7%
Reno-Stead Airport Section	805,873	828,440	886,215	7.0%
Human Resources Section	836,684	940,745	894,060	-5.0%
TOTAL	3,399,670	3,464,350	3,430,273	-1.0%
Finance and Administration Department				
Accounting and Administration	755,911	874,980	899,565	2.8%
Finance and Budgeting Section	270,301	282,150	289,625	2.6%
Purchasing and Materials Management Section	457,171	485,505	487,712	0.5%
TOTAL	1,483,384	1,642,635	1,676,902	2.1%
Operations and Public Safety Department				
Vice-President of Operations and Public Safety	228,608	275,402	286,180	3.9%
Airside Operations Section	1,769,059	1,707,665	1,682,950	-1.4%
Landside Operations Section	1,154,382	1,203,124	1,215,888	1.1%
Airport Rescue and Fire Section	2,603,236	2,679,040	2,624,515	-2.0%
Airport Security Section	1,175,193	1,400,700	1,357,450	0.0%
TOTAL	6,930,477	7,265,931	7,166,983	-1.4%
Planning and Engineering Department				
Planning and Environmental Services Section	693,897	764,235	669,375	-12.4%
Engineering and Construction Section	379,597	547,600	602,800	10.1%
TOTAL	1,073,495	1,311,835	1,272,175	-3.0%
Facilities and Maintenance Department				
Director of Facilities and Maintenance	519,015	604,290	702,025	16.2%
Airfield Maintenance Section	3,080,636	3,323,500	3,303,675	-0.6%
Building Maintenance and Services Section	6,752,614	7,439,887	7,209,210	-3.1%
Baggage Handling System Section	1,637,801	1,950,780	1,837,828	-5.8%
TOTAL	11,990,066	13,318,457	13,052,738	-2.0%
Nondepartmental Operation and Maintenance Expenses	1,205,704	1,109,000	1,250,900	12.8%
Nondepartmental Non Rate Base Expenses	419,790	344,700	445,775	29.3%
Total Operations and Maintenance Expense	33,415,074	36,707,704	36,378,241	-0.9%
Property, Plant & Equipment	760,652	731,450	348,761	-52.3%
TOTAL	$ 34,175,726	$ 37,439,154	$ 36,727,002	-1.9%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

Departmental Operation & Maintenance Expenditures



DEPARTMENT		
Board of Trustees Department	$	1,057,945
Chief Executive Officer Department		7,024,550
Chief Operating Officer Department		3,430,273
Finance and Administration Department		1,676,902
Operations and Public Safety Department		7,166,983
Planning and Engineering Department		1,272,175
Facilities and Maintenance Department		13,052,738
Nondepartmental Expenses		1,696,675
Total	$	36,378,241

Note: Fixed Assets and Capital Projects not included

Reno-Tahoe Airport Authority
FY 2012-13
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 Authority 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 defense, contract and legal document review, coordination of use of other outside counsel, attendance at Board meetings and other meetings where required, consultation with Board and staff on Open Meeting Law requirements, and perform of 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 the President/CEO,
- Answer all legal related 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 including professional organizations that augment Internal Audit skills.

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T
Board of Trustees
Department Summary

Account Group	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Personnel Services	$ 279,523	$ 335,280	$ 311,680	-7%
Utilities and Communications	-	2,640	3,000	14%
Purchased Services	826,354	699,576	593,800	-15%
Materials and Supplies	11,375	17,940	5,850	-67%
Administrative Expenses	31,547	65,945	143,615	118%
Total Operating Expenses	$ 1,148,798	$ 1,121,381	$ 1,057,945	-6%
Property, Plant and Equipment	0	0	0	0%
TOTAL	$ 1,148,798	$ 1,121,381	$ 1,057,945	-6%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

BOARD OF TRUSTEES
Department 101

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$0	$31,800	$24,300	-24%
Trustee Stipend	41190	$60,480	$60,480	$60,480	0%
Group Insurance	41340	0	4,600	5,900	28%
Retirement (Pers)	41360	0	7,500	5,800	-23%
TOTAL PERSONNEL SERVICES		60,480	104,380	96,480	-8%
UTILITIES AND COMMUNICATIONS					
Communications	42210	0	2,640	3,000	14%
TOTAL UTILITIES & COMMUNICATIONS		0	2,640	3,000	14%
PURCHASED SERVICES					
Consultants - General	43140	13,430	5,000	0	-100%
Freight Expense	43430	208	200	200	0%
Other Purchased Services	43490	6,830	500	800	60%
TOTAL PURCHASED SERVICES		25,528	9,700	3,000	-69%
MATERIALS & SUPPLIES					
Office Supplies	44100	1,337	2,000	1,500	-25%
Paper	44110	399	200	200	0%
Postage	44120	49	100	100	0%
Printing & Forms	44130	1,242	2,500	1,000	-60%
Office Small Equipment	44410	8,055	12,440	2,500	-80%
TOTAL MATERIALS & SUPPLIES		11,082	17,240	5,300	-69%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,652	2,000	500	-75%
Conference Registration Fees	45130	3,829	9,600	4,800	-50%
Training Expense	45140	0	2,000	1,000	-50%
Meeting Expense	45150	7,110	17,000	14,800	-13%
Travel & Reimbursed Expense	45210	13,135	24,000	11,500	-52%
Recruitment Expense	45230	0	0	104,500	%
TOTAL ADMINISTRATIVE EXPENSES		25,725	54,600	137,100	151%
TOTAL DEPARTMENT EXPENSES		$122,815	$188,560	$244,880	30%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

INTERNAL AUDIT
Executive Section 204

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$131,356	$163,600	$144,700	-12%
Vacation Pay	41130	12,826	3,600	3,200	-11%
Sick Leave	41140	5,472	2,500	1,500	-40%
Holiday Pay	41150	7,726	0	7,500	%
Communications Allowance	41300	(79)	0	0	
Medicare	41320	2,346	2,400	2,100	-13%
Group Insurance	41340	9,146	14,700	10,600	-28%
LTD/Life Insurance	41342	1,957	1,900	1,600	-16%
Self Funded Rx	41343	3,023	4,000	0	-100%
Vision Insurance	41344	208	500	300	-40%
Dental Insurance	41347	1,568	2,800	1,700	-39%
Workers Comp	41350	376	400	400	0%
Retirement	41360	31,212	34,500	34,400	0%
Benefit Bank Deferred Comp	41430	11,905	0	7,200	%
TOTAL PERSONNEL SERVICES		219,043	230,900	215,200	-7%
Office Equipment Rental	43210	525	600	600	0%
TOTAL PURCHASED SERVICES		525	600	600	0%
MATERIALS & SUPPLIES					
Office Supplies	44100	275	500	300	-40%
Paper	44110	10	100	100	0%
Postage	44120	6	50	50	0%
Printing & Forms	44130	0	50	50	0%
Office Small Equipment	44410	0	0	50	%
TOTAL MATERIALS & SUPPLIES		292	700	550	-21%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	235	345	495	43%
Books & Subscriptions	45120	0	200	400	100%
Conference Registration Fees	45130	1,000	1,100	550	-50%
Training Expense	45140	0	0	1,220	%
Travel & Reimbursed Expense	45210	2,451	5,000	1,200	-76%
TOTAL ADMINISTRATIVE EXPENSES		3,686	6,645	3,865	-42%
TOTAL SECTION EXPENSES		$223,545	$238,845	$220,215	-8%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

GENERAL COUNSEL
Executive Section 102

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PURCHASED SERVICES					
Legal Contracted Service	43110	789,799	658,076	560,000	-15%
Other Professional Services	43190	10,120	30,000	30,000	0%
Office Equipment Rental	43210	0	600	0	-100%
Permits & Recorders Fees	43460	0	0	0	0%
Other Purchased Services	43490	382	600	200	-67%
TOTAL PURCHASED SERVICES		800,301	689,276	590,200	-14%
ADMINISTRATIVE EXPENSE					
Books & Subscriptions	45120	0	600	600	0%
Conference Registration Fees	45130	375	1,600	800	-50%
Travel & Reimbursed Expense	45210	1,761	2,500	1,250	-50%
TOTAL ADMINISTRATIVE EXPENSES		2,136	4,700	2,650	-44%
TOTAL SECTION EXPENSES		$802,437	$693,976	$592,850	-15%

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Functions and Work Plans

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

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

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

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

Work Plans:

- Develop targeted and ongoing air service marketing and advertising program to support local market demand and incorporate the business community in the messaging.
- 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, 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 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.
- Aggressively recruit carriers to add capacity for early 2013, when Safari returns and men's and women's bowling tournaments combine for the first time.
- 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 on a 24 hours / 7 days a week basis 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 RTIA's music events in the terminal building, including holiday and Artown performances.
- Provide RTIA's Holiday decorations.
- Coordinate with the Reno-Sparks Convention and Visitors Authority, airlines, Transportation Security Administration (TSA), tenants and staff to provide outstanding service to conventions.
- Coordinate all-employee meetings and all-employee bulletins.

Airport Economic Development – Mission Statement: The Airport Economic Development Division serves to attract retain, and expand company operations resulting in long-term airport property leases that contribute toward the financial stability of the RTAA. This department manages real property at both RTIA and Reno-Stead Airport (RTS) to maximize revenue, minimize risk exposure and optimize customer experience, including providing 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 Gateway Program (Terminal Refurbishment and Consolidated Security Checkpoint of the Future Projects); and negotiate new leases, as appropriate.
- Work with The 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 Gateway Program (Terminal Refurbishment and Consolidated 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 Gateway Program; select improved carrousel-mounted displays and backlit units 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 Reno-Stead Airport (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 the 1280 Terminal Way Office Building. Based on facility assessments, create a phased plan to identify and correct deferred maintenance in order to increase utilization, occupancy rates, and revenue.
- 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 property management compliance software (GCR Airport Business Manager software and Centershift) with a 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.
- Ensure compliance with Disadvantaged Business Enterprise Program.

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 recurring 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.
- Coordinate 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
FY 2012-13
A N N U A L B U D G E T
President/CEO
Department Summary

Account Group	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Personnel Services	$ 4,744,002	$ 5,437,700	$ 5,315,450	-2%
Utilities and Communications	151,590	169,975	156,450	-8%
Purchased Services	412,642	764,380	860,985	13%
Materials and Supplies	74,764	103,880	67,880	-35%
Administrative Expenses	380,693	653,480	623,785	-5%
Total Operating Expenses	$ 5,763,691	$ 7,129,415	$ 7,024,550	-1%
Property, Plant and Equipment	30,861	104,400	0	-100%
TOTAL	$ 5,794,552	$ 7,233,815	$ 7,024,550	-3%

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET

PRESIDENT/CEO
Department 201

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$307,765	$422,700	$459,600	9%
Vacation Pay	41130	33,147	10,900	8,600	-21%
Sick Leave	41140	25,318	11,900	12,300	3%
Holiday Pay	41150	15,969	0	0	0%
Comp Time	41160	1,453	0	0	0%
Automobile Allowance	41250	12,000	12,000	12,000	0%
Communications Allowance	41300	(241)	0	0	0%
Medicare	41320	4,309	5,100	5,900	16%
Group Insurance	41340	13,226	13,600	15,400	13%
LTD/Life Insurance	41342	5,559	11,300	9,300	-18%
Self Funded Rx	41343	3,097	3,500	0	-100%
Vision Insurance	41344	205	400	300	-25%
Life Insurance	41346	4,095	0	0	0%
Dental Insurance	41347	1,783	2,200	2,100	-5%
Workers Comp	41350	376	600	600	0%
Retirement	41360	62,696	97,400	109,200	12%
Benefit Bank Deferred Comp	41430	2,233	0	1,800	%
TOTAL PERSONNEL SERVICES		492,990	591,600	637,100	8%
PURCHASED SERVICES					
Other Professional Services	43190	0	0	170,000	%
Office Equipment Rental	43210	712	400	400	0%
Freight Expense	43430	368	300	300	0%
Other Purchased Services	43490	185	0	0	0%
TOTAL PURCHASED SERVICES		1,265	700	170,700	24286%
MATERIALS & SUPPLIES					
Office Supplies	44100	2,893	2,500	2,500	0%
Paper	44110	618	500	500	0%
Postage	44120	81	400	200	-50%
Printing & Forms	44130	248	400	400	0%
Office Small Equipment	44410	39	0	0	0%
TOTAL MATERIALS & SUPPLIES		3,880	3,800	3,600	-5%
ADMINISTRATION EXPENSES					
Membership Dues	45110	57,952	59,275	64,700	9%
Books & Subscriptions	45120	2,659	3,500	4,000	14%
Conference Registration Fees	45130	1,365	4,800	3,500	-27%
Meeting Expense	45150	16,269	9,500	10,000	5%
Travel & Reimbursed Expense	45210	25,699	28,645	25,000	-13%
Community Relations	45398	2,500	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		106,444	105,720	107,200	1%
TOTAL DEPARTMENT EXPENSES		$604,580	$701,820	$918,600	31%

Reno-Tahoe Airport Authority
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AIR SERVICE BUSINESS DEVELOPMENT
Executive Section 202

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$149,853	$350,500	$346,400	-1%
Vacation Pay	41130	14,513	1,800	1,600	-11%
Sick Leave	41140	4,209	2,700	2,800	4%
Holiday Pay	41150	8,625	0	0	0%
Comp Time	41160	5,759	0	0	0%
Automobile Allowance	41250	1,292	0	0	0%
Communications Allowance	41300	(42)	0	0	0%
Medicare	41320	2,736	5,100	5,200	2%
Group Insurance	41340	10,534	29,800	27,400	-8%
LTD/Life Insurance	41342	2,035	4,200	3,800	-10%
Self Funded Rx	41343	3,816	7,800	0	-100%
Vision Insurance	41344	268	900	600	-33%
Dental Insurance	41347	2,094	5,000	3,700	-26%
Workers Comp	41350	658	1,000	1,000	0%
Retirement	41360	37,270	80,800	82,300	2%
Benefit Bank Deferred Comp	41430	8,177	0	5,800	%
TOTAL PERSONNEL SERVICES		251,798	489,600	480,600	-2%
PURCHASED SERVICES					
Other Professional Services	43190	0	2,500	3,995	60%
Office Equipment Rental	43210	1,437	2,400	2,400	0%
Freight Expense	43430	256	1,000	1,000	0%
Other Purchased Services	43490	77	60	60	0%
TOTAL PURCHASED SERVICES		1,770	5,960	7,455	25%
MATERIALS & SUPPLIES					
Office Supplies	44100	2,987	3,000	0	-100%
Paper	44110	227	500	0	-100%
Postage	44120	62	500	0	-100%
Printing & Forms	44130	343	800	0	-100%
Sign and Sign Maintenance	44430	24	0	0	0%
TOTAL MATERIALS & SUPPLIES		3,643	4,800	0	-100%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	2,530	1,575	1,630	3%
Conference Registration Fees	45130	20,530	17,400	12,620	-27%
Training Expense	45140	0	2,000	2,000	0%
Meeting Expense	45150	1,023	2,500	2,500	0%
Meeting Exp-Air Svc Task Force	45151	0	500	500	0%
Travel & Reimbursed Expense	45210	29,581	78,800	79,000	0%
Travel&Reimb Exp-Air Svc Task	45211	0	7,800	7,800	0%
Employee Milege Reimbursement	45240	0	250	100	-60%
Publications	45320	0	2,000	2,800	40%
Other Advertising & Promotion	45390	21,182	20,000	20,000	0%

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AIR SERVICE BUSINESS DEVELOPMENT
Executive Section 202

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Conference Sponsorship	45391	10,000	0	15,000	%
Community Outreach	45398	50,099	45,000	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		134,945	177,825	143,950	-19%
TOTAL SECTION EXPENSES		$392,156	$678,185	$632,005	-7%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

MARKETING AND PUBLIC AFFAIRS
Executive Section 203

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$338,227	$386,500	$407,400	5%
Temporary Employees	41120	14,603	2,000	6,000	200%
Vacation Pay	41130	35,518	5,400	3,400	-37%
Sick Leave	41140	23,391	8,700	6,200	-29%
Holiday Pay	41150	18,865	0	0	0%
Comp Time	41160	1,099	0	0	0%
Overtime Pay	41210	979	350	500	43%
Automobile Allowance	41250	4,800	4,800	4,800	0%
Communications Allowance	41300	(299)	0	0	0%
Medicare	41320	6,035	5,600	6,000	7%
FICA	41321	911	0	0	0%
Group Insurance	41340	33,393	35,000	41,500	19%
LTD/Life Insurance	41342	3,769	4,300	3,600	-16%
Self Funded Rx	41343	8,597	9,300	0	-100%
Vision Insurance	41344	608	1,000	1,000	0%
Dental Insurance	41347	5,110	6,100	6,400	5%
Workers Comp	41350	1,129	1,200	1,250	4%
Retirement	41360	81,168	91,400	96,800	6%
Benefit Bank Beferred Comp	41430	1,116	0	0	0%
TOTAL PERSONNEL SERVICES		579,020	561,650	584,850	4%
PURCHASED SERVICES					
Consultants - General	43140	35,751	37,000	25,000	-32%
Other Professional Services	43190	75,421	94,720	5,000	-95%
Office Equipment Rental	43210	2,232	1,200	1,300	8%
Contracted Services	43340	0	500	250	-50%
Freight Expense	43430	315	300	300	0%
Other Purchased Services	43490	164	1,100	400	-64%
TOTAL PURCHASED SERVICES		113,883	134,820	32,250	-76%
MATERIALS & SUPPLIES					
Office Supplies	44100	6,513	6,500	6,000	-8%
Paper	44110	261	300	300	0%
Postage	44120	201	250	250	0%
Printing & Forms	44130	638	700	700	0%
Office Small Equipment	44410	2,402	0	0	0%
Sign and Sign Maintenance	44430	3,233	5,000	5,000	0%
TOTAL MATERIALS & SUPPLIES		13,248	12,750	12,250	-4%
ADMINISTRATIVE EXPENSES					
Membership Dues	45110	1,605	3,800	3,880	2%
Books & Subscriptions	45120	351	1,785	3,000	68%
Conference Registration Fees	45130	730	2,540	0	-100%
Training Expense	45140	0	1,000	1,000	0%
Meeting Expense	45150	378	1,225	1,200	-2%
Travel & Reimbursed Expense	45210	5,042	4,280	0	-100%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

MARKETING AND PUBLIC AFFAIRS
Executive Section 203

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Employee Milege Reimburseme	45240	0	300	300	0%
Publications	45320	23,561	37,000	35,500	-4%
Other Advertising & Promotion	45390	217	6,000	3,000	-50%
Conference Sponsorship	45391	0	135,000	140,000	4%
Art Program	45393	2,398	5,000	3,500	-30%
Community Outreach	45398	42,822	42,850	85,000	98%
TOTAL ADMINISTRATIVE EXPENSES		77,105	240,780	276,380	15%
TOTAL SECTION EXPENSES		$783,256	$950,000	$905,730	-5%

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ECONOMIC DEVELOPMENT
Executive Section 304

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$490,551	$645,600	$608,100	-6%
Temporary Employees	41120	47,187	$52,000	$0	-100%
Vacation Pay	41130	76,023	8,300	2,600	-69%
Sick Leave	41140	30,526	6,400	6,400	0%
Holiday Pay	41150	27,434	0	0	0%
Comp Time	41160	2,354	0	0	0%
Overtime Pay	41210	4,073	1,200	0	-100%
Car Allowance	41250	4,800	4,800	4,800	0%
Communications Allowance	41300	154	0	0	0%
Medicare	41320	10,024	9,300	9,000	-3%
FICA	41321	2,625	0	0	0%
Group Insurance	41340	30,430	38,400	52,500	37%
LTD/Life Insurance	41342	6,402	7,700	6,000	-22%
Self Funded Rx	41343	8,068	10,000	0	-100%
Vision Insurance	41344	563	1,100	1,200	9%
Dental Insurance	41347	4,273	6,200	7,500	21%
Workers Comp	41350	1,223	1,400	1,400	0%
Retirement	41360	119,314	149,500	144,200	-4%
Benefit Bank Deferred Comp	41430	15,344	0	10,000	%
TOTAL PERSONNEL SERVICES		881,367	941,900	853,700	-9%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	6,134	0	0	0%
Natural Gas	42120	7,863	0	0	0%
Water	42130	6,640	12,000	12,000	0%
Sewer	42140	553	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		21,190	12,000	12,000	0%
PURCHASED SERVICES					
Consultants - General	43140	0	0	63,000	%
Real Estate Appraising & Neg.	43170	3,965	32,500	22,500	-31%
Other Professional Services	43190	8,292	40,000	40,000	0%
Office Equipment Rental	43210	4,519	2,500	2,000	-20%
Land Rental	43240	5,100	4,400	4,400	0%
Contracted Services	43340	1,004	3,000	0	-100%
Other Repair/Maintenance Svc	43390	13,995	0	0	0%
Freight Expense	43430	714	1,200	800	-33%
Permits & Recorders Fees	43460	146	200	200	0%
Airport Advertising	43470	457	3,000	3,000	0%
Other Purchased Services	43490	1,290	5,000	5,000	0%
TOTAL PURCHASED SERVICES		39,482	91,800	140,900	53%
MATERIALS & SUPPLIES					
Office Supplies	44100	7,999	5,000	4,000	-20%
Paper	44110	1,731	1,000	1,000	0%
Postage	44120	1,117	1,300	1,300	0%

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ECONOMIC DEVELOPMENT
Executive Section 304

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Printing & Forms	44130	1,801	1,500	1,600	7%
Office Small Equipment	44410	1,694	1,000	500	-50%
Sign and Sign Maintenance	44430	9,800	20,800	0	-100%
TOTAL MATERIALS & SUPPLIES		24,143	30,600	8,400	-73%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	2,654	1,385	3,170	129%
Conference Registration Fees	45130	2,880	5,115	1,975	-61%
Training Expense	45140	2,295	0	0	0%
Meeting Expense	45150	3,083	1,000	2,000	100%
Travel & Reimbursed Expense	45210	4,870	13,255	4,700	-65%
Employee reimbursed mileage	45240	236	200	200	0%
Legal Ads	45340	211	400	400	0%
Economic Development	45360	13,554	75,000	40,000	-47%
Other Advertising & Promotion	45390	4,100	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		33,883	96,355	52,445	-46%
TOTAL SECTION EXPENSES		$1,000,064	$1,172,655	$1,067,445	-9%

Reno-Tahoe Airport Authority
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OUTSIDE PROPERTIES
Executive Section 306

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$168,885	$147,850	$90,600	-39%
Temporary Employees	41120	6,628	0	0	0%
Vacation Pay	41130	46,223	4,100	0	-100%
Sick Leave	41140	20,387	5,700	0	-100%
Holiday Pay	41150	9,588	0	0	0%
Overtime Pay	41210	2,338	0	1,000	%
Shift Differential	41230	752	0	0	0%
Medicare	41320	3,516	3,000	1,300	-57%
Group Insurance	41340	20,115	19,000	17,300	-9%
LTD/Life Insurance	41342	2,498	2,500	700	-72%
Self Funded Rx	41343	6,064	6,000	0	-100%
Vision Insurance	41344	412	700	400	-43%
Dental Insurance	41347	3,435	3,900	2,700	-31%
Workers Comp	41350	2,069	2,000	400	-80%
Retirement	41360	41,714	31,400	16,000	-49%
Benefit Bank Deferred Comp	41430	2,233	0	0	0%
TOTAL PERSONNEL SERVICES		336,857	226,150	130,400	-42%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	71,636	93,600	83,000	-11%
Natural Gas	42120	33,481	26,200	18,750	-28%
Water	42130	9,723	10,600	16,800	58%
Sewer	42140	6,927	7,975	17,400	118%
Solid Waste Disposal	42150	7,695	17,100	8,500	-50%
Communications	42210	939	2,500	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		130,400	157,975	144,450	-9%
PURCHASED SERVICES					
Other Professional Services	43190	425	53,500	4,500	-92%
Contracted Services	43340	99,394	122,700	118,180	-4%
Other Repair/Maintenance Svc	43390	126,151	312,000	342,500	10%
Permits & Recorders Fees	43460	304	500	0	-100%
Other Purchased Services	43490	16,928	17,800	18,500	4%
TOTAL PURCHASED SERVICES		243,203	506,500	483,680	-5%
MATERIALS & SUPPLIES					
Office Supplies	44100	1,705	1,500	1,500	0%
Paper	44110	78	130	130	0%
Postage	44120	990	500	500	0%
Printing & Forms	44130	744	1,200	1,200	0%
Herbicides	44221	604	0	0	0%
Janitorial Supplies	44260	1,413	1,800	1,800	0%
Repair & Maint. Supplies	44300	453	0	0	0%
Vehicles	44310	0	400	400	0%
Heating & Air Conditioning	44320	0	100	100	0%
Locks & Hardware	44333	1,446	2,000	2,000	0%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

