Reno-Tahoe
Airport Authority

ANNUAL BUDGET

Fiscal Year 2013-2014

Reno-Tahoe Airport Authority
Reno, NV

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
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Reno-Tahoe Airport Authority
FY 2013-14
Annual Budget
Section 1 – Introduction and Summary

Board of Trustees
Reno-Tahoe Airport Authority
Reno, Nevada

Introduction

The Reno-Tahoe Airport Authority (RTAA) owns and operates both Reno-Tahoe International Airport (RTIA) and Reno-Stead Airport (RTS). This FY 2013-14 Budget is the financial operation plan for both airports.

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

According to the latest available Federal Aviation Administration (FAA) statistics, RTIA is the 64th busiest airport in the nation. RTS is a general aviation facility of 5,000 acres that is home to approximately 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.

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 3.51 million total passengers in FY 2012-13. RTIA passengers are currently served by the following air passenger carriers: Allegiant Air, 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 sixteen percent (16%) of total RTIA landed weight for FY 2012-13, which is a significant factor in lowering overall landing fee costs for all carriers.

National and Regional Economic Outlook

Most economists forecast slow growth for the U.S. economy in 2013 as consumers, businesses, and governments adjust to the "new normal" of government fiscal constraint. While improving labor markets and growth in consumer spending has been positive, the

economy has been impacted by the European debt crisis and a raft of federal government spending cuts and tax increases.

According to the Nevada Department of Employment, Training, and Rehabilitation (DETR), Nevada's economic recovery is gaining momentum, but the State still tops many unfavorable economic lists. Over the past year, Nevada added 22,700 new jobs, equating to a two percent rate of growth and the unemployment rate has fallen nearly two percentage points to 9.6 percent in April, 2013. Even with improvement in nearly all sectors of the economy, Nevada still has the largest ratio of underwater (negative homeowner equity) homes of any state in the nation, the highest labor market underutilization rates, and thus far the percent of jobs recovered is far behind in comparison to other regions of the country.

In our region, the Reno-Sparks unemployment rate as of April, 2013 posted a non-seasonally adjusted jobless rate of 9.7%. This compares to the Reno-Sparks unemployment of 11.2% in April of last year.

The Reno-Sparks area is one of the 47 new metros added to the National Association of Home Builders/First American Improving Markets Index, which was released in January, 2013. Cities that have shown at least six straight months of growth in housing permits, employment and house prices from their lowest points are added to the index. The seemingly great deals in the real estate market could be a reason why people are still moving to the Silver State.

Residential property information provider CoreLogic reported that Reno-Sparks home prices, including distressed sales, saw a twenty-six percent (26%) increase in April as compared with the same time period in 2012.

While both the nation and our region face economic uncertainty, several additional positive factors in the Reno-Sparks-Tahoe market provide a solid foundation for optimism going forward. These factors include the following:

- Approximately 245,000 U.S. Bowlers are forecasted to attend the United States Bowling Congress (USBC) Tournament at the National Bowling Stadium in downtown Reno in 2014. This includes both the men's and women's championship.

- Barrett-Jackson, the World's Greatest Collector Car Auctions™, is launching a new auction event, in conjunction with the annual Hot August Nights collector-car festival, for the first time in the Reno Tahoe area. The Barrett-Jackson auction scheduled for August 8-10, 2013 will feature hundreds of rare classics, exotics, muscle cars, hot rods, and contemporary collectibles on its famous auction block at no reserve. Under a three year contract, thousands of additional spectators and collectors from around the world are expected to participate in the historic automotive lifestyle event. This auction event will not only be a boon to attract thousand of additional participants to the Hot August

Nights event, but should benefit the entire region, including additional passenger traffic at RTIA.

- Apple, Inc. has begun construction 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.

- 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 Tėssarra District, a state and local government sanctioned "tourism improvement district" that allows for sales tax abatement.

The anticipated 10-year investment in Northern Nevada by Apple 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.

Air Service Market Update

As the economy slowly improves, the airline industry is focused on achieving sustained profitability, while building a financial cushion against future uncertainty.

According to Airlines for America (A4A), the US airline trade group, the 2012 financial results for the Top 10 passenger airlines were inferior to 2011 and overall profitability of $152 million represented only $0.21 per passenger based on the 711 million passengers served.

Domestic Airlines incurred more than $50 billion in fuel costs in 2012 with the price of jet fuel reaching an all-time high for the full-year period. Overall, oil prices are forecasted to remain stable in 2013.

Low airline profitability, along with operating costs increasing faster than the airlines ability to grow revenue, has resulted in cuts to domestic air service and a smaller airline industry. Airports in the U.S. continue to experience airline capacity reductions, especially in short-haul markets.

Reno-Tahoe International Airport ("RTIA") has not escaped this trend. In preparation of the FY 2013-14 traffic forecasts, the full-year impact of recent air service changes and announced additions and deletions will impact the level of aviation activity including landed weight, available passenger seats, and overall passenger traffic.

For the FY 2012-13, the Authority's total enplaned passenger traffic was down 1.4% as compared to FY 2011-12 and down 4.2% as compared to the FY 2012-13 Budget. Despite this shortfall, the recent trends have been positive with enplaned passenger traffic increasing 1.9% for the first six months of 2013 versus the same period last year.

The June 2013 Flight Schedule at the Reno-Tahoe International Airport (RNO) provides 62 nonstop departures a day to 15 destinations with 213,390 monthly available seats. This compares with 67 daily departures to 16 destinations and 220,297 seats in June 2012. The June 2013 Flight Schedule represents a 3.1% decrease in seat capacity versus June 2012, while the number of flights is down 7.5% for the same period.

Airlines in the U.S. continue to evaluate each and every route, eliminating less profitable routes and down-gauging aircraft size to align more closely with passenger demand.

The most significant air service changes going forward into next year are the following:

1. Allegiant Airlines began twice weekly nonstop service to Las Vegas on February 1, 2013.

2. Allegiant Airline began twice weekly nonstop service to Bellingham, WA effective June 6, 2013.

3. Southwest Airlines discontinued non-stop flights to Salt Lake City in January, 2013.

4. Southwest Airlines added seasonal service with a daily flight to Ontario, CA. The service operated through March 8, 2013. The proposed budget anticipates that this seasonal service will return next year.

5. Southwest Airlines discontinued non-stop flights to Oakland, CA effective on June 2, 2013.

6. Southwest Airlines announced that service to Chicago Midway International Airport will be reduced from year round service to seasonal service operating during the months of March to September.

7. Allegiant Air will begin new twice weekly service to Oakland, CA on August 30, 2013.

8. Alaska Airlines announced a new daily flight to Portland, Oregon on November 8, 2013. It brings the number of non-stop flights between Reno and Portland on Alaska to three each day.