OUTSIDE PROPERTIES
Executive Section 306

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Seeds, Plants & Trees	44340	1,141	0	0	0%
Irrigation Supplies	44341	986	1,000	1,000	0%
Small Tools - Minor Equipment	44400	691	100	100	0%
Office Small Equipment	44410	0	350	350	0%
Sign and Sign Maintenance	44430	245	6,200	4,000	-35%
TOTAL MATERIALS & SUPPLIES		10,497	15,280	13,080	-14%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	0	500	0	-100%
Books & Subscriptions	45120	0	200	0	-100%
Conference Registration Fees	45130	460	650	0	-100%
Training Expense	45140	0	100	0	-100%
Meeting Expense	45150	0	1,000	0	-100%
Travel & Reimbursed Expense	45210	55	0	0	0%
Employee reimbursed mileage	45240	56	0	550	%
Legal Ads	45340	697	150	150	0%
Other Advertising & Promotion	45390	7,464	8,000	14,500	81%
TOTAL ADMINISTRATIVE EXPENSES		8,732	10,600	15,200	43%
TOTAL EXPENSES BEFORE FIXED ASSETS		729,689	916,505	786,810	-14%
FIXED ASSETS					
Fixed Asset Acquisition	48150	30,861	0	0	0%
TOTAL SECTION EXPENSES		$760,550	$916,505	$786,810	-14%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

AIRPORT POLICE
Executive Section 405

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$1,041,104	$1,521,300	$1,491,400	-2%
Vacation Pay	41130	128,674	7,800	3,700	-53%
Sick Leave	41140	39,111	4,000	6,200	55%
Holiday Pay	41150	56,791	0	0	0%
Comp time	41160	30,305	0	0	0%
Overtime Pay	41210	86,231	70,000	70,000	0%
Overtime Call Back	41213	1,142	0	0	0%
Shift Differential	41230	54,702	60,000	65,000	8%
Holiday worked Pay	41280	42,313	95,000	95,000	0%
Communications Allowance	41300	(73)	0	0	0%
Medicare	41320	20,755	20,400	21,900	7%
Group Insurance	41340	93,299	135,300	152,000	12%
LTD/Life Insurance	41342	12,055	22,900	20,600	-10%
Self Funded Rx	41343	26,660	33,700	0	-100%
Vision Insurance	41344	1,947	3,900	3,400	-13%
Dental Insurance	41347	15,499	22,200	21,100	-5%
Workers Comp	41350	59,895	52,400	52,400	0%
Retirement	41360	447,842	554,100	565,000	2%
Uniform Allowance	41380	9,365	15,000	20,000	33%
Post Employment Health Plan	41410	6,000	8,800	8,800	0%
Benefit Bank Deferred Comp	41430	28,352	0	32,300	%
TOTAL PERSONNEL SERVICES		2,201,970	2,626,800	2,628,800	0%
PURCHASED SERVICES					
Other Professional Services	43190	2,085	3,000	3,000	0%
Office Equipment Rental	43210	860	1,500	1,500	0%
Contracted Services	43340	4,768	8,500	8,500	0%
Other Repair/Maintenance Svcs	43390	1,085	0	0	0%
Freight Expense	43430	356	1,000	500	-50%
Permits & Recorders Fees	43460	0	100	0	-100%
Other Purchased Services	43490	3,884	10,500	12,500	19%
TOTAL PURCHASED SERVICES		13,038	24,600	26,000	6%
MATERIALS & SUPPLIES					
Office Supplies	44100	4,049	5,000	5,000	0%
Paper	44110	200	500	500	0%
Postage	44120	70	200	200	0%
Printing & Forms	44130	660	800	2,000	150%
Medical Supplies	44270	67	250	150	-40%
Other Operating Supplies	44290	2,166	3,500	3,500	0%
Firearms	44293	10,784	5,500	6,000	9%
Vehicles	44310	258	0	0	0%
Locks & Hardware	44333	106	200	200	0%
Small Tools - Minor Equipment	44400	357	4,500	5,000	11%
Office Small Equipment	44410	636	500	500	0%
Employee Safety Equipment	44450	0	15,700	7,500	-52%
TOTAL MATERIALS & SUPPLIES		19,353	36,650	30,550	-17%

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AIRPORT POLICE
Executive Section 405

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	5,297	5,400	5,670	5%
Books & Subscriptions	45120	744	1,000	300	-70%
Conference Registration Fees	45130	1,124	1,800	2,440	36%
Training Expense	45140	5,233	8,000	8,000	0%
Meeting Expense	45150	60	0	0	0%
Travel & Reimbursed Expense	45210	7,127	6,000	12,200	103%
TOTAL ADMINISTRATIVE EXPENSES		19,585	22,200	28,610	29%
TOTAL EXPENSES BEFORE FIXED ASSETS		2,253,946	2,710,250	2,713,960	0%
FIXED ASSETS					
Fixed Asset Acquisition	48150	0	104,400	0	-100%
TOTAL SECTION EXPENSES		$2,253,946	$2,814,650	$2,713,960	-4%

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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.
- 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.
- 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
  - Parking Revenue Control System
  - Financial Management System Upgrade

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 Reno National Championship Air Race event.
- 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.
- Develop an Employee Handbook that clearly spells out general policies, organizational principles and general working conditions while revising the Civil Service Plan (CSP) by shifting general statements not applicable to CSP Exclusive employees to the new Employee Handbook.
- 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.
- Develop and present an Occupational Enrichment Program to all employees as a part of the RTAA Wellness Initiative.
- Continue to measure key Human Resources functions to provide meaningful and relevant data in support of organizational effectiveness.

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T
Executive Vice-President/COO
Department Summary

Account Group	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Personnel Services	$ 2,373,976	$ 2,457,930	$ 2,410,115	-2%
Utilities and Communications	327,245	266,940	309,600	16%
Purchased Services	354,042	415,630	442,493	6%
Materials and Supplies	265,243	198,700	170,600	-14%
Administrative Expenses	79,163	125,150	97,465	-22%
Total Operating Expenses	$ 3,399,670	$ 3,464,350	$ 3,430,273	-1%
Property, Plant and Equipment	439,420	361,500	220,761	-39%
TOTAL	$ 3,839,090	$ 3,825,850	$ 3,651,034	-5%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

EXECUTIVE VICE-PRESIDENT/COO
Department 251

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$235,506	$247,100	$206,300	-17%
Vacation Pay	41130	24,060	7,500	4,600	-39%
Sick Leave	41140	11,335	5,600	9,800	75%
Holiday Pay	41150	12,976	0	0	0%
Comp Time	41160	235	0	0	0%
Automobile Allowance	41250	7,200	7,200	7,200	0%
Communications Allowance	41300	(224)	0	0	0%
Medicare	41320	4,121	4,000	4,000	0%
Group Insurance	41340	14,876	10,600	15,900	50%
LTD/Life Insurance	41342	2,749	2,700	2,200	-19%
Self Funded Rx	41343	5,154	4,000	0	-100%
Vision Insurance	41344	352	500	500	0%
Dental Insurance	41347	3,016	2,800	3,200	14%
Workers Comp	41350	658	400	400	0%
Retirement	41360	55,914	57,600	49,000	-15%
Benefit Bank Deferred Comp	41430	4,137	0	0	0%
TOTAL PERSONNEL SERVICES		382,064	350,000	303,100	-13%
PURCHASED SERVICES					
Consultants - General	43140	0	13,000	10,000	-23%
Office Equipment Rental	43210	737	700	300	-57%
Freight Expense	43430	122	75	100	33%
Other Purchased Services	43490	27	0	0	0%
TOTAL PURCHASED SERVICES		886	13,775	10,400	-25%
MATERIALS & SUPPLIES					
Office Supplies	44100	1,300	600	900	50%
Paper	44110	28	50	50	0%
Postage	44120	3	50	50	0%
Printing & Forms	44130	255	200	100	-50%
Medical Supplies	44270	79	300	100	-67%
Office Small Equipment	44410	53	0	0	0%
TOTAL MATERIALS & SUPPLIES		1,717	1,200	1,200	0%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,055	4,000	1,980	-51%
Conference Registration Fees	45130	1,465	5,500	5,000	-9%
Training Expense	45140	45	200	600	200%
Meeting Expense	45150	1,264	3,000	3,000	0%
Travel & Reimbursed Expense	45210	15,383	23,000	9,800	-57%
Community Assistance Reimbu	45212	0	2,000	1,000	-50%
Legal Ads	45340	44	0	0	0%
Other Advertising & Promotion	45390	0	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		19,256	37,700	21,380	-43%
TOTAL DEPARTMENT EXPENSES		$403,923	$402,675	$336,080	-17%

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET

HUMAN RESOURCES
Executive Section 252

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$311,493	$372,500	$370,900	0%
Temporary Employees	41120	812	0	3,960	%
Vacation Pay	41130	27,008	5,200	6,100	17%
Sick Leave	41140	7,047	5,800	6,800	17%
Holiday Pay	41150	17,068	0	0	0%
Comp Time	41160	302	0	0	0%
Incentive Awards	41260	8,500	9,550	9,550	0%
Service Awards	41270	6,717	3,880	3,955	2%
Communications Allowance	41300	(130)	0	0	0%
Physical Exam Expense	41310	15,675	28,700	22,000	-23%
Medicare	41320	3,763	5,400	5,600	4%
Wellness Program	41330	1,881	4,500	4,500	0%
Group Insurance	41340	22,004	25,200	25,400	1%
PEBP Subsidy	41341	197,489	215,000	175,000	-19%
LTD/Life Insurance	41342	3,231	3,300	3,000	-9%
Self Funded Rx	41343	5,712	6,500	0	-100%
Vision Insurance	41344	634	700	600	-14%
Dental Insurance	41347	3,184	4,200	3,500	-17%
Section 125 Flex Plan	41349	6,555	6,000	6,000	0%
Workers Comp	41350	941	900	900	0%
Retirement	41360	73,570	85,200	88,100	3%
Unemployment	41370	43,499	60,000	60,000	0%
Benefit Bank Deferred Comp	41430	13,201	0	12,400	%
TOTAL PERSONNEL SERVICES		770,154	842,530	808,265	-4%
PURCHASED SERVICES					
Consultants - General	43140	1,745	0	350	%
Other Professional Services	43190	8,595	12,050	11,750	-2%
Office Equipment Rental	43210	2,253	2,000	2,000	0%
Freight Expense	43430	121	400	335	-16%
Permits and Recorders Fees	43460	995	1,200	1,300	8%
Other Purchased Services	43490	3,617	3,685	2,790	-24%
TOTAL PURCHASED SERVICES		17,326	19,335	18,525	-4%
MATERIALS & SUPPLIES					
Office Supplies	44100	1,649	2,200	1,500	-32%
Paper	44110	1,130	500	350	-30%
Postage	44120	716	600	600	0%
Printing & Forms	44130	1,076	600	700	17%
TOTAL MATERIALS & SUPPLIES		4,570	3,900	3,150	-19%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,499	2,040	1,940	-5%
Books & Subscriptions	45120	452	1,100	550	-50%
Conference Registration Fees	45130	5,009	6,400	575	-91%
Training Expense	45140	593	800	800	0%
Organizational Training	45141	3,297	20,500	30,655	50%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

HUMAN RESOURCES
Executive Section 252

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Meeting Expense	45150	907	200	0	-100%
Tuition Reimbrusement	45160	16,409	19,000	19,000	0%
Accreditation Incentive Program	45180	1,500	3,000	1,500	-50%
Travel & Reimbursed Expense	45210	6,506	6,990	0	-100%
Interview Expense	45230	4,560	10,950	5,100	-53%
Legal Ads	45340	3,903	4,000	4,000	0%
TOTAL ADMINISTRATIVE EXPENSES		44,634	74,980	64,120	-14%
TOTAL SECTION EXPENSES		$836,684	$940,745	$894,060	-5%

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET

TECHNOLOGY AND INFORMATION SYSTEMS
Executive Section 253

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$412,927	$488,900	$496,900	2%
Vacation Pay	41130	40,653	6,800	6,100	-10%
Sick Leave	41140	23,056	8,200	7,500	-9%
Holiday Pay	41150	23,339	0	0	0%
Overtime Pay	41210	7,579	3,000	5,000	67%
Overtime Call Back	41213	112	0	500	%
Shift Differential	41230	33	0	0	0%
Communications Allowance	41300	(344)	0	0	0%
Medicare	41320	7,053	7,100	7,200	1%
Group Insurance	41340	35,526	42,700	48,600	14%
LTD/Life Insurance	41342	5,285	5,100	4,800	-6%
Self Funded Rx	41343	9,777	11,100	0	-100%
Vision Insurance	41344	768	1,500	1,300	-13%
Dental Insurance	41347	5,529	7,200	6,900	-4%
Workers Comp	41350	2,539	2,800	2,800	0%
Retirement	41360	99,202	116,100	118,000	2%
Uniform Allowance	41380	114	100	100	0%
Benefit Bank Deferred Comp	41430	3,496	0	0	0%
TOTAL PERSONNEL SERVICES		676,645	700,600	705,700	1%
UTILITIES AND COMMUNICATIONS					
Communications	42210	251,348	192,540	203,400	6%
TOTAL UTILITIES & COMMUNICATIONS		251,348	192,540	203,400	6%
PURCHASED SERVICES					
Data Processing	43130	276,091	329,360	348,268	6%
Office Equipment Rental	43210	1,090	0	0	0%
Other Repair/Maintenance Svcs	43390	2,513	23,000	23,000	0%
Freight Expense	43430	463	0	0	0%
TOTAL PURCHASED SERVICES		280,156	352,360	371,268	5%
MATERIALS & SUPPLIES					
Office Supplies	44100	557	0	100	%
Paper	44110	425	300	300	0%
Postage	44120	37	0	100	%
Printing & Forms	44130	100	0	0	0%
Small Tools - Minor Equipment	44400	2,061	2,000	0	-100%
Office Small Equipment	44410	91,341	23,400	24,600	5%
Employee Safety Equipment	44450	38	250	250	0%
Telephone Equipment and Labor	44460	38,946	15,000	5,800	-61%
TOTAL MATERIALS & SUPPLIES		133,505	40,950	31,150	-24%
ADMINISTRATIVE EXPENSES					
Membership Dues	45110	1,500	300	0	-100%
Books & Subscriptions	45120	1,023	500	600	20%
Conference Registration Fees	45130	2,230	1,240	0	-100%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

TECHNOLOGY AND INFORMATION SYSTEMS
Executive Section 253

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Training Expense	45140	366	800	800	0%
Meeting Expense	45150	188	0	0	0%
Travel & Reimbursed Expense	45210	6,229	3,200	1,000	-69%
TOTAL ADMINISTRATIVE EXPENSES		11,536	6,040	2,400	-60%
TOTAL EXPENSES BEFORE FIXED ASSETS		1,353,190	1,292,490	1,313,918	2%
FIXED ASSETS					
Fixed Asset Acquisition	48150	301,596	361,500	220,761	-39%
TOTAL SECTION EXPENSES		$1,654,786	$1,653,990	$1,534,679	-7%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

RENO STEAD AIRPORT
Executive Section 254

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$320,553	$373,900	$386,500	3%
Vacation Pay	41130	29,575	2,100	900	-57%
Sick Leave	41140	7,405	5,000	5,100	2%
Holiday Pay	41150	16,161	0	16,000	%
Overtime Pay	41210	17,936	13,000	15,000	15%
Overtime Call Back	41213	1,785	700	750	7%
Standby	41220	854	500	500	0%
Shift Differential	41230	1,088	1,000	1,000	0%
Holiday worked Pay	41280	4,787	5,000	5,000	0%
Communications Allowance	41300	(223)	0	800	%
Medicare	41320	5,028	4,700	4,900	4%
Group Insurance	41340	30,072	35,600	40,400	13%
LTD/Life Insurance	41342	3,943	4,100	3,400	-17%
Self Funded Rx	41343	7,763	9,300	0	-100%
Vision Insurance	41344	819	1,600	1,500	-6%
Dental Insurance	41347	4,273	6,200	5,900	-5%
Workers Comp	41350	10,370	9,400	9,400	0%
Retirement	41360	78,839	87,700	91,400	4%
Uniform Allowance	41380	1,449	2,000	2,200	10%
Benefit Bank Deferred Comp	41430	2,638	3,000	2,400	-20%
TOTAL PERSONNEL SERVICES		545,113	564,800	593,050	5%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	43,082	34,000	61,000	79%
Natural Gas	42120	5,467	10,500	16,500	57%
Water	42130	9,662	10,000	10,000	0%
Sewer	42140	14,621	15,500	15,000	-3%
Solid Waste Disposal	42150	2,731	3,200	3,200	0%
Hazardous Waste Disposal	42180	332	1,200	500	-58%
TOTAL UTILITIES & COMMUNICATIONS		75,897	74,400	106,200	43%
PURCHASED SERVICES					
Consultants - General	43140	0	1,500	0	-100%
Other Professional Services	43190	5,650	11,000	24,000	118%
Office Equipment Rental	43210	380	1,400	2,500	79%
Equipment Rental	43211	200	1,000	1,000	0%
Contracted Services	43340	41,048	6,520	10,000	53%
Other Repair/Maintenance Svcs	43390	6,265	5,000	2,500	-50%
Freight Expense	43430	556	500	700	40%
Permits & Recorders Fees	43460	842	740	850	15%
Other Purchased Services	43490	734	2,500	750	-70%
TOTAL PURCHASED SERVICES		55,675	30,160	42,300	40%
MATERIALS & SUPPLIES					
Office Supplies	44100	2,429	2,200	1,800	-18%
Paper	44110	81	0	0	0%
Postage	44120	445	400	400	0%
Printing & Forms	44130	845	600	400	-33%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

RENO STEAD AIRPORT
Executive Section 254

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Oil and Lubricants	44210	1,497	2,800	2,600	-7%
Chemicals	44220	0	0	750	%
Herbicides	44221	8,767	15,000	12,000	-20%
Fertilizer	44222	895	1,000	500	-50%
Auto Fuel	44230	7,250	8,500	9,500	12%
Diesel Fuel	44240	13,946	9,000	13,500	50%
Janitorial Paper Supplies	44250	246	500	500	0%
Janitorial Supplies	44260	1,226	700	450	-36%
Medical Supplies	44270	425	300	450	50%
Trash Can Liners	44280	251	0	0	0%
Other Operating Supplies	44290	170	0	0	0%
Repair & Maintenance Supply	44300	1,842	12,000	2,500	-79%
Vehicles	44310	3,481	5,000	4,000	-20%
Heating & Air Conditioning	44320	390	1,500	1,500	0%
Machinery	44330	18,990	32,000	24,000	-25%
Locks & Hardware	44333	32	150	800	433%
Seeds, Plants & Trees	44340	89	500	200	-60%
Plumbing Supplies	44350	1,778	1,200	1,000	-17%
Electrical Supplies	44360	5,583	1,000	1,000	0%
Runway/Taxiway	44361	(460)	1,500	1,200	-20%
Ramp Lighting	44362	153	1,000	750	-25%
Lumber & Building Supplies	44370	40	300	300	0%
Paint Supplies	44380	1,709	5,000	4,000	-20%
Other Repairs-Maint Supplies	44390	7,315	0	0	0%
Small Tools - Minor Equipment	44400	4,138	2,000	2,500	25%
Sign and Sign Maintenance	44430	0	500	500	0%
Employee Safety Equipment	44450	2,281	1,500	1,500	0%
Telephone Equipment and Labc	44460	513	0	0	0%
Asphalt & Cement	44510	593	0	0	0%
Patch Material	44513	962	0	0	0%
Runways/taxiway Repair	44530	37,139	45,000	45,000	0%
Fence and Gate Repair Parts	44540	409	1,500	1,500	0%
TOTAL MATERIALS & SUPPLIES		125,450	152,650	135,100	-11%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	325	410	605	48%
Conference Registration Fees	45130	615	980	1,560	59%
Training Expense	45140	80	1,000	500	-50%
Meeting Expense	45150	1,148	0	0	0%
Travel & Reimbursed Expense	45210	1,569	3,040	5,900	94%
Other Advertising & Promotion	45390	0	1,000	1,000	0%
TOTAL ADMINISTRATIVE EXPENSES		3,738	6,430	9,565	49%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

RENO STEAD AIRPORT
Executive Section 254

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
TOTAL EXPENSES BEFORE FIXED ASSETS		805,873	828,440	886,215	7%
FIXED ASSETS					
Fixed Asset Acquisition	48150	137,824	0	0	0%
TOTAL SECTION EXPENSES		$943,697	$828,440	$886,215	7%

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Functions and Work Plans

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

Accounting – 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 unaudited 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.
- Complete Financial System Upgrade to include enhance management reporting abilities through MAS Intelligence Report Writing. Develop new reports and convert existing reports. Develop a management dashboard report and train selected RTAA management staff in "real time" viewing information.

- 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.
- Obtain the Governmental Finance Officer Association "Certificate of Achievement in Excellence in Financial Reporting" award.

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 2012-13 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 expand and improve utilization of the MAS500 Purchasing and Inventory and Fixed Asset modules.
- Continue monitoring usage of and updates to the Purchase Card (P-Card) procurement 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
- Research and develop purchasing process improvements such as on-line bidding and automation of the requisition approval process.

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 and assist with annual Single Audit
- Coordinate and prepare Passenger Facility Charge Applications and Amendments and submit quarterly reports to the Federal Aviation Administration.
- Prepare and coordinate the annual capital improvement program and fixed asset budget for the airport system.
- Maintain Authority's relationships with rating agencies and bond insurance companies. This effort includes the annual presentation of financial information and updates on the Authority's air service market and capital improvement program.
- Assist in the development of a feasibility report to support the Authority's issuance of revenue bonds including material for the Official Statement.
- Review Board memo fiscal impacts, and other analyses as requested.
- Complete insurance applications, provide insurance company tours, administer RTAA liability claims, and review RTAA contract insurance requirements.
- 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
- 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.
- Participate in the Airport Council International – North America Financial Benchmarking survey and review RTAA competitiveness with benchmark airports.

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T
Finance and Administration
Department Summary

Account Group	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Personnel Services	$ 1,334,422	$ 1,420,050	$ 1,454,450	2%
Utilities and Communications	0	0	0	0%
Purchased Services	110,722	168,125	184,675	10%
Materials and Supplies	21,546	23,250	20,100	-14%
Administrative Expenses	16,694	31,210	17,677	-43%
Total Operating Expenses	$ 1,483,384	$ 1,642,635	$ 1,676,902	2%
Property, Plant and Equipment	5,645	0	0	0%
TOTAL	$ 1,489,029	$ 1,642,635	$ 1,676,902	2%

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET

ACCOUNTING AND ADMINISTRATION
Section 302

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$408,849	$504,800	$518,100	3%
Vacation Pay	41130	39,686	6,100	5,500	-10%
Sick Leave	41140	16,218	9,300	10,700	15%
Holiday Pay	41150	21,552	0	0	0%
Comp Time	41160	808	0	0	0%
Overtime Pay	41210	55	200	100	-50%
Communications Allowance	41300	(128)	0	0	0%
Medicare	41320	6,702	7,300	7,600	4%
Group Insurance	41340	36,029	48,700	61,800	27%
LTD/Life Insurance	41342	5,244	4,400	5,100	16%
Self Funded Rx	41343	10,764	12,700	0	-100%
Vision Insurance	41344	768	1,500	1,400	-7%
Dental Insurance	41347	6,200	8,400	8,600	2%
Workers Comp	41350	1,411	1,400	1,400	0%
Retirement	41360	93,565	117,800	123,100	4%
Benefit Bank Deferred Comp	41430	7,576	0	6,100	%
TOTAL PERSONNEL SERVICES		655,298	722,600	749,500	4%
PURCHASED SERVICES					
Accounting and Auditing	43120	58,700	63,730	60,730	-5%
Trustee & Paying Agent Fees	43180	10,217	12,500	12,500	0%
Other Professional Services	43190	8,599	40,500	8,600	-79%
Office Equipment Rental	43210	1,922	3,195	3,195	0%
Freight Expense	43430	31	200	50	-75%
Other Purchased Services	43490	6,667	8,575	48,575	466%
TOTAL PURCHASED SERVICES		86,135	128,700	133,650	4%
MATERIALS & SUPPLIES					
Office Supplies	44100	4,205	4,000	4,000	0%
Paper	44110	610	800	800	0%
Postage	44120	3,063	3,000	3,500	17%
Printing & Forms	44130	1,181	2,000	1,500	-25%
Office Small Equipment	44410	0	1,000	100	-90%
TOTAL MATERIALS & SUPPLIES		9,059	10,800	9,900	-8%
ADMINISTRATIVE EXPENSES					
Membership Dues	45110	1,529	1,790	1,980	11%
Books & Subscriptions	45120	411	350	250	-29%
Conference Registration Fees	45130	1,140	1,550	500	-68%
Training Expense	45140	1,205	2,450	1,350	-45%
Meeting Expense	45150	69	1,000	1,000	0%
Travel & Reimbursed Expense	45210	1,065	5,740	1,435	-75%
TOTAL ADMINISTRATIVE EXPENSES		5,419	12,880	6,515	-49%
TOTAL SECTION EXPENSES		$755,911	$874,980	$899,565	3%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

PURCHASING AND MATERIALS MANAGEMENT
Section 303

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$249,534	$311,000	$309,100	-1%
Vacation Pay	41130	29,507	6,000	5,300	-12%
Sick Leave	41140	22,957	9,000	8,500	-6%
Holiday Pay	41150	14,327	0	0	0%
Overtime Pay	41210	522	500	500	0%
Communications Allowance	41300	(168)	0	0	0%
Medicare	41320	2,261	2,300	2,400	4%
Group Insurance	41340	28,933	31,700	36,100	14%
LTD/Life Insurance	41342	3,604	3,800	3,200	-16%
Self Funded Rx	41343	7,166	8,200	0	-100%
Vision Insurance	41344	461	900	800	-11%
Dental Insurance	41347	3,770	5,000	4,800	-4%
Workers Comp	41350	3,574	4,300	4,300	0%
Retirement	41360	62,203	71,200	73,200	3%
Uniform Allowance	41380	558	750	750	0%
Benefit Bank Deferred Comp	41430	9,808	0	8,700	%
TOTAL PERSONNEL SERVICES		439,016	454,650	457,650	1%
PURCHASED SERVICES					
Office Equipment Rental	43210	1,608	4,000	3,600	-10%
Contracted Services	43340	994	2,500	500	-80%
Other Repair/Maintenance Svcs	43390	0	2,750	1,500	-45%
Freight Expense	43430	2,577	2,700	3,300	22%
Permits & Recorders Fees	43460	35	75	75	0%
Other Purchased Services	43490	0	0	5,400	%
TOTAL PURCHASED SERVICES		5,214	12,025	14,375	20%
MATERIALS & SUPPLIES					
Office Supplies	44100	810	1,700	1,600	-6%
Paper	44110	233	250	250	0%
Postage	44120	0	100	100	0%
Printing & Forms	44130	161	1,000	500	-50%
Medical Supplies	44270	97	400	400	0%
Other Operating Supplies	44290	575	0	500	%
Machinery	44330	0	200	200	0%
Locks & Hardware	44333	58	0	0	0%
Small Tools - Minor Equipment	44400	5,687	3,500	3,500	0%
Office Small Equipment	44410	0	200	200	0%
Employee Safety Equipment	44450	619	500	500	0%
Purchase Price Variance	44750	(131)	0	0	0%
TOTAL MATERIALS & SUPPLIES		8,108	7,850	7,750	-1%
ADMINISTRATIVE EXPENSES					
Membership Dues	45110	700	1,180	1,375	17%
Books & Subscriptions	45120	446	450	450	0%
Conference Registration Fees	45130	724	2,250	1,250	-44%
Training Expense	45140	50	600	900	50%
Travel & Reimbursed Expense	45210	1,607	4,500	1,962	-56%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

PURCHASING AND MATERIALS MANAGEMENT
Section 303

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Legal Ads	45340	1,308	2,000	2,000	0%
TOTAL ADMINISTRATIVE EXPENSES		4,834	10,980	7,937	-28%
TOTAL EXPENSES BEFORE FIXED ASSETS		457,171	485,505	487,712	0%
FIXED ASSETS					
Fixed Asset Acquisition	48150	5,645	0	0	0%
TOTAL SECTION EXPENSES		$462,816	$485,505	$487,712	0%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

FINANCE AND BUDGETING
Section 305

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$151,036	$168,500	$174,100	3%
Vacation Pay	41130	15,244	3,300	2,700	-18%
Sick Leave	41140	5,555	3,400	4,000	18%
Holiday Pay	41150	8,107	0	0	0%
Medicare	41320	2,452	2,500	2,500	0%
Group Insurance	41340	14,381	15,200	17,300	14%
LTD/Life Insurance	41342	2,096	2,100	1,900	-10%
Self Funded Rx	41343	3,487	4,000	0	-100%
Vision Insurance	41344	256	500	400	-20%
Dental Insurance	41347	2,178	2,800	2,700	-4%
Workers Comp	41350	376	400	400	0%
Retirement	41360	34,940	40,100	41,300	3%
TOTAL PERSONNEL SERVICES		240,108	242,800	247,300	2%
PURCHASED SERVICES					
Consultants - General	43140	17,378	25,000	35,000	40%
Office Equipment Rental	43210	1,904	2,300	1,600	-30%
Freight Expense	43430	91	100	50	-50%
TOTAL PURCHASED SERVICES		19,373	27,400	36,650	34%
MATERIALS & SUPPLIES					
Office Supplies	44100	861	1,000	600	-40%
Paper	44110	248	100	200	100%
Postage	44120	44	200	150	-25%
Printing & Forms	44130	3,227	3,300	1,500	-55%
TOTAL MATERIALS & SUPPLIES		4,379	4,600	2,450	-47%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,540	1,600	2,125	33%
Books & Subscriptions	45120	415	400	500	25%
Conference Registration Fees	45130	1,530	1,200	0	-100%
Training Expense	45140	449	1,500	500	-67%
Meeting Expense	45150	0	100	100	0%
Travel & Reimbursed Expense	45210	2,255	2,550	0	-100%
Legal Ads	45340	252	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		6,441	7,350	3,225	-56%
TOTAL SECTION EXPENSES		$270,301	$282,150	$289,625	3%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

NONDEPARTMENTAL
Section 900

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	0	$175,000	$175,000	0%
Temporary Employees	41120	0	(300,000)	(300,000)	0%
Group Insurance	41340	124	0	0	0%
Self Funded Rx	41343	(3,512)	0	0	8%
Vision Service Plan	41347	(3,512)	0	0	0%
Dental Insurance	41347	(3,512)	0	0	0%
Post Employment Health Plan	41410	89,546	78,800	85,000	0%
TOTAL PERSONNEL SERVICES		79,132	(46,200)	(40,000)	0%
PURCHASED SERVICES					
Other Professional Services	43190	65,390	30,000	30,000	0%
Air Service Studies	43193	83,126	160,000	160,000	0%
Contracted Services	43340	0	0	39,000	%
Freight Expense	43430	43	0	0	0%
TOTAL PURCHASED SERVICES		148,559	190,000	229,000	21%
MATERIALS & SUPPLIES					
Postage	44120	1,900	0	0	0%
Paper	44110	280	0	0	0%
Inventory Adjustments	44292	(4,584)	0	0	0%
TOTAL MATERIALS & SUPPLIES		(2,404)	0	0	0%
ADMINISTRATIVE EXPENSE					
Training Expense	45140	14,000	0	0	0%
Air Service Development	45350	221,274	104,700	201,775	93%
Miscellaneous Expense	45370	1,095	0	0	0%
Other Advertising & Promotion	45390	50,000	50,000	50,000	0%
Community Relations	45398	15,500	0	0	0%
Airport Liability	45410	127,193	133,600	200,000	50%
Vehicle Liability	45420	48,748	51,200	52,500	3%
Bonds Employees/Officers	45440	8,632	9,000	9,700	8%
Buildings & Contents	45450	525,520	541,100	568,900	5%
Public Officials Liability	45460	69,079	72,600	72,400	0%
Police Liability	45470	84,302	87,700	82,400	-6%
Other Insurance	45490	3,853	50,000	50,000	0%
Credit Card Fees	45500	231,278	210,000	220,000	5%
TOTAL ADMINISTRATIVE EXPENSES		1,400,475	1,309,900	1,507,675	15%
FIXED CHARGES					
Int Exp 2003 Bonds	71120	208,250	0	0	0%
Int Exp 2005 Bonds	71130	1,335,399	1,276,150	1,213,900	-5%
Int Exp 2011 Subordinate Note	71135	0	992,589	348,288	-65%
TOTAL FIXED CHARGES		1,543,649	2,268,739	1,562,188	-31%
TOTAL SECTION EXPENSES		$3,169,412	$3,722,439	$3,258,863	-12%

Reno-Tahoe Airport Authority
FY 2012-13
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.

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; prepare 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 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.
- 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 maintaining high reliability in Airport Communications across all shifts.
- Perform high standards of customer service and responsiveness to our airport staff and external customers.
- Ensure all team members are capable of independently facilitating communications for the first forty-five (45) minutes of an Alert III response, and capable of operating communications as part of the incident command staff in the Mobile Command Vehicle.
- 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, and Financial Stability

Work Plans:

- Provide and maintain all aspects of Ground Transportation to provide services, collect all appropriate revenues, 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.

- Enhance training of 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 the 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
FY 2012-13
A N N U A L B U D G E T
Operations and Public Safety
Department Summary

Account Group	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Personnel Services	$ 6,239,837	$ 6,518,880	$ 6,479,370	-1%
Utilities and Communications	0	0	0	0%
Purchased Services	473,614	523,334	485,673	-7%
Materials and Supplies	143,548	159,840	153,935	-4%
Administrative Expenses	73,478	63,877	48,005	-25%
Total Operating Expenses	$ 6,930,477	$ 7,265,931	$ 7,166,983	-1%
Property, Plant and Equipment	5,977	10,200	100,000	880%
TOTAL	$ 6,936,454	$ 7,276,131	$ 7,266,983	0%

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET

VICE-PRESIDENT OF OPERATIONS AND PUBLIC SAFETY
Department 401

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$164,162	$188,000	$194,600	4%
Vacation Pay	41130	(24,838)	2,500	1,200	-52%
Sick Leave	41140	2,637	700	900	29%
Holiday Pay	41150	8,897	0	8,900	%
Overtime Pay	41210	19	500	500	0%
Communications Allowance	41300	(210)	0	0	0%
Medicare	41320	2,227	2,700	2,900	7%
Group Insurance	41340	17,638	18,100	20,400	13%
LTD/Life Insurance	41342	2,126	2,200	2,000	-9%
Self Funded Rx	41343	4,262	4,900	0	-100%
Vision Insurance	41344	307	600	500	-17%
Dental Insurance	41347	2,513	3,300	3,200	-3%
Workers Comp	41350	3,104	2,500	2,500	0%
Retirement	41360	38,517	45,100	46,700	4%
Benefit Bank Deferred Comp	41430	0	0	0	0%
TOTAL PERSONNEL SERVICES		221,361	271,100	284,300	5%
PURCHASED SERVICES					
Office Equipment Rental	43210	1,138	160	525	228%
TOTAL PURCHASED SERVICES		1,138	160	525	228%
MATERIALS & SUPPLIES					
Office Supplies	44100	992	500	400	-20%
Paper	44110	194	0	80	%
Postage	44120	417	50	100	100%
Printing & Forms	44130	0	80	100	25%
TOTAL MATERIALS & SUPPLIES		1,603	630	680	8%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	330	275	275	0%
Conference Registration Fees	45130	1,415	585	0	-100%
Meeting Expense	45150	3	400	400	0%
Travel & Reimbursed Expense	45210	2,758	2,252	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		4,506	3,512	675	-81%
TOTAL DEPARTMENT EXPENSES		$228,608	$275,402	$286,180	4%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

AIRSIDE OPERATIONS
Section 402

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$965,486	$1,021,100	$987,100	-3%
Vacation Pay	41130	85,286	12,100	4,800	-60%
Sick Leave	41140	29,857	10,500	13,700	30%
Holiday Pay	41150	39,419	0	0	0%
Comp time	41160	(292)	0	0	0%
Overtime Pay	41210	28,603	32,000	25,000	-22%
Overtime Call Back	41213	10,670	8,000	8,000	0%
Shift Differential	41230	15,539	20,000	17,000	-15%
Holiday worked Pay	41280	23,783	22,500	22,000	-2%
Communications Allowance	41300	(74)	0	0	0%
Medicare	41320	16,195	13,600	14,200	4%
Group Insurance	41340	72,509	83,400	105,900	27%
LTD/Life Insurance	41342	10,660	11,300	9,700	-14%
Self Funded Rx	41343	24,812	21,600	0	-100%
Vision Insurance	41344	1,761	2,500	2,400	-4%
Dental Insurance	41347	14,577	14,100	14,500	3%
Workers Comp	41350	12,227	14,600	14,600	0%
Retirement	41360	225,383	234,300	234,400	0%
Uniform Allowance	41380	3,037	2,000	1,700	-15%
Benefit Bank Deferred Comp	41430	35,366	0	20,900	%
TOTAL PERSONNEL SERVICES		1,614,805	1,523,600	1,495,900	3%
PURCHASED SERVICES					
Other Professional Services	43190	38,000	42,000	38,000	-10%
Office Equipment Rental	43210	413	1,000	500	-50%
Other Repair/Maintenance Svcs	43390	76,339	107,000	114,500	7%
Freight Expense	43430	1,170	500	400	-20%
TOTAL PURCHASED SERVICES		115,922	150,500	153,400	-3%
MATERIALS & SUPPLIES					
Office Supplies	44100	3,408	3,000	2,800	-7%
Paper	44110	485	300	400	33%
Postage	44120	58	50	50	0%
Printing & Forms	44130	619	600	300	-50%
Medical Supplies	44270	128	0	100	%
Other Operating Supplies	44290	10,758	15,500	14,500	-6%
Office Small Equipment	44410	3,288	0	2,100	%
TOTAL MATERIALS & SUPPLIES		18,743	19,450	20,250	62%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	2,615	2,845	2,500	-12%
Books & Subscriptions	45120	3,939	3,400	3,400	0%
Conference Registration Fees	45130	655	2,000	500	-75%
Training Expense	45140	797	1,870	6,000	221%
Meeting Expense	45150	153	500	500	0%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

AIRSIDE OPERATIONS
Section 402

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Travel & Reimbursed Expense	45210	979	3,500	500	-86%
Relocation Expense	45220	10,452	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		19,590	14,115	13,400	34%
TOTAL EXPENSES BEFORE FIXED ASSETS		1,769,059	1,707,665	1,682,950	3%
FIXED ASSETS					
Fixed Asset Acquisition	48150	0	0	100,000	%
TOTAL SECTION EXPENSES		$1,769,059	$1,707,665	$1,782,950	3%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

LANDSIDE OPERATIONS
Section 403

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$411,415	$506,000	$531,200	5%
Temporary Employees	41120	3,210	0	15,000	%
Vacation Pay	41130	38,935	1,800	800	-56%
Sick Leave	41140	24,864	4,900	5,600	14%
Holiday Pay	41150	15,728	8,000	8,000	0%
Overtime Pay	41210	14,454	15,000	15,000	0%
Shift Differential	41230	18,366	27,000	22,000	-19%
Holiday worked Pay	41280	22,651	22,500	22,500	0%
Communications Allowance	41300	(34)	0	0	0%
Medicare	41320	8,055	7,300	7,800	7%
FICA	41321	12	0	0	0%
Group Insurance	41340	56,507	69,000	84,600	23%
LTD/Life Insurance	41342	5,508	5,900	5,200	-12%
Self Funded Rx	41343	14,288	17,700	0	-100%
Vision Insurance	41344	1,026	2,100	2,000	-5%
Dental Insurance	41347	7,791	11,400	11,900	4%
Workers Comp	41350	16,677	18,700	19,800	6%
Retirement	41360	105,967	119,200	126,200	6%
Uniform Allowance	41380	2,052	2,500	1,000	-60%
Benefit Bank Deferred Comp	41430	4,137	0	3,600	%
TOTAL PERSONNEL SERVICES		771,611	839,000	882,200	5%
PURCHASED SERVICES					
Other Professional Services	43190	263,854	273,854	263,854	-4%
Office Equipment Rental	43210	460	450	2,200	389%
Equipment Rental	43211	9,083	8,920	6,900	-23%
Contracted Services	43340	30,101	11,700	12,569	7%
Freight Expense	43430	328	200	500	150%
Contracted Services - Towing	43450	63	250	285	14%
Other Purchased Services	43490	13,313	15,000	0	-100%
TOTAL PURCHASED SERVICES		317,202	310,374	286,308	-8%
MATERIALS & SUPPLIES					
Office Supplies	44100	6,001	3,200	2,700	-16%
Paper	44110	583	400	400	0%
Postage	44120	390	425	400	-6%
Printing & Forms	44130	11,050	16,000	14,000	-13%
Medical Supplies	44270	45	90	90	0%
Other Operating Supplies	44290	6,525	3,000	3,000	0%
Machinery	44330	28,309	15,000	15,000	0%
Other Repairs-Maint Supplies	44390	800	500	0	-100%
Sign and Sign Maintenance	44430	10,563	10,000	10,000	0%
Employee Safety Equipment	44450	78	200	150	-25%
TOTAL MATERIALS & SUPPLIES		64,344	48,815	45,740	-6%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,190	990	1,340	35%
Books & Subscriptions	45120	0	200	200	0%

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LANDSIDE OPERATIONS
Section 403

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Conference Registration Fees	45130	0	945	0	-100%
Training Expense	45140	35	100	0	-100%
Meeting Expense	45150	0	100	100	0%
Travel & Reimbursed Expense	45210	0	2,600	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		1,225	4,935	1,640	-67%
TOTAL SECTION EXPENSES		$1,154,382	$1,203,124	$1,215,888	1%

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AIRPORT RESCUE AND FIRE
Section 404

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$1,154,867	$1,396,200	$1,372,900	-2%
Vacation Pay	41130	130,589	3,200	2,100	-34%
Sick Leave	41140	66,492	1,800	1,900	6%
Holiday Pay	41150	44,538	66,800	65,100	-3%
Comp time	41160	81,099	30,000	32,000	7%
Overtime Pay	41210	81,895	77,250	75,250	-3%
FLSA Overtime Pay	41211	54,039	56,650	52,420	-7%
Overtime Call Back	41213	32,085	37,080	20,000	-46%
Communications Allowance	41300	(103)	0	0	0%
Medicare	41320	15,130	12,000	12,500	4%
Group Insurance	41340	278,541	300,400	300,900	0%
LTD/Life Insurance	41342	4,075	1,500	1,300	-13%
Self Funded Rx	41343	775	900	0	-100%
Vision Insurance	41344	154	300	300	0%
Dental Insurance	41347	419	600	600	0%
Workers Comp	41350	87,403	55,600	55,600	0%
Retirement	41360	465,328	515,600	510,400	-1%
Uniform Allowance	41380	5,179	7,500	7,000	-7%
Benefit Bank Deferred Comp	41430	7,576	0	6,900	%
TOTAL PERSONNEL SERVICES		2,510,080	2,563,380	2,517,170	-2%
PURCHASED SERVICES					
Office Equipment Rental	43210	413	1,900	1,800	-5%
Contracted Services	43340	4,632	5,250	5,350	2%
Other Repair/Maintenance Svcs	43390	1,819	2,450	2,450	0%
Freight Expense	43430	750	1,000	1,100	10%
Other Purchased Services	43490	3,175	2,200	3,440	56%
TOTAL PURCHASED SERVICES		10,789	12,800	14,140	10%
MATERIALS & SUPPLIES					
Office Supplies	44100	5,364	5,000	3,000	-40%
Paper	44110	352	250	250	0%
Postage	44120	12	50	50	0%
Printing & Forms	44130	630	450	450	0%
Chemicals	44220	368	4,000	4,000	0%
Firefighting Agent AFFF	44225	1,335	5,000	5,000	0%
Janitorial Paper Supplies	44250	224	500	475	-5%
Janitorial Supplies	44260	2,285	2,200	2,340	6%
Medical Supplies	44270	2,796	5,200	3,500	-33%
Trash Can Liners	44280	303	220	0	-100%
Other Operating Supplies	44290	255	0	0	0%
Turn Outs	44291	5,832	11,500	10,000	-13%
Electrical Supplies	44360	33	100	80	-20%
Other Repairs-Maint Supplies	44390	1,209	1,000	1,000	0%
Small Tools - Minor Equipment	44400	9,908	20,400	22,800	12%
Office Small Equipment	44410	1,748	2,000	0	-100%
Employee Safety Equipment	44450	4,632	6,700	10,070	50%
Hazardeous Materials Response	44451	718	1,800	1,600	-11%
Emg. Preparedness Stations	44453	116	225	250	11%
TOTAL MATERIALS & SUPPLIES		38,122	66,595	64,865	-3%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

AIRPORT RESCUE AND FIRE
Section 404

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	919	975	850	-13%
Books & Subscriptions	45120	3,116	1,910	2,010	5%
Conference Registration Fees	45130	1,365	2,210	0	-100%
Training Expense	45140	17,795	18,000	18,000	0%
Meeting Expense	45150	38	150	100	-33%
Disaster Exercise Expense	45170	15,585	0	0	0%
Travel & Reimbursed Expense	45210	5,412	12,920	7,200	-44%
Employee Milege Reimbursement	45240	15	0	180	%
Other Advertising & Promotion	45390	0	100	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		44,246	36,265	28,340	-22%
TOTAL EXPENSES BEFORE FIXED ASSETS		2,603,236	2,679,040	2,624,515	-2%
FIXED ASSETS					
Fixed Asset Acquisition	48150	5,977	10,200	0	-100%
TOTAL SECTION EXPENSES		$2,609,213	$2,689,240	$2,624,515	-2%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

AIRPORT SECURITY
Section 407

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$662,434	$793,100	$791,900	0%
Vacation Pay	41130	(6,746)	5,600	2,200	-61%
Sick Leave	41140	33,483	5,200	8,600	65%
Holiday Pay	41150	24,778	20,000	20,000	0%
Overtime Pay	41210	23,227	25,000	35,000	40%
Shift Differential	41230	29,527	30,800	32,000	4%
Holiday worked Pay	41280	31,767	40,000	40,000	0%
Communications Allowance	41300	(148)	0	0	0%
Medicare	41320	12,892	11,500	11,500	0%
Group Insurance	41340	74,540	100,700	109,600	9%
LTD/Life Insurance	41342	8,058	9,100	7,500	-18%
Self Funded Rx	41343	20,823	25,900	0	-100%
Vision Insurance	41344	1,538	3,100	2,700	-13%
Dental Insurance	41347	11,729	17,100	16,300	-5%
Workers Comp	41350	23,712	29,300	28,400	-3%
Retirement	41360	160,939	187,900	188,100	0%
Uniform Allowance	41380	5,347	17,500	5,000	-71%
Benefit Bank Deferred Comp	41430	4,082	0	1,000	%
TOTAL PERSONNEL SERVICES		1,121,981	1,321,800	1,299,800	-2%
PURCHASED SERVICES					
Other Professional Services	43190	22,550	40,000	25,000	-38%
Office Equipment Rental	43210	504	1,000	600	-40%
Contracted Services	43340	4,269	5,000	4,000	-20%
Other Repair/Maintenance Svcs	43390	0	3,000	1,200	-60%
Freight Expense	43430	1,216	500	500	0%
Other Purchased Services	43490	25	0	0	0%
TOTAL PURCHASED SERVICES		28,564	49,500	31,300	-37%
MATERIALS & SUPPLIES					
Office Supplies	44100	17,686	20,000	20,000	0%
Paper	44110	129	250	100	-60%
Postage	44120	79	150	150	0%
Printing & Forms	44130	453	1,000	500	-50%
Medical Supplies	44270	75	200	150	-25%
Locks & Hardware	44333	69	750	500	-33%
Small Tools - Minor Equipment	44400	2,004	1,000	750	-25%
Office Small Equipment	44410	0	500	0	-100%
Employee Safety Equipment	44450	242	500	250	-50%
TOTAL MATERIALS & SUPPLIES		20,736	24,350	22,400	-8%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	570	550	550	0%
Books & Subscriptions	45120	12	0	0	0%
Conference Registration Fees	45130	1,555	1,200	600	-50%

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AIRPORT SECURITY
Section 407

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Training Expense	45140	0	0	300	%
Travel & Reimbursed Expense	45210	1,775	3,000	2,200	-27%
Other Advertising & Promotion	45390	0	300	300	0%
TOTAL ADMINISTRATIVE EXPENSES		3,912	5,050	3,950	-22%
TOTAL SECTION EXPENSES		$1,175,193	$1,400,700	$1,357,450	-3%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET
Functions and Work Plans

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

Planning and Environmental Services – Mission Statement: Develop, maintain and update a program for the future orderly development of Reno/Tahoe International Airport (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 Ten (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
FY 2012-13
A N N U A L B U D G E T
Planning and Engineering
Department Summary

Account Group	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Personnel Services	$ 1,011,765	$ 1,144,060	$ 1,170,760	2%
Utilities and Communications	0	0	0	0%
Purchased Services	126,021	122,740	69,450	-43%
Materials and Supplies	10,407	11,300	11,200	-1%
Administrative Expenses	19,715	33,735	20,765	-38%
Total Operating Expenses	$ 1,167,907	$ 1,311,835	$ 1,272,175	-3%
Property, Plant and Equipment	0	0	0	0%
TOTAL	$ 1,167,907	$ 1,311,835	$ 1,272,175	-3%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

PLANNING AND ENVIRONMENTAL SERVICES
Section 502

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$356,750	$437,200	$402,800	-8%
Vacation Pay	41130	50,528	7,000	4,200	-40%
Sick Leave	41140	22,666	12,300	7,000	-43%
Holiday Pay	41150	21,381	0	0	0%
Comp Time	41160	756	0	0	0%
Overtime Pay	41210	342	360	360	0%
Automobile Allowance	41250	4,800	4,800	4,800	0%
Communications Allowance	41300	(250)	0	0	0%
Medicare	41320	6,924	7,600	7,100	-7%
Group Insurance	41340	33,940	41,100	44,800	9%
LTD/Life Insurance	41342	4,965	6,300	4,700	-25%
Self Funded Rx	41343	9,560	10,700	0	-100%
Vision Insurance	41344	765	1,400	1,100	-21%
Dental Insurance	41347	5,613	7,400	6,400	-14%
Workers Comp	41350	1,411	1,400	1,200	-14%
Retirement	41360	94,805	123,900	116,400	-6%
Benefit Bank Deferred Comp	41430	0	0	1,000	%
TOTAL PERSONNEL SERVICES		614,955	661,460	601,860	-9%
PURCHASED SERVICES					
Other Professional Services	43190	46,178	62,700	33,400	-47%
Office Equipment Rental	43210	2,157	1,500	3,900	160%
Other Repair/Maintenance Svcs	43390	41	100	4,990	4890%
Freight Expense	43430	219	240	240	0%
Permits & Recorders Fees	43460	1,938	1,400	1,200	-14%
Other Purchased Services	43490	1,186	1,500	1,620	8%
TOTAL PURCHASED SERVICES		51,718	67,440	45,350	-33%
MATERIALS & SUPPLIES					
Office Supplies	44100	7,399	7,500	7,500	0%
Paper	44110	576	600	600	0%
Postage	44120	235	400	400	0%
Printing & Forms	44130	477	500	500	0%
Office Small Equipment	44410	172	0	0	0%
TOTAL MATERIALS & SUPPLIES		8,859	9,000	9,000	0%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,730	1,460	1,835	26%
Books & Subscriptions	45120	1,597	2,045	1,875	-8%
Conference Registration Fees	45130	3,527	5,385	2,330	-57%
Training Expense	45140	225	450	1,450	222%
Meeting Expense	45150	311	250	250	0%
Travel & Reimbursed Expense	45210	9,685	16,745	5,425	-68%
Legal Advertisements	45340	1,290	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		18,365	26,335	13,165	-50%
TOTAL SECTION EXPENSES		$693,897	$764,235	$669,375	-12%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

ENGINEERING AND CONSTRUCTION
Department 503

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$205,349	$327,900	$385,500	18%
Vacation Pay	41130	28,965	7,300	7,600	4%
Sick Leave	41140	15,557	8,000	9,000	13%
Holiday Pay	41150	13,949	0	0	0%
Communications Allowance	41300	(164)	0	0	0%
Medicare	41320	3,279	4,500	5,400	20%
Group Insurance	41340	18,212	28,000	39,600	41%
LTD/Life Insurance	41342	3,315	4,500	4,100	-9%
Vision Insurance	41344	461	900	900	0%
Dental Insurance	41347	3,854	5,100	5,400	6%
Self Funded Rx	41343	6,483	7,300	0	-100%
Workers Comp	41350	846	800	1,000	25%
Retirement	41360	60,189	88,300	103,200	17%
Benefit Bank Deferred Comp	41430	7,768	0	7,200	%
TOTAL PERSONNEL SERVICES		368,066	482,600	568,900	18%
PURCHASED SERVICES					
Consultants - Engineering	43150	1,125	20,000	0	-100%
Other Professional Services	43190	2,342	30,000	18,000	-40%
Office Equipment Rental	43210	730	2,400	2,000	-17%
Freight Expense	43430	136	500	500	0%
Other Purchased Services	43490	3,289	2,400	3,600	50%
TOTAL PURCHASED SERVICES		7,623	55,300	24,100	-56%
MATERIALS & SUPPLIES					
Office Supplies	44100	483	1,600	1,400	-13%
Paper	44110	84	400	300	-25%
Postage	44120	91	200	200	0%
Printing & Forms	44130	178	100	300	200%
TOTAL MATERIALS & SUPPLIES		836	2,300	2,200	-4%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	225	1,000	1,500	50%
Books & Subscriptions	45120	88	1,200	800	-33%
Conference Registration Fees	45130	705	2,200	2,600	18%
Training Expense	45140	0	300	300	0%
Meeting Expense	45150	175	600	400	-33%
Travel & Reimbursed Expense	45210	1,046	1,500	1,200	-20%
Newspapers	45340	834	600	800	33%
TOTAL ADMINISTRATIVE EXPENSE		3,073	7,400	7,600	3%
TOTAL SECTION EXPENSES		$379,597	$547,600	$602,800	10%

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.

Director of Facilities and Maintenance – Mission Statement: To maintain RTAA airport facilities and properties in a world class manner, while focused on a customer service orientation to benefit 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, including development of enhanced professional policies and procedures for the management and maintenance of the airfield pavement, markings and lighting, the RTIA's landscapes and additional airport properties, and the 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 maintenance with a focus on performance, fuel efficiency, maintenance costs, and overall value to RTAA.
- With the completion of a snow removal equipment storage building in 2012, staff will be organizing efficient use of the facility and move-in of snow equipment and accessories.

- New snow removal equipment will be procured over the next three years to upgrade the current fleet.
- 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 terminal and other building 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.
- Oversee and manage utilities and contractual services for the maintenance of the Baggage Handling System (BHS).

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T
Facilities and Maintenance
Department Summary

Account Group	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Personnel Services	$ 6,387,700	$ 6,818,000	$ 6,959,200	2%
Utilities and Communications	2,455,368	3,003,700	2,709,770	-10%
Purchased Services	1,790,821	2,129,762	2,033,128	-5%
Materials and Supplies	1,331,245	1,336,310	1,332,060	0%
Administrative Expenses	24,932	30,685	18,580	-39%
Total Operating Expenses	$ 11,990,066	$ 13,318,457	$ 13,052,738	-2%
Property, Plant and Equipment	278,749	255,350	28,000	-89%
TOTAL	$ 12,268,815	$ 13,573,807	$ 13,080,738	-4%

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET

DIRECTOR OF FACILITES AND MAINTENANCE
Department 601

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$250,131	$362,300	$425,700	17%
Vacation Pay	41130	29,316	7,100	8,600	21%
Sick Leave	41140	18,394	7,000	14,400	106%
Holiday Pay	41150	13,820	0	0	0%
Comp Time	41160	3,295	0	0	0%
Communications Allowance	41300	(330)	0	0	0%
Medicare	41320	4,446	4,300	6,400	49%
Group Insurance	41340	14,474	22,600	25,500	13%
LTD/Life Insurance	41342	3,439	3,700	4,400	19%
Self Funded Rx	41343	4,999	4,800	0	-100%
Vision Insurance	41344	304	500	500	0%
Dental Insurance	41347	2,513	2,700	3,200	19%
Workers Comp	41350	658	600	800	33%
Retirement	41360	59,687	83,400	101,100	21%
Benefit Bank Deferred Comp	41430	15,151	0	15,600	%
TOTAL PERSONNEL SERVICES		420,297	499,000	606,200	21%
UTILITIES AND COMMUNICATIONS					
Water	42130	6,892	7,000	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		6,892	7,000	0	-100%
PURCHASED SERVICES					
Professional Services	43100	4,129	0	0	0%
Other Professional Services	43190	0	0	1,500	%
Office Equipment Rental	43210	810	1,000	1,000	0%
Repairs	43310	0	800	600	-25%
Contracted Services	43340	47,404	50,000	50,000	0%
Other Repair/Maintenance Svcs	43390	8,418	15,000	13,000	-13%
Freight Expense	43430	57	0	100	%
TOTAL PURCHASED SERVICES		60,818	70,300	66,200	-6%
MATERIALS & SUPPLIES					
Office Supplies	44100	4,068	4,000	11,000	175%
Paper	44110	81	100	100	0%
Postage	44120	48	200	100	-50%
Printing & Forms	44130	260	400	300	-25%
Machinery	44330	2	0	0	0%
Other Repairs-Maint Supplies	44390	0	300	300	0%
Office Small Equipment	44410	1,735	2,000	3,000	50%
Sign and Sign Maintenance	44430	18,343	12,000	12,000	0%
TOTAL MATERIALS & SUPPLIES		24,537	19,000	26,800	41%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	730	885	1,425	61%
Books & Subscriptions	45120	1,263	900	900	0%
Conference Registration Fees	45130	3,035	2,800	0	-100%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

DIRECTOR OF FACILITES AND MAINTENANCE
Department 601

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Training Expense	45140	585	780	500	-36%
Meeting Expense	45150	184	0	0	0%
Travel & Reimbursed Expense	45210	674	3,625	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		6,471	8,990	2,825	-69%
TOTAL EXPENSES BEFORE FIXED ASSETS		519,015	604,290	702,025	16%
FIXED ASSETS					
Fixed Asset Acquisition	48150	0	11,000	0	-100%
TOTAL DEPARTMENT EXPENSES		$519,015	$615,290	$702,025	14%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

AIRFIELD MAINTENANCE
Section 602

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$1,027,360	$1,261,800	$1,264,800	0%
Temporary Employees	41120	46,300	50,000	50,000	0%
Vacation Pay	41130	83,898	7,000	4,900	-30%
Sick Leave	41140	58,289	14,100	8,900	-37%
Holiday Pay	41150	50,253	40,000	40,000	0%
Overtime Pay	41210	44,934	38,000	38,000	0%
Overtime Call Back	41213	46,055	44,000	44,000	0%
Standby	41220	21,885	13,500	13,500	0%
Shift Differential	41230	11,169	10,500	10,500	0%
Holiday worked Pay	41280	21,111	21,500	21,500	0%
Communications Allowance	41300	(94)	0	0	0%
Medicare	41320	16,120	15,600	17,700	13%
Group Insurance	41340	140,430	189,300	212,700	12%
LTD/Life Insurance	41342	12,704	12,900	11,500	-11%
Self Funded Rx	41343	44,289	49,100	0	-100%
Vision Insurance	41344	3,976	7,300	6,700	-8%
Dental Insurance	41347	25,049	31,100	29,800	-4%
Workers Comp	41350	38,278	46,700	46,800	0%
Retirement	41360	266,495	295,400	300,200	2%
Uniform Allowance	41380	12,691	8,000	8,400	5%
Meal Allowance	41390	1,467	900	900	0%
Benefit Bank Deferred Comp	41430	15,151	0	13,200	%
TOTAL PERSONNEL SERVICES		1,987,811	2,156,700	2,144,000	-1%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	94,418	110,000	112,000	2%
Natural Gas	42120	24,944	32,000	35,000	9%
Water	42130	54	0	0	0%
Solid Waste Disposal	42150	77,496	95,000	93,000	-2%
Recycleable Disposal	42151	4,120	5,600	4,400	-21%
Dump Fees	42152	10,099	4,500	4,770	6%
Sumps/Oil-Water Seperators	42153	7,542	9,000	10,500	17%
Propane	42170	1,542	1,850	1,950	5%
Hazardous Waste Disposal	42180	5,713	1,750	1,800	3%
TOTAL UTILITIES & COMMUNICATIONS		225,928	259,700	263,420	1%
PURCHASED SERVICES					
Other Professional Services	43190	238	2,000	0	-100%
Office Equipment Rental	43210	414	2,800	1,670	-40%
Equipment Rental	43211	825	5,000	5,000	0%
Repairs	43310	2,023	0	0	0%
Contracted Services	43340	26,599	68,000	35,150	-48%
Other Repair/Maintenance Svcs	43390	14,794	40,000	44,000	10%
Freight Expense	43430	4,587	2,500	2,700	8%
Permits & Recorders Fees	43460	1,969	1,600	1,900	19%
Other Purchased Services	43490	0	2,700	2,700	0%
TOTAL PURCHASED SERVICES		51,449	124,600	93,120	-25%
MATERIALS & SUPPLIES					
Office Supplies	44100	3,428	2,200	2,350	7%
Paper	44110	233	300	300	0%
Postage	44120	4	10	10	0%
Printing & Forms	44130	226	400	400	0%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

AIRFIELD MAINTENANCE
Section 602

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Oil and Lubricants	44210	11,344	14,000	14,500	4%
Chemicals	44220	4,602	0	0	0%
Herbicides	44221	49,622	65,000	65,000	0%
Fertilizer	44222	1,149	9,000	0	-100%
Ice Control	44223	76,974	75,000	75,000	0%
Rubber Removal	44224	8,140	12,500	12,500	0%
Gasoline	44230	66,046	92,000	98,000	7%
Diesel Fuel	44240	117,627	100,000	106,000	6%
Janitorial Paper Supplies	44250	100	400	400	0%
Janitorial Supplies	44260	386	800	1,000	25%
Medical Supplies	44270	183	300	300	0%
Trash Can Liners	44280	3,256	3,900	3,900	0%
Other Operating Supplies	44290	11,703	2,000	2,000	0%
Repair & Maintenance Supply	44300	28,706	10,000	12,500	25%
Vehicle Maintenance Supplies	44310	44,164	40,000	44,500	11%
Machinery	44330	151,658	114,000	124,000	9%
Steel and Sheet Metal	44332	0	1,500	1,500	0%
Locks & Hardware	44333	2,224	7,000	7,000	0%
Seeds, Plants & Trees	44340	3,687	3,000	3,300	10%
Irrigation Supplies	44341	1,756	4,500	4,500	0%
Landscape Materials	44342	2,668	3,000	3,000	0%
Plumbing Supplies	44350	462	0	0	0%
Electrical Supplies	44360	19,135	9,000	10,000	11%
Runway/Taxiway Lighting	44361	22,345	36,000	36,000	0%
Ramp Lighting	44362	1,029	2,100	6,000	186%
Parking Lot Lighting	44366	2,469	0	0	0%
Lumber & Building Supplies	44370	0	500	600	20%
Paint Supplies	44380	50,796	66,200	68,500	3%
Other Repairs-Maint Supplies	44390	1,298	1,000	1,000	0%
Small Tools - Minor Equipment	44400	19,922	9,000	9,000	0%
Office Small Equipment	44410	1,163	1,000	1,000	0%
Sign and Sign Maintenance	44430	6,284	4,000	4,200	5%
Employee Safety Equipment	44450	12,728	7,200	8,100	13%
Emg. Preparedness Stations	44453	0	6,500	0	-100%
Asphalt & Cement	44510	14,257	13,000	14,100	8%
Back Fill/Crusher Run, Etc.	44511	5,808	2,500	3,000	20%
Patch Material	44513	4,586	7,500	7,800	4%
Runways/taxiway Repair	44530	44,340	38,000	41,000	8%
Fence and Gate Repair Parts	44540	3,302	2,000	2,000	0%
TOTAL MATERIALS & SUPPLIES		799,810	766,310	794,260	4%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	921	1,300	2,685	107%
Books & Subscriptions	45120	2,037	0	0	0%
Conference Registration Fees	45130	1,694	3,510	0	-100%
Training Expense	45140	2,255	2,700	5,695	111%
Travel & Reimbursed Expense	45210	8,731	8,680	495	-94%
TOTAL ADMINISTRATIVE EXPENSES		15,638	16,190	8,875	-45%
TOTAL EXPENSES BEFORE FIXED ASSETS		3,080,636	3,323,500	3,303,675	-1%
FIXED ASSETS					
Fixed Asset Acquisition	48150	278,749	244,350	28,000	-89%
TOTAL SECTION EXPENSES		$3,359,385	$3,567,850	$3,331,675	-7%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

BUILDING MAINTENANCE AND SERVICES
Section 603

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$2,132,353	$2,483,700	$2,555,200	3%
Vacation Pay	41130	177,472	11,300	6,500	-42%
Sick Leave	41140	100,244	17,300	20,600	19%
Holiday Pay	41150	77,905	0	0	0%
Comp Time	41160	512	0	0	0%
Overtime Pay	41210	9,058	6,000	6,000	0%
Overtime Call Back	41213	29,875	15,000	15,000	0%
Standby	41220	14,604	12,000	12,000	0%
Shift Differential	41230	102,107	123,700	123,700	0%
Holiday worked Pay	41280	111,124	125,000	125,000	0%
Communications Allowance	41300	(268)	0	0	0%
Medicare	41320	39,651	36,100	37,400	4%
Group Insurance	41340	313,406	379,100	422,500	11%
LTD/Life Insurance	41342	28,060	28,700	24,600	-14%
Self Funded Rx	41343	83,823	98,500	0	-100%
Vision Insurance	41344	7,419	13,600	12,100	-11%
Dental Insurance	41347	45,994	62,500	58,700	-6%
Workers Comp	41350	76,116	97,100	98,500	1%
Retirement	41360	559,264	585,100	606,400	4%
Uniform Allowance	41380	8,658	10,000	10,000	0%
Meal Allowance	41390	1,135	1,000	1,000	0%
Benefit Bank Deferred Comp	41430	15,390	0	14,000	%
TOTAL PERSONNEL SERVICES		3,933,902	4,105,700	4,149,200	1%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	1,130,807	1,500,000	1,300,000	-13%
Natural Gas	42120	357,520	305,000	305,000	0%
Water	42130	90,479	126,000	129,500	3%
Sewer	42140	88,628	73,000	78,850	8%
Solid Waste Disposal	42150	92	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		1,667,526	2,004,000	1,813,350	-10%
PURCHASED SERVICES					
Professional Services	43100	640	0	0	0%
Other Professional Services	43190	2,869	7,000	6,000	-14%
Office Equipment Rental	43210	492	1,620	2,280	41%
Equipment Rental	43211	175	1,000	1,000	0%
Contracted Services	43340	602,752	751,562	700,000	-7%
Other Repair/Maintenance Svcs	43390	225	0	0	0%
Freight Expense	43430	6,952	5,000	5,000	0%
Permits & Recorders Fees	43460	2,453	4,000	1,000	-75%
Other Purchased Services	43490	30,951	50,000	50,000	0%
TOTAL PURCHASED SERVICES		647,509	820,182	765,280	-7%
MATERIALS & SUPPLIES					
Office Supplies	44100	2,156	2,500	2,500	0%
Paper	44110	504	500	500	0%
Printing & Forms	44130	672	1,000	1,000	0%
Chemicals	44220	152	0	0	0%
Ice Control	44223	59,316	82,500	82,500	0%
Janitorial Paper Supplies	44250	86,808	80,000	70,000	-13%
Janitorial Supplies	44260	37,380	45,000	45,000	0%
Medical Supplies	44270	692	2,000	2,000	0%
Trash Can Liners	44280	18,428	35,000	35,000	0%
Other Operating Supplies	44290	2,225	0	0	0%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

BUILDING MAINTENANCE AND SERVICES
Section 603

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
Repair & Maintenance Supply	44300	(12,599)	0	0	0%
Heating & Air Conditioning	44320	54,267	40,000	40,000	0%
Filters	44321	556	0	0	0%
Machinery	44330	6,191	5,000	5,000	0%
Baggage Conveyors	44331	50,835	55,000	55,000	0%
Locks & Hardware	44333	7,496	10,000	10,000	0%
Brushes	44334	2,232	3,000	3,000	0%
Jet Bridge Repair	44336	26,510	30,000	30,000	0%
Plumbing Supplies	44350	30,798	25,000	25,000	0%
Electrical Supplies	44360	60,331	35,000	35,000	0%
Lumber & Building Supplies	44370	30,826	35,000	15,000	-57%
Paint Supplies	44380	3,046	3,000	3,000	0%
Other Repairs-Maint Supplies	44390	206	0	0	0%
Small Tools - Minor Equipment	44400	15,383	5,000	5,000	0%
Sign and Sign Maintenance	44430	344	0	0	0%
Employee Safety Equipment	44450	16,099	10,000	10,000	0%
TOTAL MATERIALS & SUPPLIES		500,854	504,500	474,500	-6%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,334	1,505	2,880	91%
Books & Subscriptions	45120	469	0	0	0%
Training Expense	45140	1,020	4,000	4,000	0%
TOTAL ADMINISTRATIVE EXPENSES		2,823	5,505	6,880	25%
TOTAL SECTION EXPENSES		$6,752,614	$7,439,887	$7,209,210	-3%

Reno-Tahoe Airport Authority
FY 2012-13
A N N U A L B U D G E T

Baggage Handling System
Section 604

	ACCOUNT NO.	2010-11 ACTUAL	2011-12 BUDGET	FY 2012-13 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$33,519	$42,700	$44,800	5%
Vacation Pay	41130	4,161	0	0	0%
Sick Leave	41140	4,561	0	0	0%
Holiday Pay	41150	2,049	0	0	0%
Comp Time	41160	307	0	0	0%
Communications Allowance	41300	(23)	0	0	0%
Group Insurance	41340	0	3,800	4,300	13%
Retirement	41360	0	10,100	10,700	6%
Benefit Bank Deferred Comp	41430	1,116	0	0	0%
TOTAL PERSONNEL SERVICES		45,690	56,600	59,800	6%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	523,995	700,000	600,000	-14%
Natural Gas	42120	31,027	33,000	33,000	0%
TOTAL UTILITIES & COMMUNICATIONS		555,022	733,000	633,000	-14%
PURCHASED SERVICES					
Other Professional Services	43100	84,814	89,680	91,548	2%
Consultants - General	43140	4,510	4,000	4,000	0%
Other Professional Services	43190	318	21,000	32,980	57%
Contracted Services	43340	920,321	1,000,000	980,000	-2%
Freight Expense	43430	47	0	0	0%
Other Purchased Services	43490	21,035	0	0	0%
TOTAL PURCHASED SERVICES		1,031,045	1,114,680	1,108,528	-1%
MATERIALS & SUPPLIES					
Baggage Conveyors	44331	2,340	45,000	35,000	-22%
Locks & Hardware	44333	1,554	0	0	0%
Electrical Supplies	44360	2,150	1,500	1,500	0%
TOTAL MATERIALS & SUPPLIES		6,044	46,500	36,500	-22%
TOTAL SECTION EXPENSES		$1,637,801	$1,950,780	$1,837,828	-6%

Reno-Tahoe Airport Authority
FY 2012-13
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 2012-13 is $348,761. This is a decrease of approximately $382,689, or 52% from the FY 2011-12 PP&E budget amount of $731,450. This decrease is due primarily to a reduction in one time purchases of information technology required last year, as well as no critical vehicle replacement needs in the upcoming year.

There are only four PP&E requests for FY 2012-13. Three of the requests are related to information technology and one piece of safety equipment to assist in vehicle maintenance is also requested.

Among the more expensive Technology related requests is a replacement of the Virtual Server Infrastructure and Storage Area Network as well as a replacement of the Computer Aided Dispatch (CAD) Software.

While there are no vehicle replacements in the FY 2012-13 Budget, the Facilities Department has a vehicle replacement program to maximize 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%

Equipment

Department	FY 2012-13 Request	Amount Budgeted	Current Equipment Being Replaced/Explanation
Airfield Maintenance	Freestanding Shop Crane	$28,000	Needed to properly and safely handle the removal and replacement of large equipment components.

Technology

Department	FY 2012-13 Request	Amount Budgeted	Current Equipment Being Replaced/Explanation
Technology & Information Systems	Terminal Public Address System Upgrades	$38,361	The existing system is going into its sixth year of operation. Moving parts are recommended to be replaced in five years. This is a critical system that is never shut down for maintenance.
Technology & Information Systems	Virtual Server and Storage Area Network Replacement	$182,400	This infrastructure hosts all of our mission critical computer systems and applications. Age and critical functionality necessitate replacement at this time.
Technology & Information Systems	Computer Aided Dispatch Software Replacement	$100,000	Current software is becoming less supportable. Delay in purchasing a new package impacts the Commission on Accreditation for Law Enforcement Agencies (CALEA) certification preparations and reporting.

Reno-Tahoe Airport Authority
FY 2012-13
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			
	Terminal Public Address System Upgrades	$ 38,361	
	Virtual Server and Storage Area Network	182,400	
			220,761
254 Reno-Stead Airport			-
252 Human Resources			-

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Property, Plant, and Equipment

Division	Description	Amount	Total
302 Accounting & Administration			-
303 Purchasing & Materials Management			-
305 Finance & Budgeting			-
401 Vice-President of Operations & Public Safety			-
402 Airside Operations			
	Computer Aided Dispatch Software	$ 100,000	
			100,000
403 Landside Operations			-
404 Airport Rescue & Fire			-
405 Airport Police			-
407 Airport Security			-
502 Planning & Environmental Services			-
503 Engineering & Construction			-
601 Director of Facilities & Maintenance			-

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Property, Plant, and Equipment

Division	Description	Amount	Total
602 Airfield Maintenance			
	Freestanding Shop Crane	$ 28,000	
			28,000
603 Building Maintenance			
			-
TOTAL			**$ 348,761**

Reno-Tahoe Airport Authority
FY 2012-13
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' on-going capital improvement program.

The summary schedule outlines the approved capital projects along with the project administrator, the cost estimate, and the cost center assigned to the project for airline rate setting purposes. Following this summary schedule, a narrative is provided that further explains the nature of the project along with the financial impact on airline rates and the estimated operating revenue and expense impact over the next three years.

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, Terminal Building and BHS cost centers used for airline rate calculations. The cost centers defined in the airline agreement are Airfield, Terminal Building, Ground Transportation, Baggage Handling System (BHS), Other, and Reno-Stead Airport.

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 are not subject to the Majority-In-Interest (MII) airline approval process. In addition, terminal refurbishment of approximately $6 million, included in the Airport Gateway Program, is also exempt. For a full 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.

Under the profit sharing formula as defined in the airline agreement, capital project costs that are not recovered through airline rates and charges, whether amortized over the useful life or reimbursed in one year, reduce net available revenues subject to the 50%/50% profit sharing credit. This credit is applied against the signatory airline terminal rental rate.

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 2012-13 Budget are below the amounts that require airline review or approval.

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.

2012-13 Capital Project Budgets

Item		Project Administrator (Amortization Years)	Estimate	COST CENTER						Other Funding Sources			
				Airfield	Terminal Building	BHS	Ground Transportation	Other	Reno-Stead Airport	General Purpose Fund	Special Fund	AIP Grant, PFC, Fuel Tax Funds or Other	Subordinate Lien Notes
	Reno-Tahoe International Airport												
1	Airfield Pavement Maintenance	Engineering	$ 654,000										654,000
2	Landside Pavement Maintenance	Engineering	515,000										515,000
3	G.A. West Landside Access	Economic Development	143,000					143,000					
4	G.A. West Taxilane Rehabilitation	Economic Development	103,600					103,600					
5	Parking Lot Pavement -1250 Terminal Way	Economic Development	50,000					50,000					
6	Parking Lot Pavement -1200 Terminal Way	Economic Development	50,000					50,000					
7	Underground Storage Tank Remediation	Planning & Environmental	110,000				110,000						
8	South Employee Lot Access Control	Engineering	115,000				115,000						
9	Terminal Canopy Gutter	Facilities	53,000		53,000								
	Sub Total		$ 1,793,600	$ -	$ 53,000	$ -	$ 225,000	$ 346,600	$ -	$ -	$ -	$ -	$ 1,169,000
	Reno-Stead Airport												
10	Landside Pavement Management - Design	Reno-Stead	$ 45,000						45,000				
	Sub Total		**$ 45,000**	$ -	$ -	$ -	$ -	$ -	$ 45,000	$ -	$ -	$ -	$ -
	Total		**$ 1,838,600**	**$ -**	**$ 53,000**	**$ -**	**$ 225,000**	**$ 346,600**	**$ 45,000**	**$ -**	**$ -**	**$ -**	**$ 1,169,000**

Reno-Tahoe International Airport

Airfield Pavement Management Program

This annual project is a phased program of repair and maintenance of the airfield pavements, as necessary. Repairs typically include seal coating, asphalt patching, overlays, reconstruction, concrete panel replacement, crack repair, spall repair, and joint sealing. This project is being funded using Subordinate Lien Notes with annual debt service paid from Airport Operating Revenue. Since these improvements are considered maintenance activities, they are not eligible for FAA Airport Improvement Program (AIP) grant funding.

Project Cost	
Construction (includes materials, equipment, labor)	$ 654,000
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	$0.02
Additional Revenue	
Fiscal Year 2012-13	$0.00
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2012-13	$0.00
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00

While this project does not generate any easily measurable revenue or O&M expense savings, the on-going effort to preserve airfield pavement enhances both aircraft safety and extends the useful life of the pavement.

Landside Pavement Maintenance Program

This project is a phased program of repair and maintenance of the landside pavements, as necessary. Repairs typically include seal coating, asphalt patching, overlays, reconstruction, concrete panel replacement, crack repair, spall repair, and joint sealing. The FY 2012-13 construction effort consists of Phase 1 of the multi-year rehabilitation of

the south surface public parking lot. This project is being funded by using Subordinate Lien Notes with annual debt service paid from Airport Operating Revenue.

Project Cost	
Construction (includes materials, equipment, labor)	$ 515,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.22
Impact on Airline Cost per Enplaned Passenger	$0.01
Additional Revenue	
Fiscal Year 2012-13	$0.00
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2012-13	$0.00
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00

While the incremental revenue and O&M expense savings are difficult to measure, this project will preserve and extend the useful life of the parking pavement surfaces and enhance both vehicle and passenger safety.

General Aviation West Landside Access
This project will provide improved landside roadway access to tenants and customers utilizing the general aviation west facilities. The project upon completion will also increase the safety and security of the airport as it limits access on the airfield and creates defined vehicular traffic patterns.

Project Cost	
Construction (includes materials, equipment, labor)	$ 143,000

Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.58
Impact on Airline Cost per Enplaned Passenger	$0.04
Additional Revenue	
Fiscal Year 2012-13	$0.00
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2012-13	$1,000
Fiscal Year 2013-14	$1,000
Fiscal Year 2014-15	$1,000

While the incremental revenue from this project is difficult to measure, improved access to Authority owned hangars will enhance the convenience to our tenants and improve the ability to lease these properties as any vacancy may develop. The additional O&M expense reflects annual snow removal and minor repair costs.

General Aviation West Taxilane Rehabilitation
This project will repair and maintain the airfield pavements in the general aviation west area. Repairs typically include seal coating, asphalt patching, crack repair, spall repair, and joint sealing.

Project Cost	
Construction (includes materials, equipment, labor)	$ 103,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate	$0.42
Impact on Airline Cost per Enplaned Passenger	$0.03
Additional Revenue	
Fiscal Year 2012-13	$49,900
Fiscal Year 2013-14	$80,800
Fiscal Year 2014-15	$112,400

Additional O&M Expense/(Savings)	
Fiscal Year 2012-13	$59,100
Fiscal Year 2013-14	$15,700
Fiscal Year 2014-15	$22,700

Currently, the northern most twenty-three (23) T-hangars at GA West are vacant due to the deteriorated condition of the hangars and associated taxi-lanes. This project will rehabilitate the pavement to extend the useful life for a five (5) year period. This project will bring the total number of available hangars at GA West for lease to thirty-one (31).

In addition, the FY 2012-13 Budget includes $50,000 to repair hangar doors, replace damaged exteriors, paint, and power wash. This effort, along with the taxi-lane rehabilitation project, will address the immediate need to get the t-hangars ready to lease. In addition, the increase in O&M expenses reflects on-going maintenance and property management expenses, which are estimated to run approximately 22.5% of lease revenue.

Parking Lot Pavement – 1250 Terminal Way
This project will overlay approximately 28,000 square feet of asphalt parking lot since much of the asphalt parking area has reached the end of its useful life. The improvement of the parking lot will make this property more leasable and generate additional revenue.

Project Cost	
Construction (includes materials, equipment, labor)	$ 50,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate	$0.20
Impact on Airline Cost per Enplaned Passenger	$0.01
Additional Revenue	
Fiscal Year 2012-13	$68,000
Fiscal Year 2013-14	$71,000
Fiscal Year 2014-15	$74,000

Additional O&M Expense/(Savings)	
Fiscal Year 2012-13	($5,000)
Fiscal Year 2013-14	($5,000)
Fiscal Year 2014-15	($5,000)

This facility is currently not under lease and this project will significantly improve the marketability of the property. In addition, this pavement overlay will delay the need for full reconstruction by addressing the immediate need rather than subject the pavement to further deterioration.

Parking Lot Pavement – 1200 Terminal Way
This project will overlay approximately 28,000 square feet of asphalt parking lot since much of the asphalt parking area has reached the end of its useful life. The improvement of the parking lot will make this property more leasable and generate additional revenue.

Project Cost	
Construction (includes materials, equipment, labor)	$ 50,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate- Lower Profit Sharing	$0.20
Impact on Airline Cost per Enplaned Passenger	$0.01
Additional Revenue	
Fiscal Year 2012-13	$41,000
Fiscal Year 2013-14	$43,000
Fiscal Year 2014-15	$45,000
Additional O&M Expense/(Savings)	
Fiscal Year 2012-13	($5,000)
Fiscal Year 2013-14	($5,000)
Fiscal Year 2014-15	($5,000)

This facility is currently not under lease and this project will significantly improve the marketability of the property. In addition, this pavement overlay will delay the need for full reconstruction by addressing the immediate need rather than subject the pavement to further deterioration.

South Employee Lot Access Control

This project will install entry and exit gate arm controls that will be integrated into the existing parking and revenue control system. With no access controls, the public can and does readily access this employee parking lot to dwell while waiting to pick up passengers curbside. By installing access control, the public will be required to either use the Cell Phone Waiting Lot or utilize the Short-Term Parking Lot, which would in turn increase parking revenue.

Project Cost	
Construction (includes materials, equipment, labor)	$ 115,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate- Lower Profit Sharing	$0.46
Impact on Airline Cost per Enplaned Passenger	$0.03
Additional Revenue	
Fiscal Year 2012-13	$0.00
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2012-13	$0.00
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00

While the incremental revenue of this project is difficult to measure, improved parking control through limiting public access to unauthorized lots will direct passenger traffic to appropriate parking. Whether the customer decides to use the cell phone waiting lot at no cost or to take advantage of convenient short-term parking, this project will make the employee lot more secure and preserve parking for tenant employees.

Underground Storage Tank Remediation

This project involves decommissioning and removing previously installed groundwater and shallow soil vapor extraction remediation equipment located in one of the rental car maintenance facilities.

Project Cost	
Construction (includes materials, equipment, labor)	$ 110,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.44
Impact on Airline Cost per Enplaned Passenger	$0.03
Additional Revenue	
Fiscal Year 2012-13	$0.00
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2012-13	$0.00
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00

This project is a regulatory requirement as the property owner. This proactive project will eliminate potential future costs associated with any State of Nevada or Washoe County required remediation and monitoring expenses. The estimated project cost of $110,000 currently qualifies for 100% reimbursable through the State of Nevada's Petroleum Fund Program.

Terminal Canopy Gutter
This project will install approximately 440 feet of gutter, downspouts and heat trace. The gutter will prevent the snow from falling off the canopy and will direct the water into the storm drain system mitigating the problems of snow sliding onto the roadway.

Project Cost	
Construction (includes materials, equipment, labor)	$ 53,000
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

Additional Revenue	
Fiscal Year 2012-13	$0.00
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2012-13	($10,000)
Fiscal Year 2013-14	($10,000)
Fiscal Year 2014-15	($10,000)

The anticipated O&M Savings is associated with the elimination of contract services needed to manually remove snow from the canopy during heavy winter storms. With melting snow creating icicles and water freezing in areas where passengers unload, the Authority needs to be proactive to ensure passenger safety.

Reno-Stead Airport

Landside Pavement Management – Design
This project will take place in conjunction with the landside pavement program at Reno-Stead Airport. Once an assessment of the landside pavement is completed, design and rehabilitation will take place. Future budgets will include the cost of construction.

Project Cost	
Construction (includes materials, equipment, labor)	$ 45,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.18
Impact on Airline Cost per Enplaned Passenger	$0.01
Additional Revenue	
Fiscal Year 2012-13	$0.00
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00

Additional O&M Expense/(Savings)	
Fiscal Year 2012-13	$0.00
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program, as updated during the FY 2012-13 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. 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. Reno-Tahoe International Airport (RTIA) fell into this category. A competition plan dated December 7, 2000, was prepared and accepted by the FAA. An update to 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 with flexibility to fund various high priority programs.

The AIP Program typically funds 93.75% of eligible projects for Reno-Tahoe International Airport and 95% for Reno-Stead. The Authority's General Purpose and Special Funds are primarily used for the RTAA's (sponsor's) matching share of the FAA grants. However, PFC funds may be used subject to FAA approval.

During FAA Fiscal Year 2011 ending September 30, 2011, the Authority received $13.230 million of AIP grants for Reno-Tahoe International Airport and $350,000 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 through PFCs 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 federal 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.

As of March 31, 2012, the Authority has received collection authority to impose and use $137,624,389 on five open FAA approved PFC applications. The Authority has collected $117,922,640 of PFCs on these open applications, including interest earned thereon. In Fiscal Year 2010-11, the Authority collected $7.34 million of PFC revenue and is forecasting revenues of $6.75 million and $7.01 million for FY 2011-12 and FY 2012-13, respectively.

CAPITAL IMPROVEMENT PROGRAM - OVERVIEW
SOURCES & USES OF FUNDS BY LOCATION
Reno-Tahoe Airport Authority
(Escalated Dollars)

	Prior Years Actual	FY 2011-12 Forecast	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	Total FY10-18 Forecast
USES OF FUNDS									
Airside	43,585,398	33,190,571	13,822,518	17,026,920	13,798,856	10,293,217	5,736,806	10,973,613	148,427,899
Terminal	529,043	14,272,825	15,277,575	-	-	10,860,540	35,365,360	84,375,000	160,680,344
Baggage Handling System	-	1,500,000	-	-	-	-	-	-	1,500,000
Landside	162,178	1,043,076	1,132,320	372,500	590,000	250,000	250,000	250,000	4,050,074
Other	1,340,243	1,599,654	2,972,600	1,999,000	4,271,200	7,357,000	925,000	950,000	21,414,697
Administrative	319,083	988,302	687,500	562,500	750,000	-	-	-	3,307,385
Stead	5,283,543	2,217,020	5,066,613	42,500	6,550,000	6,550,000	4,250,000	1,835,975	31,795,651
	51,219,489	54,811,448	38,959,127	20,003,420	25,960,056	35,310,757	46,527,166	98,384,588	371,176,049
SOURCES OF FUNDS									
Federal Grants -Entitlement	1,379,169	1,384,519	1,349,464	1,366,111	1,374,154	1,382,338	1,390,665	1,399,139	11,025,559
Federal Grants -Discretionary	42,437,459	21,523,610	10,489,303	13,613,189	17,103,367	18,734,645	7,484,058	8,910,305	140,295,937
Passenger Facility Charges	856,273	13,942,081	4,683,377	1,631,500	2,897,048	4,255,083	3,142,083	6,284,169	37,691,614
Operating Funds	-	-	-	-	-	-	-	-	-
General Purpose	4,799,746	5,836,522	5,063,305	2,600,120	2,925,486	2,138,151	1,675,000	1,700,000	26,738,329
Pre-Bond Funds	-	-	-	-	-	-	-	-	-
Fuel Tax Fund	-	-	-	-	-	-	-	-	-
Special Fund	520,995	486,635	232,500	(7,500)	1,610,000	2,890,000	420,000	180,000	6,332,630
RTAA Grant Fund	-	-	-	-	-	-	-	-	-
RTAA Flood Fund	-	-	-	-	-	-	-	-	-
RTAA Conduit Fund	258,337	788,800	-	-	-	-	-	-	1,047,137
Acquisition Fund	-	-	-	-	-	-	-	-	-
Consent Degree Fund	852,559	50,000	50,000	50,000	50,000	50,000	50,000	35,975	1,188,534
Subordinate Lien Revenue Notes	114,951	10,799,281	17,091,178	750,000	-	-	-	-	28,755,410
Senior Lien Bonds	-	-	-	-	-	5,860,540	32,365,360	79,875,000	118,100,900
	51,219,489	54,811,448	38,959,127	20,003,420	25,960,056	35,310,757	46,527,166	98,384,588	371,176,049

CAPITAL IMPROVEMENT PROGRAM - OVERVIEW
SOURCES & USES OF FUNDS BY LOCATION
Reno-Tahoe Airport Authority
(Escalated Dollars)

AIRSIDE	Prior Years Actual	FY 2011-12 Forecast	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	Total FY10-18 Forecast
Airfield Pavement Program (2010-11)	95,619	589,381	-	-	-	-	-	-	685,000
Airfield Pavement Program (2011-12)	-	140,000	-	-	-	-	-	-	140,000
Airfield Pavement Program (2012-13)	-	-	654,000	-	-	-	-	-	654,000
Airfield Pavement Program (2013-18)	-	-	-	500,000	500,000	500,000	500,000	500,000	2,500,000
Airfield Lighting System Upgrade	4,819,617	193,122	-	-	-	-	-	-	5,012,739
Airfield Maintenance Roof Replacement	8,712	139,288	-	-	-	-	-	-	148,000
Airfield Maintenance Annex (Old ARFF)	-	131,000	-	-	-	-	-	-	131,000
Central Disposal Facility Upgrades	-	-	375,000	562,500	562,500	-	-	-	1,500,000
Drainage Ditch Improvements - Taxiway A	39,800	6,200	-	-	-	-	-	-	46,000
FAR Part 150 Noise Insulation Program, Phase 17	6,784,683	1,739,983	-	-	-	-	-	-	8,524,666
FAR Part 150 Noise Insulation Program, Phase 18	5,017,843	1,691,700	-	-	-	-	-	-	6,709,543
FAR Part 150 Noise Insulation Program, Phase 19	3,943,826	1,771,832	-	-	-	-	-	-	5,715,658
FAR Part 150 Noise Insulation Program, Phase 20	1,500,821	2,449,590	2,449,590	-	-	-	-	-	6,400,000
FAR Part 150 Noise Insulation Program, Phase 21, Part I	241,895	695,166	926,887	695,166	-	-	-	-	2,559,114
FAR Part 150 Noise Insulation Program, Phase 21, Part II	-	-	1,472,266	1,963,021	1,472,266	-	-	-	4,907,553
FAR Part 150 Noise Insulation Program, Phase 22	-	-	2,240,000	2,986,667	2,240,000	-	-	-	7,466,667
Install Safe Drains	-	16,150	-	-	-	-	-	-	16,150
Rehab of Runway 16L/34R Touchdown Areas (Design/Construction)	-	-	818,000	3,272,000	-	-	-	-	4,090,000
Replacement Snow Removal Equipment, Ph 1	-	558,129	925,000	-	-	-	-	-	1,483,129
Replacement Snow Removal Equipment, Ph II	-	-	-	477,000	1,590,000	1,113,000	-	-	3,180,000
Sand Storage Building	-	-	93,000	217,000	-	-	-	-	310,000
SIDA Access Control	5,799,476	4,388,578	-	-	-	-	-	-	10,188,054
Snow Removal Equipment Building	589,472	8,594,328	-	-	-	-	-	-	9,183,800
Solar Energy - Airfield Maintenance	2,695	59,805	187,500	(187,500)	-	-			62,500
Solar Energy -ARFF	688,015	(670,890)	-	-	-	-	-	-	17,125
Southwest Air Cargo Ramp (Design)	-	-	-	-	1,912,775	-	-	-	1,912,775
Southwest Air Cargo Ramp (Construction	-	-	-	-	-	5,236,806	5,236,806	10,473,613	20,947,225
Taxiway "C" Extension	138,496	2,826,955	706,739	-	-	-	-	-	3,672,190
Taxiway "Q" Reconstruction (Design)	214,253	-	-	-	-	-	-	-	214,253
Taxiway "Q" Reconstruction (Construction)	-	-	1,600,000	1,600,000	-	-	-	-	3,200,000
Terminal Apron Reconstrucion, Ph 11	4,452,976	89,622	-	-	-	-	-	-	4,542,598
Terminal Apron Reconstrucion, Ph 12	2,686,186	147,110	-	-	-	-	-	-	2,833,296
Terminal Apron Reconstrucion, Ph 13	3,403,757	396,243	-	-	-	-	-	-	3,800,000
Terminal Apron Reconstrucion, Ph 14	2,621,367	3,606,457	-	-	-	-	-	-	6,227,824
Terminal Apron Reconstruction Phase 15	316,218	3,136,422	-	-	-	-	-	-	3,452,640
Terminal Apron Reconstruction Phase 16	218,212	-	1,374,536	3,207,252	-	-	-	-	4,800,000
Terminal Apron Reconstruction Phase 17	618	-	-	1,733,815	4,045,568	-	-	-	5,780,000
Terminal Apron Reconstruction Phase 18	842	-	-	-	1,475,747	3,443,410	-	-	4,920,000
Thermoplastic Airfield Ground Markings	-	494,400	-	-	-	-	-	-	494,400
	$ 43,585,398	$ 33,190,571	$ 13,822,518	$ 17,026,920	$ 13,798,856	$ 10,293,217	$ 5,736,806	$ 10,973,613	$ 148,427,899

CAPITAL IMPROVEMENT PROGRAM - OVERVIEW
SOURCES & USES OF FUNDS BY LOCATION
Reno-Tahoe Airport Authority
(Escalated Dollars)

	Prior Years Actual	FY 2011-12 Forecast	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	Total FY10-18 Forecast
TERMINAL									
Advertising LED Sign Replacement Program	-	117,000	-	-	-	-	-	-	117,000
Baggage Claim Lighting Retrofit	50,700	-	-	-	-	-	-	-	50,700
Building Maintenance Work Area Expansion	-	-	-	-	-	-	-	-	-
Carousel-Mounted Digital Screens	-	-	-	-	-	-	-	-	-
Consolidated Security Checkpoint of the Future	258,145	7,770,649	14,431,206	-	-	-	-	-	22,460,000
Concourse "A" Apron (Design)	-	-	-	-	-	7,557,540	5,038,360	-	12,595,900
Concourse "A" Structure (Design)	-	-	-	-	-	3,303,000	2,202,000	-	5,505,000
Concourse "A" (Construction)	-	-	-	-	-	-	28,125,000	84,375,000	112,500,000
Energy Management Control System Phase 2	87,500	112,500	-	-	-	-	-	-	200,000
Environmental Assessment for Development of Terminal Facilities	-	-	-	-	-	-	-	-	-
K9 Park Expansion	14,035	-	-	-	-	-	-	-	14,035
K9 Park Expansion - Phase II (South Terminal)	-	20,000	-	-	-	-	-	-	20,000
Terminal Canopy Gutters	-	-	53,000	-	-	-	-	-	53,000
Terminal Lighting Retrofit Phase 2	-	115,305	115,305	-	-	-	-	-	230,609
Terminal Refurbishment Project	114,951	6,102,584	678,065	-	-	-	-	-	6,895,600
Terminal Roof Replacement Area #3	3,713	34,788	-	-	-	-	-	-	38,500
Terminal Roof Replacement, Area #12A	-	-	-	-	-	-	-	-	-
VALE - Energy Management Safety System	-	-	-	-	-	-	-	-	-
VALE - HVAC System Improvements - Solar Heat Exchangers	-	-	-	-	-	-	-	-	-
	$ 529,043	$ 14,272,825	$ 15,277,575	$ -	$ -	$ 10,860,540	$ 35,365,360	$ 84,375,000	$ 160,680,344
BAGGAGE HANDLING									
Integrated In-Line Explosive Detection (ABC)	-	1,500,000	-	-	-	-	-	-	1,500,000
	$ -	$ 1,500,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,500,000
LANDSIDE									
Landside Pavement Program (2010-11)	26,500	373,500	-	-	-	-	-	-	400,000
Landside Pavement Program (2011-12)	-	120,000	-	-	-	-	-	-	120,000
Landside Pavement Program (2012-13)	-	-	515,000	-	-	-	-	-	515,000
Landside Pavement Program (2013-18)	-	-	-	560,000	590,000	250,000	250,000	250,000	1,900,000
Parking System Hardware/Software Upgrade	-	34,980	314,820	-	-	-	-	-	349,800
Parking Garage Glass Tower Gutters	20,022	25,478	-	-	-	-	-	-	45,500
Parking Garage Lighting Retrofit	107,774	-	-	-	-	-	-	-	107,774
Roof Replacement- 1675 National Guard Way (Dollar)	-	44,500	-	-	-	-	-	-	44,500
Seal Portion of Parking Garage Roof, Ph II	-	390,000	-	-	-	-	-	-	390,000
Solar Energy - Long-Term Lot	7,883	54,617	187,500	(187,500)	-				62,500
South Employee Lot Access Control	-	-	115,000	-	-	-	-	-	115,000
	$ 162,178	$ 1,043,076	$ 1,132,320	$ 372,500	$ 590,000	$ 250,000	$ 250,000	$ 250,000	$ 4,050,074

CAPITAL IMPROVEMENT PROGRAM - OVERVIEW
SOURCES & USES OF FUNDS BY LOCATION
Reno-Tahoe Airport Authority
(Escalated Dollars)

OTHER	Prior Years Actual	FY 2011-12 Forecast	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	Total FY10-18 Forecast
Airport West- Site Improvements (Hyatt Place)	1,158,471	-	-	-	-	-	-	-	1,158,471
Capital Project Allowance	-	-	-	750,000	775,000	800,000	825,000	850,000	4,000,000
Federal Inspection Services Baggage System	178,272	67,928	-	-	-	-	-	-	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 Aircraft Apron, Phase I	-	555,000	2,516,000	629,000	-	-	-	-	3,700,000
GA Aircraft Apron, Phase II	-	-	-	-	960,000	2,240,000	-	-	3,200,000
GA West Landside Access	-	-	143,000	-	-	-	-	-	143,000
GA West Taxilane Rehabilitation	-	-	103,600	-	63,200	-	-	-	166,800
Mini-Warehouse Office Remodel	-	500	-	-	-	-	-	-	500
NANG Water Meter	-	27,600	-	-	-	-	-	-	27,600
Outside Properties Renewal Program (FY 2011-12)	-	70,000	-	-	-	-	-	-	70,000
Outside Properties Renewal Program (FY 2014-18)	-	-	-	100,000	150,000	110,000	100,000	100,000	560,000
Pave Portion of Airport Warehouse Complex	-	180,000	-	-	-	-	-	-	180,000
Parking Lot Pavement - 1200 & 1250 Terminal Way	-	-	100,000	-	-	-	-	-	100,000
RFCC Building Demolition- Expansion Premises	-	200,000	-	-	-	-	-	-	200,000
Roof Replacement -1280 Terminal Way	-	168,000	-	-	-	-	-	-	168,000
Sewer and Storm Water System Reconstruction - 1880 Gentry	-	252,000	-	-	-	-	-	-	252,000
State of NV Motor Pool Building Improvements	-	12,000	-	-	-	-	-	-	12,000
Underground Storage Tank Remediation - (National Car Rental)	-	-	110,000	-	-	-	-	-	110,000
VALE - Thermal Autoclave	-	-	-	-	-	-	-	-	-
Vehicle Gate for Airport Warehouse Complex	3,500	31,626	-	-	-	-	-	-	35,126
	$ 1,340,243	$ 1,599,654	$ 2,972,600	$ 1,999,000	$ 4,271,200	$ 7,357,000	$ 925,000	$ 950,000	$ 21,414,697
ADMINISTRATION									
Administrative Area Restooms Remodel	-	-	-	-	-	-	-	-	-
Board Room Remodel	4,548	-	-	-	-	-	-	-	4,548
Fire Line Water Connection	48,327	251,673	-	-	-	-	-	-	300,000
Geographical Information System (GIS)	-	-	500,000	750,000	750,000	-	-	-	2,000,000
Storage and Work Area Expansion	-	32,000	-	-	-	-	-	-	32,000
Police Annex - 1600 National Guard Way Remodel	-	250,000	-	-	-	-	-	-	250,000
Reception and Protocol Room Remodel	-	-	-	-	-	-	-	-	-
Solar Energy - AVA	7,871	54,629	187,500	(187,500)	-	-	-	-	62,500
Telephone System Replacement- Ph I	258,337	-	-	-	-	-	-	-	258,337
Telephone System Replacement- Ph II	-	400,000	-	-	-	-	-	-	400,000
	$ 319,083	$ 988,302	$ 687,500	$ 562,500	$ 750,000	$ -	$ -	$ -	$ 3,307,385

CAPITAL IMPROVEMENT PROGRAM - OVERVIEW
SOURCES & USES OF FUNDS BY LOCATION
Reno-Tahoe Airport Authority
(Escalated Dollars)

RENO STEAD	Prior Years Actual	FY 2011-12 Forecast	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	Total FY10-18 Forecast
Airfield Pavement Maintenance Program- RTS (2012-13)	-	-	-	-	-	-	-	-	-
Airfield Pavement Maintenance Program- RTS (2013-18)	-	-	-	-	-	-	-	-	-
Automated Weather Observation System (AWOS)	-	78,000	-	-	-	-	-	-	78,000
Computer Managed Gate Access Controllers	-	40,000	-	-	-	-	-	-	40,000
Hangar Concrete Pad Replacement	20,866	-	-	-	-	-	-	-	20,866
Landside Pavement Maintenance Program-RTS (2012-13)	-	-	45,000	-	-	-	-	-	45,000
Landside Pavement Maintenance Program-RTS (2013-18)	-	-	-	-	-	-	-	-	-
M-Block Pavement Reconstruction	-	-	-	180,000	-	-	-	-	180,000
Moya Boulevard Extension and Utilities	-	-	-	-	6,500,000	6,500,000	-	-	13,000,000
Pave Shop Yard	106,107	-	-	-	-	-	-	-	106,107
Runway 8/26 Rehabilitation	-	-	-	-	-	-	4,200,000	1,800,000	6,000,000
Runway Safety Area Improvements	3,800,430	395,767	-	-	-	-	-	-	4,196,197
Solar Energy - Grandstand	3,951	58,549	187,500	(187,500)	-				62,500
Stead Masterplan Update	315,347	-	-	-	-	-	-	-	315,347
Stead Solvent Site	852,559	50,000	50,000	50,000	50,000	50,000	50,000	35,975	1,188,534
Stead Solvent Site - Ph II (Post Consent Degree)	-	-	-	-	-	-	-	-	-
Terminal/ Emergency Operations Command Center	184,282	1,594,705	4,784,113	-	-	-	-	-	6,563,100
	$ 5,283,543	$ 2,217,020	$ 5,066,613	$ 42,500	$ 6,550,000	$ 6,550,000	$ 4,250,000	$ 1,835,975	$ 31,795,651
Grand Total	$ 51,219,489	$ 54,811,448	$ 38,959,127	$ 20,003,420	$ 25,960,056	$ 35,310,757	$ 46,527,166	$ 98,384,588	$ 371,176,049

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Section 3 – Trust Funds Summary

The RTAA has several funds that accumulate cash and investments for specific and discretionary purposes. From a governmental accounting standpoint, the RTAA is an enterprise fund and various fund accounts are created as provided in bond indenture documents. The Authority's establishment of funds are not the typical governmental purpose type funds seen in municipal government accounting. 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 Operation and Maintenance Fund is the highest priority. The expenses to operate the airport system will be paid through this fund account before any other transfers to lower priority funds. The operating budget of the RTAA flows through this fund. In the Resources Applied by Organizational Unit page located in the Section 3 Expenditures section, this fund account is represented by 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, 2013 and the transfers out are for debt service due July 1, 2012. The Bond Reserve Fund has an amount on deposit 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 payment is available through the surety bond. This gives the RTAA one year to address whatever problem is affecting revenues.

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.

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Section 3 – Trust Funds Summary

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, 2012 is $6,095,266. 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, 2013 of $6,095,266.

The Renewal and Replacement Fund maintains a balance set by management of $780,000 for unexpected or emergency repairs. This fund account maintains a balance to repair any damage and keep the airport running in the event some major unforeseen event not included in the annual budget. The fund has the required balance as of June 30, 2012.

The Special Fund is the next priority and receives 35% of the gaming concession revenue. The RTAA has used this fund account for the Five-Year Plan Capital Improvement Program projects at the Reno-Stead Airport. The balance of this fund at June 30, 2012 is $9,504,640.

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, 2012 is $13,815,068. The expenditures from this fund are for equipment and capital projects being purchased in the FY 2012-13, which will be included in the airlines rates and charges in subsequent years through amortization, and the RTAA's share of federally funded projects.

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, serves as trustee for all Authority investments.

Reno-Tahoe Airport Authority
FY 2012-13
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)	Subordinate Note Fund
(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, 2013

	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, 2012 (Unaudited)	$ 9,504,640	$ 5,347,651	$ 638,075	$ 1,245,000	$ 206,250	$ 2,335,000
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	672,070					
Operation and maintenance expenses		36,378,241				
Debt service requirements			1,213,900	1,310,000	587,423	3,625,000
Replenish fund for expenditures						
Maintain reserve requirement						
Equipment and capital projects in airline rates	-	348,761				
Disbursements:						
Operation and maintenance expenses		(36,378,241)				
Equipment and capital outlay		(348,761)				
Payment of revenue bond interest and principal			(1,245,025)	(1,245,000)	(397,582)	(2,335,000)
Other capital improvement expenditures	(232,500)					
Projected Balance at June 30, 2013	$ 9,944,210	$ 5,347,651	$ 606,950	$ 1,310,000	$ 396,091	$ 3,625,000

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, 2013

Trustee's Cash and Investment Accounts						
Operations & Maintenance Reserve Fund	Renewal & Replacement Fund	General Purpose Fund	Construction Fund	PFC Fund	Revenue Fund	Totals
$ 6,095,266	$ 780,000	$ 13,815,068	$ 3,875,381	$ 1,478,070	$ 150,000	$ 45,470,400
						-
					50,848,706	50,848,706
					130,100	130,100
				7,011,700	4,683,377	11,695,077
			13,215,798			13,215,798
					11,838,767	11,838,767
					(672,070)	-
					(36,378,241)	-
				(2,191,351)	(4,544,973)	0
		1,692,112			(9,034,761)	(7,342,650)
-					-	-
		(5,063,305)	(17,091,178)	(4,683,377)	22,436,983	(4,400,877)
					(348,761)	-
						(36,378,241)
						-
						(348,761)
						(5,222,607)
					(38,959,127)	(39,191,627)
$ 6,095,266	$ 780,000	$ 10,443,875	$ -	$ 1,615,043	$ 150,000	$ 40,314,085

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Section 3 – Debt Summary

FY 2012-13 DEBT SERVICE

Senior Lien Airport System Revenue Bonds

As of July 1, 2012, the only senior lien bonds outstanding will be the Series 2005 Airport Revenue Refunding bonds in the amount of $25,025,000. Senior lien debt represents borrowing that has a priority claim for payment from Authority revenues after funding of operating expenses.

With an average net interest rate of 4.49%, these bonds refunded the Series 1996A Airport Revenue Bonds (1996A Bonds). The 1996A Bonds were originally 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 2012-13, senior lien debt service will be $2,523,900 and remain stable on the Series 2005 Bonds through fiscal year 2026. Over the last few 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 FY 2011-12 and the adopted FY 2012-13 Budget.

Subordinate Lien Airport Revenue Note

On June 1, 2011, the Reno-Tahoe Airport Authority obtained funding for its Airport Gateway Program 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	Estimated Costs
Terminal Refurbishment	$ 6,411,600
Consolidated Security Checkpoint of the Future	10,398,000
Total Airport Gateway Program	$ 16,809,600
Stead Emergency Operations Center/ Terminal Building	5,738,100
Snow Removal Equipment Building	4,071,290
RTAA Equipment / Miscellaneous Projects	2,998,000
Cost of Issuance/ Capitalized Interest	383,010
Total Costs	$ 30,000,000

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.

With the use of PFCs and Operating Revenues to pay the debt service on the Notes, per the airline use and lease agreement's majority in interest (MII) provision the Authority consulted with the signatory airlines and obtained approval of the current capital projects and their funding approach.

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 are being made annually on July 1, commencing on July 1, 2012 with the final payment on July 1, 2017. Principal payments are 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.

- Series "2011B" Subordinate Lien Revenue Note - Variable Rate portion. The Authority has structured $15 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 could borrow under the Note for a two year period through 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. As of June 30, 2012, the Authority had no draws outstanding on the 2011B Note.

  The rate for the 2011B Note is established at 1.581% over sixty-five percent (65%) of the six month London Interbank Offering Rate (LIBOR) rate. The 65% factor is to adjust for the tax-

exempt status of these notes versus the taxable LIBOR rate. As of June 1, 2012, the six month LIBOR rate was 0.74%, which means that the effective rate to the RTAA would currently be 2.06%. The interest rate on the 2011B Note will be capped at 12%.

The Consolidated Security Checkpoint of the Future and 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 Charges ("PFCs") revenue. The Authority received approval and authorization on August 29, 2011 from the Federal Aviation Administration ("FAA") for use of PFCs to fund these projects. In addition, an amendment to increase the eligible PFC funding based on updated costs estimates for both projects was approved on March 27, 2012.

The Authority has covenanted in the Note Resolution that the amount of PFCs applied toward debt service on FAA approved projects will not exceed a cumulative total of $18 million in fiscal year 2011-12 through fiscal year 2016-17.

The Authority collected $7.3 million of PFC revenue in FY 2010-11 and it is estimated that PFC revenue collections will be in the range of $7 to $7.7 million annually over the next five years.

To the extent that the PFC-eligible project cost and 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.

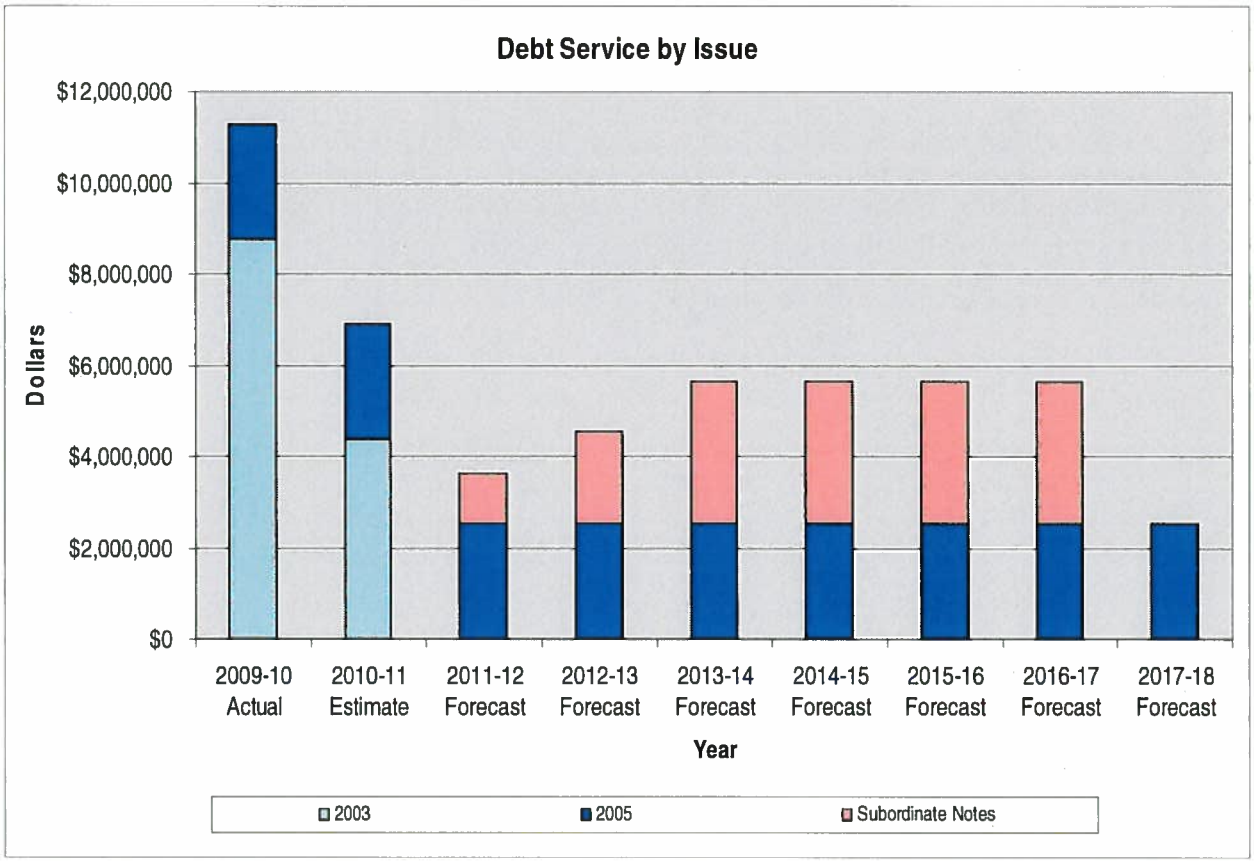
Debt service on the Notes is estimated to be $2.04 million in FY 2012-13 Budget with a forecasted increase to a peak annual debt service of $3.12 million once the projects are completed. Based on the interest rate of 2.75% on the 2011A Note and the current estimated 2.25% on the 2011B Note along with 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:

		FY 2012-13 Budget	FY 2013-14 Forecast	FY 2014-15 Forecast
Subordinate Notes (Series 2011A)	Interest	348,288	282,288	214,500
	Principal	2,400,000	2,465,000	2,530,000
	PFCs Applied	(1,551,405)	(1,549,143)	(1,545,918)
		1,196,883	1,198,145	1,198,583
Subordinate Notes (Series 2011B)	Interest	239,136	291,285	220,860
	Principal	1,225,000	3,130,000	3,200,000
	PFCs Applied	(639,946)	(1,502,890)	(1,501,953)
		824,190	1,918,395	1,918,908
Total	Interest	587,423	573,573	435,360
	Principal	3,625,000	5,595,000	5,730,000
	PFCs Applied	(2,191,351)	(3,052,033)	(3,047,870)
		2,021,073	3,116,540	3,117,490

Total Debt Service Impact

The debt service reflected in the FY 2012-13 Budget is composed of the Series 2005 Senior Lien Airport System Revenue Bonds and the Subordinate Lien Airport Revenue Notes. Total debt service for FY 2012-13 is budgeted at $4,566,985, a decrease of $265,260 or 5.5% below the FY 2011-12 Budget.

As of July 1, 2012, the Authority will have approximately $25.025 million of senior lien debt outstanding. This equates to $14.16 per enplaned passenger, well below the Moody Investor Services' fiscal year 2009 median of $72.47. With the addition of the outstanding Series A, Subordinate Lien Notes of $12.665 million as of July 1, 2012 ($15.0 million less first year repayment of $$2.335 million) and the full issuance of $15.0 million of Series B, Subordinate Lien Notes in FY 2012-13, the Authority's outstanding debt will increase to approximately $52.69 million, or $29.59 per enplaned passenger based on fiscal year 2011-12 enplanements, which still remains well below half of 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 financing capabilities, 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. 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 interest received by RTAA bondholders can be tax exempt or taxable depending on the use of the bond proceeds. Both the Series 2005 outstanding senior bonds and the Series 2011 subordinate lien notes have been determined by bond counsel to qualify for tax-exempt status.

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% 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% 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 proceeds from the various bond issue 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 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.

Despite the economic slowdown and its impact on passenger traffic, the Authority had its "A" credit rating confirmed by Fitch Ratings, a national recognized credit rating agency. The latest review was on February 27, 2012 with Fitch confirming the "A" rating with the outlook as "stable". This confirmation of the Authority credit rating reflects the following conclusions:

- Low Historical Cost Profile and Stable Framework: The airport's cost per enplaned passenger (CPE) remains low relative to peers at $5.45 for FY 2010-11 with an increase to the $7.00 range for FY 2011-12. Reno-Tahoe Airport Authority (RTAA) has a new use and lease agreement that provides the airport with a larger cost recovery base, providing more cushion to volume declines.

- Stable Debt Structure: All of RTAA's senior lien debt is fixed rate with debt service payments dropping substantially from $6.9 million in FY 2010-11 to approximately $2.5 million in FY 2011-12 and remains relatively flat through maturity in 2026.

  Senior lien debt represents borrowing that has a priority claim on Authority revenues after payment of operating expenses.

- Low Leverage and Strong Liquidity: In FY 2010-11, the airport's senior lien debt service coverage ratio increased to 1.66 from 1.36 in FY 2009-10. Debt service coverage ratio is net revenues, excluding depreciation and other non-cash expenditures, divided by principal and interest requirements for the fiscal year. The airport also maintains healthy liquidity with $41.3 million in unrestricted cash, equivalent to 451 days cash on hand, as well as $40.1 million in restricted cash.

Days cash on hand represents the number of days the Authority's can pay its operating expenses, without incoming revenues, from available cash and investments.

- Moderate Infrastructure Plan: The two-year capital improvement plan (CIP) is modest at $55 million and will be largely funded through the Series 2011 subordinate notes and passenger facility charge (PFC) monies, as well as minimal local proceeds.

The RTAA's remaining senior lien bond issue also has bond insurance from Assured Guaranty (formerly FSA) as a credit enhancement. 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.

The Authority's Series 2005 bond issue at the original issue date carry the "AAA" credit rating of the insurance company. During FY 2008-09, the national problems associated with the "subprime" mortgage market affected the current bond insurer. The insurance company's previous AAA ratings has been downgraded to AA- by Standard and Poors and Aa3 by Moody's Investor Services. Fitch Ratings withdrew its rating of Assured Guaranty on February 24, 2010 and does not consider bond insurance in its credit rating of issuers. This downgrading of the bond insurer 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, 2012 are summarized in the following table:

Bond Issue	Insured Rating	Insurance Company	Underlying RTAA Rating	Coupon Interest Rates
2005 Refunding	Fitch A Stable Outlook	Assured Guaranty Formerly 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.

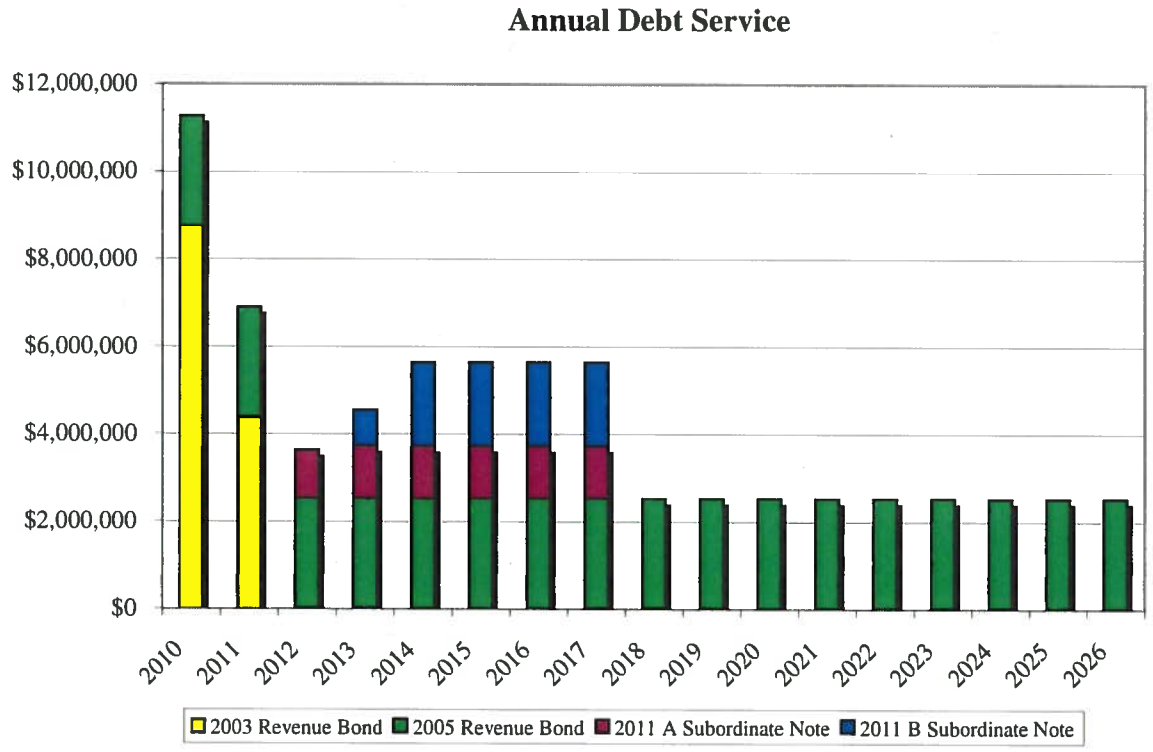
FY 2012-13 Debt Service Allocation to Airport Cost Centers

	Principal	Interest	Paid by PFC	Total
1996A/2005	1,310,000	1,213,900		2,523,900
2011 Subordinate Notes				
Series A	2,400,000	348,288	(1,551,405)	1,196,883
Series B	1,225,000	239,136	(639,946)	824,190
TOTAL				4,544,973

	Airfield	Terminal	BHS	Ground Trans	Other	Reno Stead	Total
1996A/2005	0%	0%	0%	100%	0%	0%	100%
2011 Subordinate Notes							
Series A	0%	0%	0%	0%	100%	0%	100%
Series B	0%	0%	0%	0%	28%	72%	100%
Debt Service							
1996A/2005	-	-	-	2,523,900	-	-	2,523,900
2011 Subordinate Notes							
Series A	-	-	-	-	1,196,883	-	1,196,883
Series B	-	-	-	-	226,804	597,386	824,190
TOTAL	-	-	-	2,523,900	1,423,687	597,386	4,544,973

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Summary of Bonded Indebtedness

	2005 Revenue Refunding Bonds	Subordinate Notes (Series 2011A)	Subordinate Notes (Series 2011B)	Total Bonded Indebtedness
Amount of original issue	$ 29,775,000	$ 15,000,000	$ 15,000,000	$ 59,775,000
Bonds / Notes retired	4,750,000	2,335,000		7,085,000
Bonds / Notes Outstanding July 1, 2012	$ 25,025,000	$ 12,665,000	$ 15,000,000	$ 52,690,000
FY 2012-13 Debt service requirement				
Principal payment due	$ 1,310,000	$ 2,400,000	$ 1,225,000	$ 4,935,000
Interest payment due	1,213,900	348,288	239,136	1,801,323
PFCs applied		(1,551,405)	(639,946)	(2,191,351)
Total FY 2012-13 Debt Service	$ 2,523,900	$ 1,196,883	$ 824,190	$ 4,544,973



Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Schedule of Debt Service

Bond Year Ended July 1	Airport Revenue Refunding Bonds Series 2005		Airport Revenue Notes Series 2011A		Airport Revenue Notes Series 2011B		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
2013	1,310,000	1,213,900	2,400,000	348,287	1,225,000	239,136	6,736,323
2014	1,355,000	1,161,500	2,465,000	282,288	3,130,000	291,285	8,685,073
2015	1,420,000	1,101,300	2,530,000	214,500	3,200,000	220,860	8,686,660
2016	1,475,000	1,044,500	2,600,000	144,925	3,270,000	148,860	8,683,285
2017	1,550,000	970,750	2,670,000	73,425	3,346,000	75,285	8,685,460
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
	$ 25,025,000	$ 10,261,950	$ 12,665,000	$ 1,063,425	$ 14,171,000	$ 975,426	$ 64,161,801

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Net Pledged Revenues Test

	FY 2010-11 Actual	FY 2011-12 Budget	FY 2012-13 Budget
Airport System Revenues			
Airline fees and rentals			
Landing fees	$5,223,368	$7,345,554	$6,851,366
Terminal building space rental	6,074,226	7,705,700	7,509,000
TOTAL Airline fees and rentals	11,297,594	15,051,254	14,360,366
Non-Airline Revenues			
Other Aircraft Fees	911,175	819,700	874,800
Concession fees	11,727,995	11,780,700	10,844,900
Parking and Ground Transportation	8,927,778	8,980,800	8,584,000
Other Rentals	6,204,598	6,219,400	6,272,900
Reimbursents for Services (BHS)	2,368,284	2,733,659	2,566,340
Other operating revenues	42,411	12,000	12,000
	30,182,240	30,546,259	29,154,940
Total Operating Revenue	41,479,835	45,597,513	43,515,306
Non-Operating Revenue			
Trust Fund Investment Income	255,073	204,400	131,000
Other Non-Operating Income	329,729	329,000	327,100
Gross pledged revenues	42,064,636	46,130,913	43,973,406
Airport system operation and maintenance expenses	(33,415,074)	(36,707,704)	(36,378,241)
Transfers - General Purpose Fund for			
LOI Bond debt service	-	-	-
Airline revenue share	3,553,587	1,161,100	972,600
Transfers - Special Fund for			
35% of gaming revenue	(789,832)	(798,105)	(672,070)
Pledged PFC Revenues (Senior Bonds)	-	-	-
Net pledged revenues	$11,413,317	$9,786,204	$7,895,695
Debt Service - Senior Lien Bonds	6,893,650	2,521,150	2,523,900
Debt Service Coverage Ratio - Senior Lien Bonds	1.66	3.88	3.13
Net Pledged revenue available for Subordinate Notes	4,519,667	7,265,054	5,371,795
Pledged PFC Revenues	-	257,811	2,191,351
Pledged revenue available for Subordinate Notes	4,519,667	7,522,865	7,563,146
Debt Service - Subordinate Notes (Series 2011A)	-	2,568,906	2,748,288
Debt Service - Subordinate Notes (Series 2011B)	-	-	1,464,136
Total Subordinate Notes	-	2,568,906	4,212,423
Debt Service Coverage Ratio - Subordinate Lien Notes	-	2.93	1.80

Reno-Tahoe Airport Authority
FY 2012-13
ANNUAL BUDGET
Section 4 – Supplemental Data

Air Service Development

In Calendar Year 2011, the number of flights and passengers at Reno-Tahoe International Airport (RTIA) decreased at the rate of approximately two percent (2%) as compared to the same period last year. The US airline industry is still affected by the economic recession that began in 2008 and has yet to fully recover.

Business and leisure passenger demand continues to show limited growth and airlines continue to limit capacity expansion in 2012, 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. In 2011, the US airlines were forced to raise domestic base fares nearly a dozen times due to high fuel costs.

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. Six major/national airlines serve RTIA offering non-stop service to 16 cities, and make one-stop connections to virtually any major metropolitan city in the world.

Unfortunately Southwest Airlines eliminated non-stop flights to Boise, ID and San Jose, CA in 2012. However, Alaska Airlines has reestablished the Reno – San Jose service starting on June 4, 2012 with twice daily flights. Flights will be timed to meet all of Alaska's Hawaii flights as well as having an early morning Reno departure to benefit business travelers. The new service offers the fastest and most convenient route from Reno to Kona, Hawaii. Travelers can literally depart Reno at 6 a.m. and land in Kona at 10 a.m. without changing airlines.

The average fare at RTIA grew at a rate faster than the national average, 15%. The average fare at RTIA remains significantly lower than the national average. In addition, out of the top 100 airports in the U.S., RTIA ranked 74th in average roundtrip fare, behind many west coast and medium hub airports, including Sacramento, the closest competitor.

Airport	4Q 2010	4Q 2011	% Diff.	Rank Among Highest Fares Airports
U.S. Average Domestic Itinerary Fare	**$335**	**$368**	**10.0%**	
Cincinnati, OH	$428	$502	17.4%	1st
Sacramento, CA	$315	$345	9.2%	68th
Reno, NV	$294	$338	15.0%	74th
San Jose, CA	$295	$329	11.4%	77th
Las Vegas, NV	$256	$267	4.2%	98th

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 fourth quarter 2011, shows that airline yields at RTIA are 14.8¢ with an average stage length of 1,179 miles. This represents

an increase of seven percent in the average yield and 2.8% in average stage length. The national domestic average yield is 15.2¢ and at a stage length of 1,120 miles.

The RTAA staff continues to actively pursue new air service. Staff continues 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 on 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 2011, staff attended 60 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. In calendar year 2011, air cargo activity grew 1.3 percent at RTIA versus calendar year 2010. This growth is attributed 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.

The RTAA staff continues to pursue new air cargo opportunities for the Northern Nevada region. Staff has partnered with a leading international logistics company to bring new international cargo flights at RTIA. The charter program is expected to begin in the fall of 2012.

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 $2 billion impact on the local economy from the RTAA airports and its passengers and tenants. This sector of the local economy provides close to 22,138 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 Californians 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 offer 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.

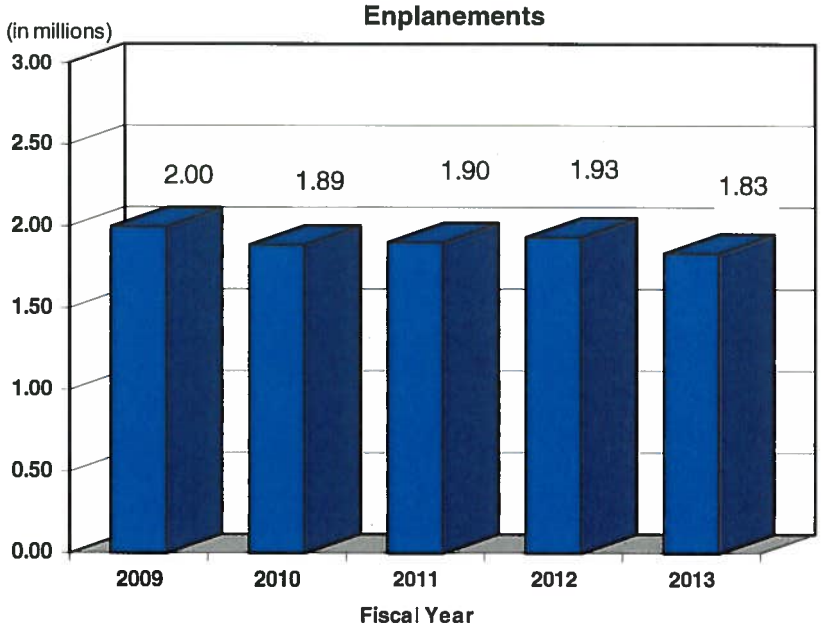
There are many great events in the area in September, and starting things off is the Best of the West Rib Cook Off held in the City of Sparks and sponsored by John Ascuaga's Nugget. Following the Rib Cook Off are the Reno Balloon Races, the largest free hot air ballooning event in the nation. Throughout 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.

Supplemental Information

The following charts show five fiscal years of the RTAA's 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 2012 and FY 2013) are the budgeted amounts. In addition, tables and charts that detail local demographic, employment, and economic information are provided.



Enplaned Passengers

Fiscal year 2012-13 enplaned passengers at Reno-Tahoe International Airport are projected to be 1.83 million, a decrease of 5.1% as compared to the prior year budget of 1,933,238; however, this forecast reflects a 3.0% increase compared to the FY 2011-12 actual results.

RTIA passenger activity has not been immune from the economic slowdown. For the fiscal year-to-date, through June 2012, the Authority's total enplaned passenger traffic of 1,780,812 is down 6.3% as compared to the same period last year.

The average load factor for scheduled air service in fiscal year 2011-12 was around 70% and is projected to modestly increase above this level for the 2012-13 fiscal year. In June 2012, the average enplaned load factor at RTIA was 85.4%, an increase of 3.6 load factor points versus last year.

Airline Passenger Market Share – FY 2011-12 Actual Results

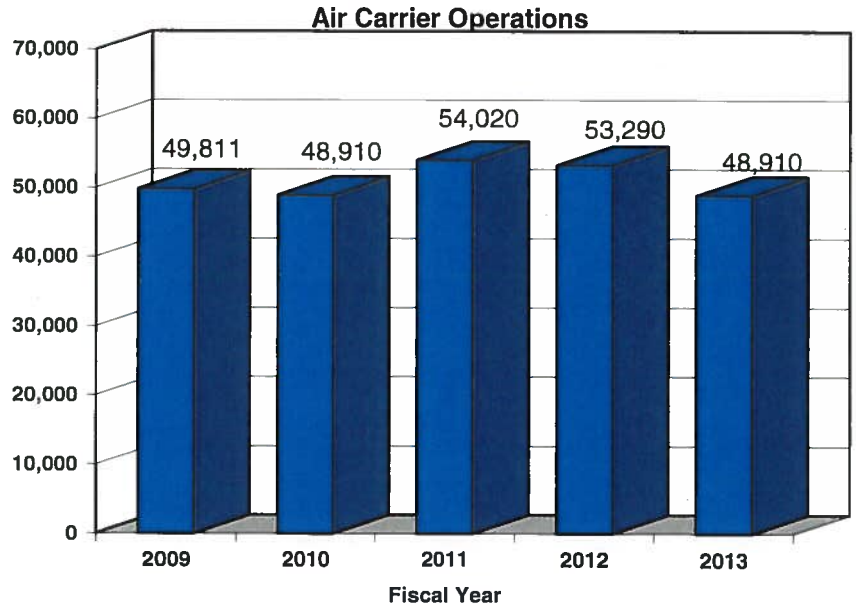
Southwest	967,792	54.3%
United	220,653	12.4%
American	185,797	10.4%
Delta	165,462	9.3%
US Airways	141,880	8.0%
Horizon	78,491	4.4%
Others	20,737	1.2%
Total	1,780,812	100.0%

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 seven carriers making up the balance. This table is based on the actual enplaned passenger numbers for the period July 1, 2011 through June 30, 2012.

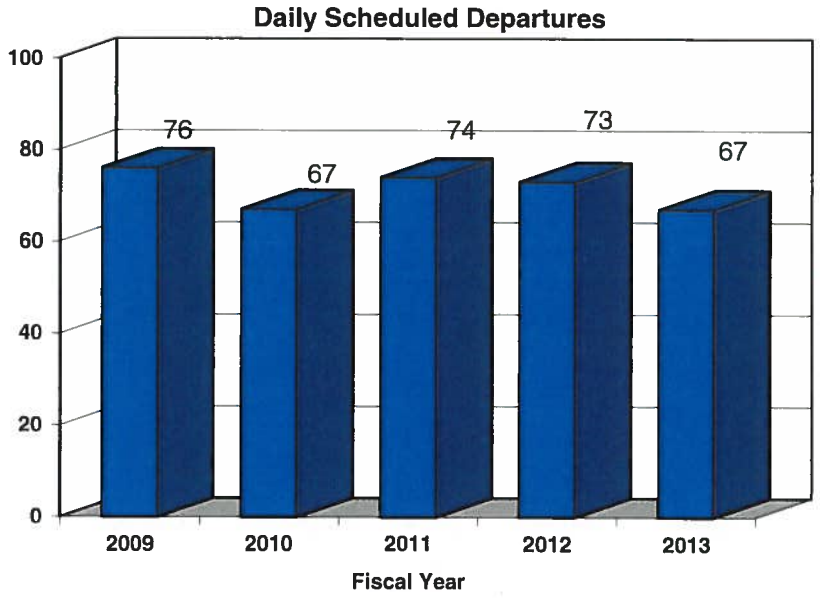
In the previous FY 2010-11 chart, Southwest had 54.3% of the passengers, United had 13.1%, American had 10.6%, US Airways had 7.5%, Delta had 7.2%, and Horizon had 6.2%. While one airline having such a large share of the passenger traffic might be a concern, Southwest is one of the most stable and financially strong airlines in today's challenging air travel market.

The growth in market share in FY 2011-12 for Delta is primarily due to the reporting of SkyWest flights under Delta Airline's market share as compared to independent reporting in the previous year and the addition of new non-stop service between Reno and Minneapolis/ St Paul.



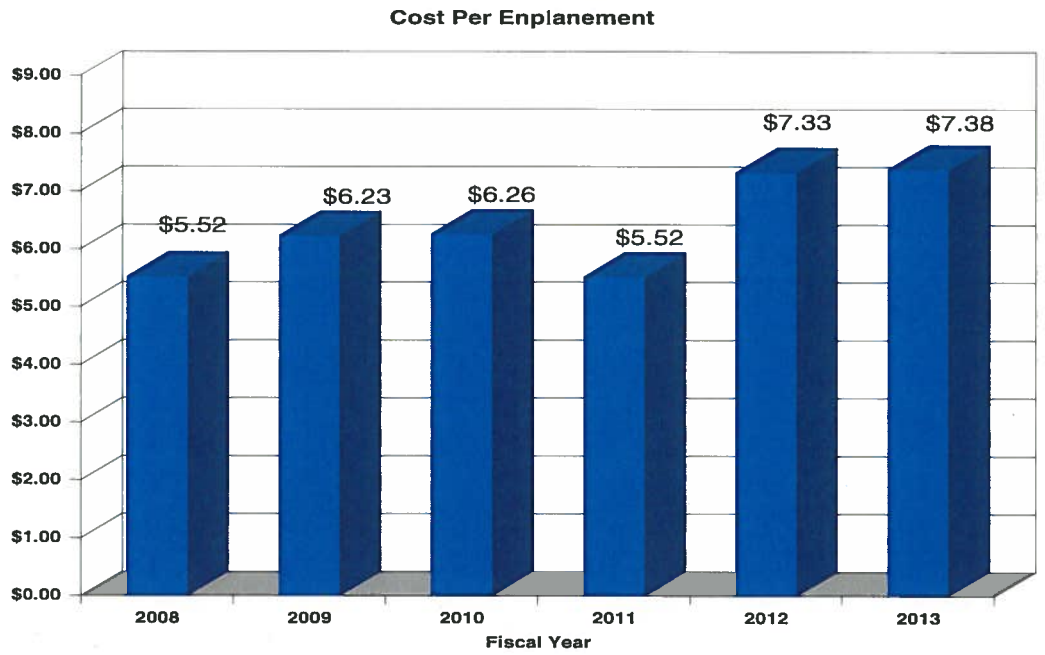
Annual Air Carrier Operations

An operation is the term used to describe an aircraft landing or taking off. Scheduled annual operations are the landings and takeoffs of the scheduled airline flights for an entire year. Operations are projected to decrease to approximately 48,900 operations, an 8.2% decrease in the Fiscal Year 2013 Budget as compared to the adopted Budget for Fiscal Year 2012 due to the reductions in the number of flights as the airlines continuing to limit capacity expansion due to the economy and high fuel prices. This activity 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 2011-12, the announced daily flights have decreased to 67 due to the cuts by the airlines to maintain profitable occupancy levels.



Cost Per Enplaned Passenger

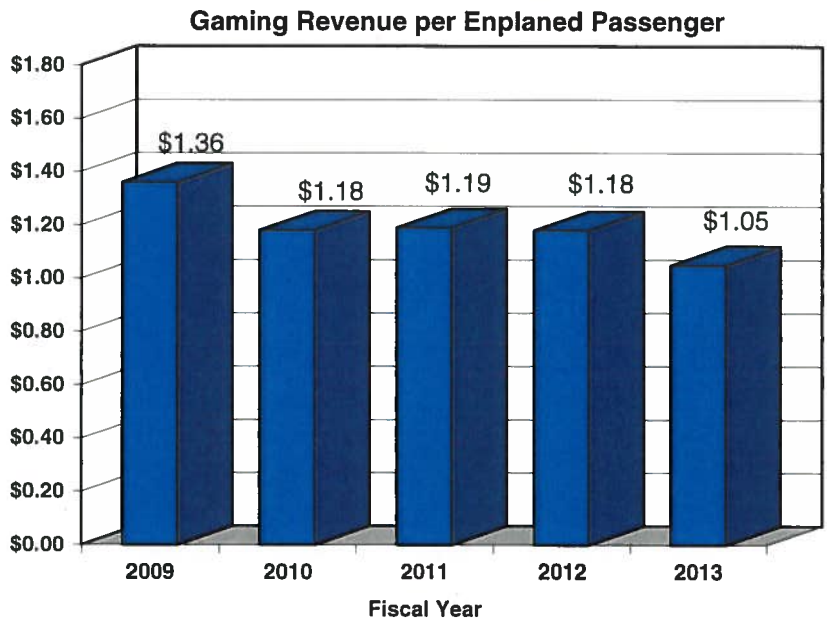
The cost per enplaned passenger amount is used to indicate the airport related costs paid by the airlines for each enplaned passenger flown from an airport. The airport costs incurred by an airline are landing fees and terminal building rents. While an airline's airport costs are a small portion of their 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 in air service decisions.

As can be seen from the graph above, the RTAA has been successful keeping this cost stable from FY 2008 to FY 2010 despite the increasing costs of operating the airport and lower traffic levels. A new airline agreement took effect on July 1, 2010. As part of the negotiations, the Authority took significant steps in FY 2011 to mitigate the combination of lower passenger traffic and the last year of debt service associated with the Series 2003 Airport Revenue Refunding Bonds. This included the defeasance of $4.4 million of debt service included in the airline cost centers and the allocation of the Authority's profit sharing of approximately $1.5 million to offset terminal rents. Without these steps, the airline cost per enplaned passenger in FY 2011 would have registered $7.39.

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 as reflected in increase FY 2012 and 2013. Per the 2010 ACI-NA Benchmarking Survey, the median airline cost per enplaned passenger for twenty seven medium sized airports is approximately $7.90.

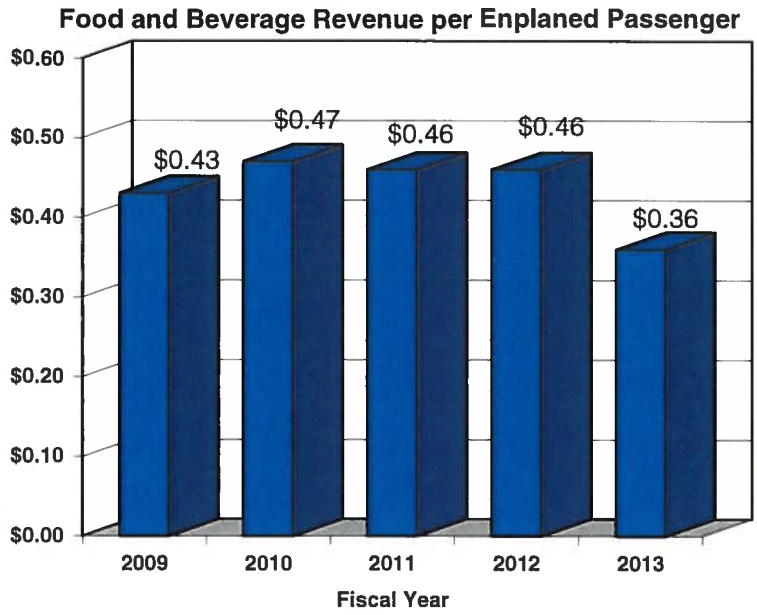
Concession Revenue Per Enplaned Passenger

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 as 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 $1.18 million for FY 2012 and are projected to be $1.05 million for FY 2013. 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 continued impact of the 2008-2009 economic downturn and its impact on passenger disposable income.

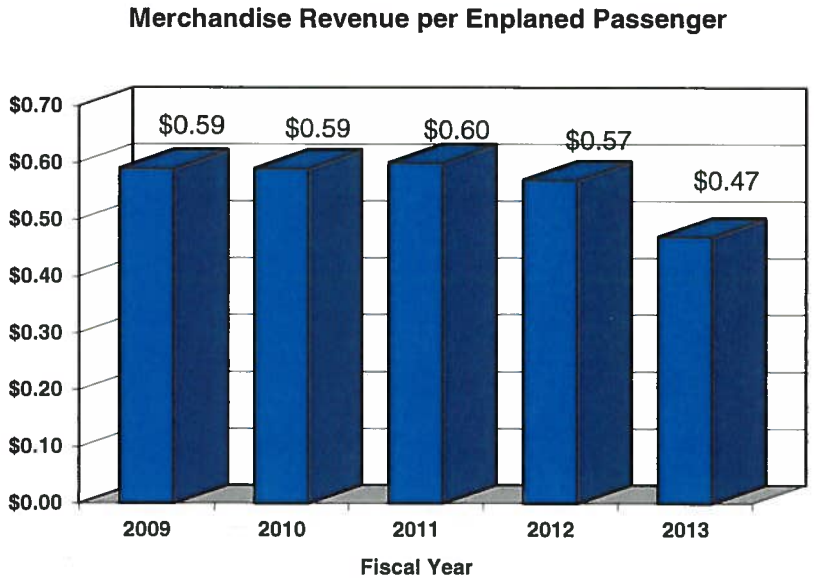


Food and Beverage Concession Revenue per Enplaned Passenger

The food and beverage concession agreement currently pays the Authority the greater of a minimum guaranteed amount or a percentage of gross revenues. Per the existing contract with SSO America, the minimum annual guarantee amount is set annually at 85% of prior year's payments, or $885,800, whichever is greater.

Due to the April 2012 closure of the food court associated with the Airport Gateway Program, the revenue per enplaned passenger at Reno-Tahoe International Airport is forecasted to decrease from $0.46 in FY 2012 to $0.36 in FY 2013. Revenues are budgeted at $653,300 in FY 2013, which reflects a 26.2% decrease as compared to the FY 2012 budget.

With the above mentioned construction project and a significant investment to be made by SSP America in new post-security restaurant facilities, the revenue forecast following completion of the Airport Gateway Program is anticipated to increase sales by 15% starting in April 2013.



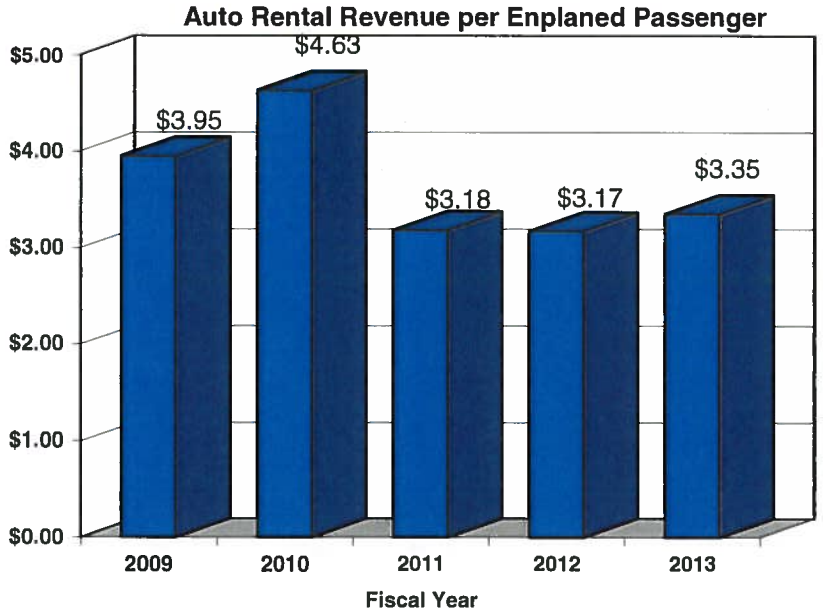
Merchandise Concession Revenue per Enplaned Passenger

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. However, a reduction from this MAG to $640,000 for approximately nine months of FY 2012-13 was negotiated to reflect the anticipated impact of the Airport Gateway Program, which required two retail/merchandise stores to be closed in October 2011. The MAG will return to $901,000, as established in the original contract, for the remaining three months of the 2013 fiscal year.

With the above mentioned construction project and a significant investment to be made by The Paradies Shops in new post-security retail outlets (*No Boundaries, Brighton Collectibles, CNBC News, and InMotion)*, the revenue forecast following completion of the Airport Gateway Program is anticipated to increase sales by 15% starting in April 2013.

Merchandise revenue also includes Forever Heather and Northwest Duty Free Shop sales, which are not owned and operated by The Paradies Shops.

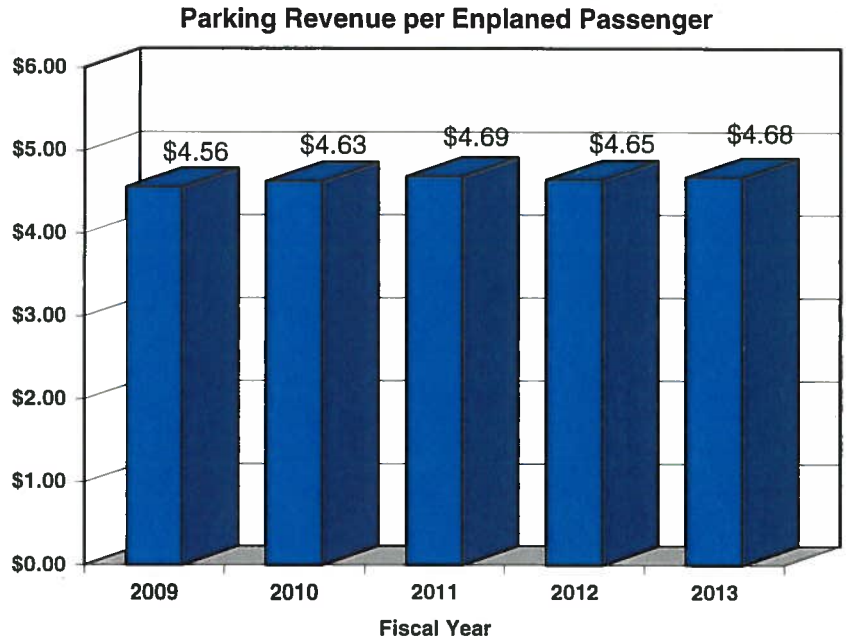


Rental Car Concession Revenue per Enplaned Passenger

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 FY 2008, 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 2012-13 budgeted passenger traffic reflects a decrease over last year's budget, rental car revenues are forecasted to increase 0.2%, or approximately $268,000 above the FY 2011-12 Budget as revenues per enplaned passenger are going from $3.17 to $3.35. This increase, despite lower budgeted passenger traffic, reflects higher gross revenue per rental car contract than forecasted in the prior year budget. The Minimum Annual Guarantee (MAG) for FY 2012-13 is forecasted to be set at $5,263,651. Based on this estimate, the Authority's budget is forecasted that 10% of gross receipts will be higher than the MAG.



Parking Revenue per Enplaned Passenger

Total auto parking and ground transportation revenues are budgeted to decrease 4.4% from the prior year budget. The decrease in revenue from last year's budget is due primarily to the estimated decrease in passenger traffic of 5.1%. This lower transaction activity is partially offset by slightly higher revenue per parking transaction as illustrated above. The Authority has not implemented a parking rate increase since January, 2009.

Auto parking represents 29% of the RTAA's total budgeted non-airline operating revenues.

RENO-TAHOE AIRPORT AUTHORITY
POPULATION IN AIR TRADE AREA
FOR THE CALENDAR YEARS 2001-2010
(unaudited)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Nevada										
County										
Churchill	24,469	24,248	24,241	24,289	24,556	25,036	24,891	24,896	24,897	24,877
Douglas	42,227	43,230	44,170	45,933	47,017	45,909	45,406	45,180	45,464	46,997
Humboldt	15,969	16,143	16,562	16,863	17,129	17,446	17,523	17,763	18,260	16,528
Lyon	36,254	38,019	40,290	43,336	47,515	51,231	52,479	53,022	52,641	51,980
Pershing	6,588	6,566	6,446	6,396	6,360	6,414	6,376	6,291	6,286	6,753
Storey	3,424	3,421	3,541	3,731	4,074	4,132	4,193	4,341	4,441	4,010
Washoe	351,584	361,640	371,062	380,612	389,872	396,428	406,079	410,443	414,820	421,407
Carson City	53,446	54,547	55,269	55,926	56,062	55,289	54,939	54,867	55,176	55,274
Subtotal	533,961	547,814	561,581	577,086	592,585	601,885	611,886	616,803	621,985	627,826
California										
County										
Alpine	1,204	1,217	1,188	1,197	1,159	1,180	1,145	1,061	1,041	1,175
El Dorado	161,363	165,711	169,119	172,723	176,841	178,066	175,689	176,075	178,447	181,058
Lassen	33,652	33,569	34,114	34,606	34,751	34,715	35,031	34,574	34,473	34,895
Mono	12,895	12,993	12,832	12,687	12,509	12,754	12,801	12,774	12,927	14,202
Nevada	93,868	95,071	96,235	97,447	98,394	98,764	97,027	97,118	97,751	98,764
Placer	264,818	278,911	293,457	306,305	317,028	326,242	332,920	341,945	348,552	348,432
Plumas	20,899	21,006	21,185	21,328	21,477	21,263	20,615	20,275	20,122	20,007
Sierra	3,528	3,497	3,542	3,486	3,434	3,455	3,328	3,263	3,174	3,240
Subtotal	592,227	611,975	631,672	649,779	665,593	676,439	678,556	687,085	696,487	701,773
Total	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	1,329,599
Percentage increase	2.99%	2.98%	2.89%	2.82%	2.55%	1.60%	0.95%	1.04%	1.12%	0.84%
Unemployment rate										
Washoe County	4.4%	5.1%	4.7%	4.2%	3.9%	4.0%	4.4%	11.8%	13.6%	13.0%

Source: U.S. Department of Commerce, Bureau of the Census and Economagic.com.

Nevada Statewide

2012 Industrial Employment

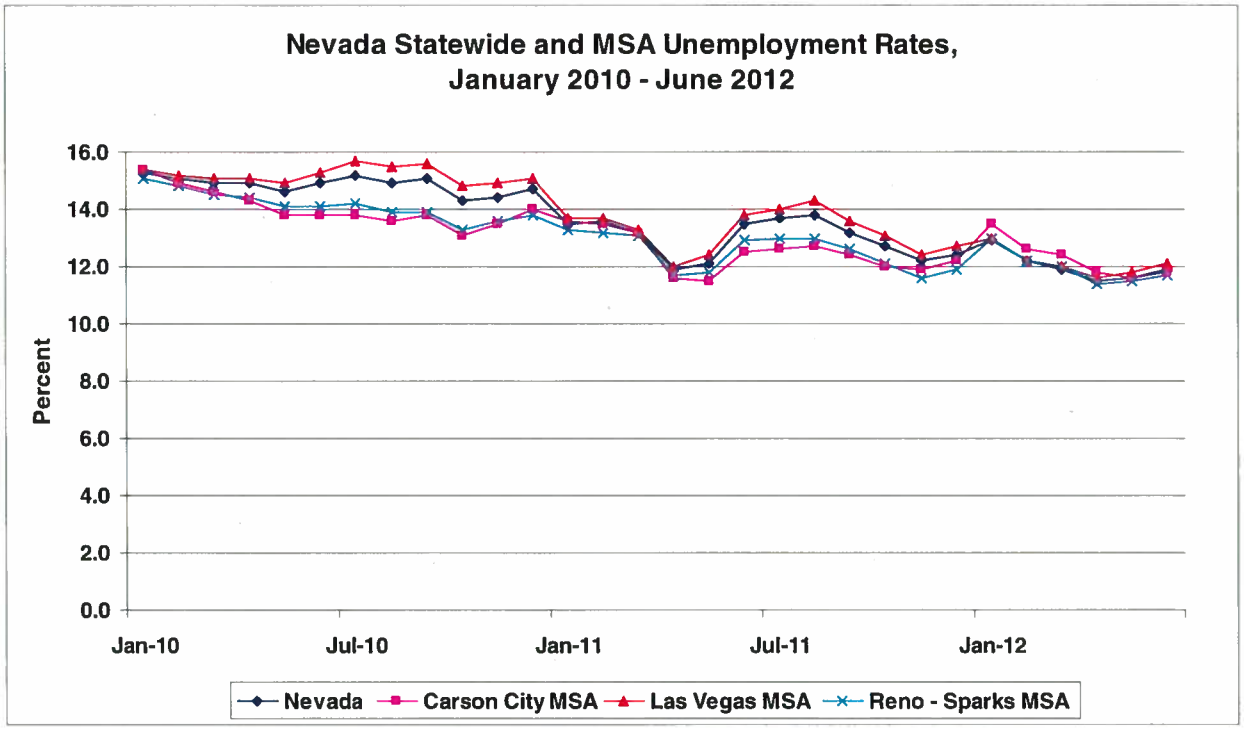
Estimates in thousands	June 2012	June 2011	Change	% Change
Total All Industries	**1136.8**	**1126.2**	**10.60**	**0.94%**
Goods Producing	*103.3*	*105.1*	*-1.8*	*-1.71%*
Natural Resources & Mining	16.4	14.3	2.1	14.69%
Construction	49.4	52.5	-3.1	-5.90%
Manufacturing	37.5	38.3	-0.8	-2.09%
Services Producing	*1033.5*	*1021.1*	*12.4*	*1.21%*
Private Service Providing	*888.8*	*873.6*	*15.2*	*1.74%*
Trade, Transportation & Utilities	213.6	211.1	2.5	1.18%
Information	13.0	12.7	0.3	2.36%
Financial Activities	50.3	52.3	-2.0	-3.82%
Professional & Business Services	143.8	139.3	4.5	3.23%
Education and Health Services	107.2	103.6	3.6	3.47%
Leisure and Hospitality	326.3	321.4	4.9	1.52%
Other Services	34.6	33.2	1.4	4.22%
Government	144.7	147.5	-2.8	-1.90%

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

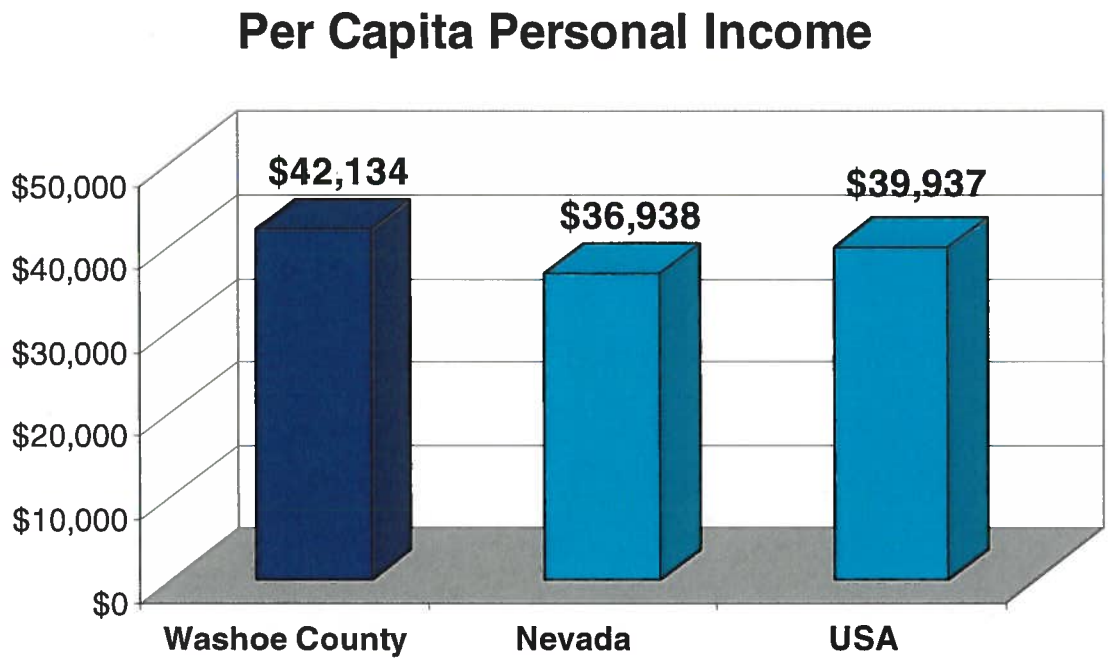
The chart above demonstrates Nevada's diversified economy. Continuing diversification of the local economy will help to reduce any future economic downturns and reduce the economic impact as Indian gaming increases in the states surrounding Nevada. The chart above shows that employment in the largest sector of the economy. Leisure and Hospitality has shown a 4.9% increase in employment in June 2012 as compared to June 2011. 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, and government sectors continue to reflect the impact of the recent recession and have been slower to recover.



Unemployment Statistics

This chart shows the Reno-Tahoe area unemployment as compared to the rest of the state. The Reno and Carso City 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 2012 registered 8.2% as reported by the Bureau of Labor Statistics.



Source: U.S. Department of Commerce – Bureau of Economic Analysis
www.bea.gov/Regional/Reis

Per Capita Personal Income

Another aspect of Reno-Tahoe area employment is Per Capita Personal Income. As the latest data available as of 2010 demonstrates, the Reno-Tahoe service area of Washoe County, Nevada 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 2011 AND 2001
(unaudited)

	2011		2001	
Employer	Rank	Employees	Rank	Employees
Washoe County School District	1	8,000-8,499	1	6,000-6,499
University of Nevada-Reno	2	4,000-4,499	4	3,000-3,499
Washoe County	3	2,500-2,999	5	2,500-2,999
Renown Regional Medical Center	4	2,500-2,999	6	2,500-2,999
Peppermill Hotel Casino-Reno	5	2,000-2,499	2	4,000-4,499
Integrity Staffing Solutions	6	2,000-2,499	-	-
International Game Technology	7	2,000-2,499	7	2,500-2,999
Silver Legacy Resort Casino	8	1,500-1,999	8	2,500-2,999
Atlantis Casino Resort	9	1,500-1,999	-	-
St. Mary's Hospital	10	1,500-1,999	-	-
Eldorado Hotel & Casino	11	1,000-1,499	10	2,000-2,499
City of Reno	12	1,000-1,499	11	2,500-2,999
Grand Sierra Resort	13	1,000-1,499	3	3,500-3,999
Circus Circus Casino	14	1,000-1,499	12	2,000-2,499
Sierra Nevada HealthCare	15	1,000-1,499	-	-
Sparks Nugget	16	1,000-1,499	9	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
www.nevadaworkforce.com

RENO-TAHOE AIRPORT AUTHORITY
FORTUNE 100 COMPANIES WITHIN AIR TRADE AREA
FISCAL YEAR ENDED 2011
(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 2. Total System (Domestic and International) Scheduled Enplanements on U.S. Carriers
Passenger numbers in millions (000,000)

	2010	2011	2010-2011 Pct. Change	2012	2011-2012 Pct. Change
January	52.6	53.7	2.2	54.4	1.4
February	48.7	50.1	2.9	53.1	6.1
March	62.2	63.6	2.2	64.5	1.4
April	**59.7**	**60.5**	**1.5**	**61.5**	**1.6**
May	61.5	63.9	3.9		
June	65.0	66.2	1.9		
July	68.4	69.9	2.2		
August	66.3	66.3	0.1		
September	57.4	58.1	1.2		
October	62.1	61.2	-1.5		
November	58.2	58.3	0.2		
December	58.6	59.1	0.8		
4 Mo. Total	**223.1**	**227.9**	**2.1**	**233.5**	**2.5**
Yr. Total	**720.5**	**730.8**	**1.4**		

Source: Bureau of Transportation Statistics, T-100 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 3rd Quarter 2011 Margin
(Operating Profit/(Loss) as Percent of Total Operating Revenue)

3Q 2011 Rank	Network Airlines	3Q 2010 (%)	4Q 2010 (%)	1Q 2011 (%)	2Q 2011 (%)	3Q 2011 (%)	3rd Quarter Operating Profit/Loss $(Millions)
1	Alaska	20.0	10.5	4.8	11.9	18.4	220
2	United	10.5	1.7	0.2	7.9	9.9	577
3	Delta	13.3	5.0	-1.0	6.9	8.8	866
4	Continental	10.8	-1.1	0.8	8.7	8.2	360
5	US Airways	9.6	4.0	-1.0	5.0	5.1	177
6	American	5.0	0.4	-4.8	-1.9	0.2	10
	6-Carrier Total	**10.5**	**2.6**	**-1.1**	**5.5**	**7.1**	**2,210**

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 3rd Quarter 2011 Margin
(Operating Profit/(Loss) as Percent of Total Operating Revenue)

3Q 2011 Rank	Low-Cost Airlines	3Q 2010 (%)	4Q 2010 (%)	1Q 2011 (%)	2Q 2011 (%)	3Q 2011 (%)	3rd Quarter Operating Profit/Loss $(Millions)
1	Spirit	11.0	10.2	11.5	12.7	15.4	4.5
2	JetBlue	14.3	6.4	4.4	7.5	9.1	108
3	Allegiant	9.3	11.1	12.8	7.4	6.0	11
4	Southwest	11.1	6.9	3.7	5.4	5.8	207
5	Virgin America	10.4	-7.3	-16.0	-1.1	5.6	17
6	AirTran	8.5	0.0	-5.5	-1.0	2.4	17
7	Frontier	5.1	-4.1	-14.7	-8.0	0.5	2
	7-Carrier Total	**11.0**	**5.1**	**1.0**	**4.2**	**6.0**	**408**

Source: Bureau of Transportation Statistics, Form 41; Schedule P1.2
* System = domestic + international

http://www.bts.gov/press_releases/2012/bts011_12/html/bts011_12.html

The charts on the previous page list the latest quarterly profit percentages for the Network and Low-Cost Carriers. For the 3rd Quarter of 2011, both categories of airlines showed significant decrease in profitability as compared to the 3rd Quarter of 2010 due to a significant increase in fuel prices. With fuel being the largest component of an airline's cost structure, this increase is the primary cause of the decrease in profitability. The good news is that all carriers had an operating profit for the quarter.

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

RENO OFFICE
4600 Kietzke Lane
Building L, Suite 235
Reno, Nevada 89502
Phone (775) 687-9999
Fax (775) 688-1303

BRIAN SANDOVAL
Governor
ROBERT R. BARENGO
Chair, Nevada Tax Commission
WILLIAM CHISEL
Executive Director

LAS VEGAS OFFICE
Grant Sawyer Office Building, Suite1300
555 E. Washington Avenue
Las Vegas, Nevada 89101
Phone (702) 486-2300 Fax (702) 486-2373

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

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

Reno-Tahoe Airport Authority herewith submits the FINAL budget for the fiscal year ending June 30, 2013

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 $ 73,179,564

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 5/17/2012

APPROVED BY THE GOVERNING BOARD

SCHEDULED PUBLIC HEARING:

Date and Time 5/17/12 - 9 AM

Publication Date 5/7/2012

Place: Reno Tahoe Airport Authority - Board Room

Page: 1
Form 1
12/8/2011

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/11	ESTIMATED CURRENT YEAR ENDING 06/30/12	BUDGET YEAR ENDING 06/30/13
General Government			
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support			
TOTAL GENERAL GOVERNMENT			
Utilities			
Hospitals			
Transit Systems			
Airports	237.0	267.5	267.5
Other			
TOTAL	237.0	267.5	267.5

POPULATION (AS OF JULY 1)			421,593
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 6/30/2011	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2012	(3) BUDGET YEAR ENDING 06/30/13 TENTATIVE APPROVED	(4) FINAL APPROVED
OPERATING REVENUE				
Landing and Aircraft Fees	$ 6,134,543	$ 7,839,190	$ 7,767,239	$ 7,726,166
Gaming Concession	2,256,664	1,827,100	1,927,700	1,920,200
Food & Beverage Concession	882,108	834,100	653,300	653,300
Merchandise Concession	1,143,635	854,300	864,000	860,600
Auto Rental Concession	6,051,446	5,869,500	6,131,400	6,137,300
Parking/Traffic Control	8,927,778	8,237,300	8,616,400	8,584,000
Rents	12,235,790	13,367,500	13,879,000	13,781,900
Other Concessions/Misc.	3,804,836	3,925,470	3,831,928	3,851,840
Total Operating Revenue	$ 41,436,800	$ 42,754,460	$ 43,670,967	$ 43,515,306
OPERATING EXPENSE				
Personnel Services	$ 22,421,307	$ 23,603,986	$ 24,276,175	$ 24,061,025
Utilities and Communications	$ 2,934,201	3,098,930	3,173,820	3,178,820
Purchased Services	$ 4,176,135	4,695,575	4,795,204	4,899,204
Materials and Supplies	$ 1,855,013	1,758,659	1,761,625	1,761,625
Administrative Expenses	$ 2,028,418	2,128,863	2,448,867	2,477,567
Depreciation/Amortization	23,521,743	30,120,741	35,000,000	35,000,000
Total Operating Expense	$ 56,936,817	$ 65,406,754	$ 71,455,691	$ 71,378,241
Operating Income or (Loss)	(15,500,017)	(22,652,294)	(27,784,724)	(27,862,935)
NONOPERATING REVENUES				
Interest Earned	286,887	175,800	171,000	170,500
Jet Fuel Tax Revenue	319,073	322,300	327,100	327,100
PFC Revenues (Passenger Facility Chg.)	7,346,775	6,772,200	7,039,300	7,011,700
Gain (Loss) on sale of capital assets	3,226	71,000	-	-
Gain (Loss) on debt defeasance	-	-	-	-
Total Nonoperating Revenues	7,955,961	7,341,300	7,537,400	7,509,300
NONOPERATING EXPENSES				
Interest Expense	1,542,358	1,471,230	1,803,318	1,801,323
Total Nonoperating Expenses	1,542,358	1,471,230	1,803,318	1,801,323
Net Income before Operating Transfers	(9,086,414)	(16,782,224)	(22,050,642)	(22,154,958)
Operating Transfers (Schedule T)				
In				
Out				
Net Operating Transfers	0	0	0	0
NET INCOME	(9,086,414)	(16,782,224)	(22,050,642)	(22,154,958)

RENO-TAHOE AIRPORT AUTHORITY
(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES AND NET INCOME

FUND AIRPORTS

Page: 3
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12/8/2011

PROPRIETARY FUND	(1) ACTUAL PRIOR YEAR ENDING 6/30/2011	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2012	(3) BUDGET YEAR ENDING 06/30/13 TENTATIVE APPROVED	(4) BUDGET YEAR ENDING 06/30/13 FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating Income (Loss)	$ (15,500,017)	$ (22,652,294)	$ (27,784,724)	$ (27,862,935)
Depreciation/Amortization	23,521,743	30,120,741	35,000,000	35,000,000
Provision for Bad Debt	-	-	-	-
Loss on Sale of Property and Equipment	-	-	-	-
Changes in Current Assets and Liabilities	563,506	500,000	500,000	500,000
a. Net cash provided by operating activities	8,585,232	7,968,447	7,715,276	7,637,065
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Jet Fuel Tax Revenue	319,073	322,300	327,100	327,100
b. Net cash provided by non capital financing activities	319,073	322,300	327,100	327,100
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Federal Grant Proceeds	23,541,716	22,908,129	11,838,767	11,838,767
Proceeds from sale of Capital Assets	12,245	71,000	-	-
Acq. & Const of Capital Assets	(29,157,092)	(54,811,448)	(38,959,107)	(38,959,127)
Principal/Interest Payments	(11,112,218)	(5,051,230)	(6,758,318)	(6,736,323)
Receipts of PFC Revenue	7,346,775	6,772,200	7,039,300	7,011,700
Subordinate Revenue Notes	15,000,000	-	14,215,000	14,171,000
c. Net cash used for capital and related financing activities	5,631,426	(30,111,349)	(12,624,358)	(12,673,983)
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Receipt of Interest	301,827	175,800	171,000	$170,500
Purchase/Sale of Investments	(13,451,396)	19,500,000	4,585,000	4,585,000
d. Net cash used in investing activities	(13,149,569)	19,675,800	4,756,000	4,755,500
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	1,386,162	(2,144,801)	174,018	45,682
CASH AND CASH EQUIVALENTS AT JULY 1, 20XX	29,595,925	30,982,087	28,837,285	28,837,285
CASH AND CASH EQUIVALENTS AT AT JUNE 30, 20XX	$ 30,982,087	$ 28,837,285	$ 29,011,303	$ 28,882,968

RENO-TAHOE AIRPORT AUTHORITY

Schedule F - 2 - Statement of Cash Flows

FUND AIRPORTS

Page 4
Form 20
12/8/2011

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 7/1/2012	(9) REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/13 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	25,025,000	1,213,900	1,310,000	2,523,900
RTAA, AIRPORT REVENUE SUBORDINATE NOTES SERIES 2011 A	4	6	15,000,000	06/01/11	06/30/17	2.75%	12,665,000	348,288	2,400,000	2,748,288
RTAA, AIRPORT REVENUE SUBORDINATE NOTES SERIES 2011 B	4	6	15,000,000	06/01/11	06/30/17	VARIOUS	-	239,136	1,225,000	1,464,136
TOTAL ALL DEBT SERVICE			$ 59,775,000				$ 37,690,000	$ 1,801,324	$ 4,935,000	$ 6,736,324

SCHEDULE C-1 INDEBTEDNESS

RENO-TAHOE AIRPORT AUTHORITY Budget Fiscal Year 2012-13

Note: Principal payments are made on July 1 of each fiscal year. The Series 2011B Subordinate Notes are expected to be drawn on during the 2012-13 fiscal year. The budgeted Principal and Interest payment are estimates.

LOBBYING EXPENSE ESTIMATE

Pursuant to NRS 354.600 (3), **each** (emphasis added) local government budget must contain a separate statement of anticipated expenses relating to activities designed to influence the passage or defeat of legislation in an upcoming legislative session.

Nevada Legislature: 77th Session; February 4, 2013 to June 4, 2013

1. Activity: Monitoring and testifying on issues pertinent to the Reno-Tahoe Airport Authority

2. Funding Source: Operating Revenues

3. Transportation	$ 300
4. Lodging and meals	$ 200
5. Salaries and Wages	$
6. Compensation to lobbyists	$ 37,500
7. Entertainment	$
8. Supplies, equipment & facilities; other personnel and services spent in Carson City	$ 900
Total	$ 38,900

Entity: RENO-TAHOE AIRPORT AUTHORITY

Budget Fiscal Year 2012-13

Lobbying Expense Estimate, Page 1 of 1

Reno-Tahoe Airport Authority
FY 2012-13
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

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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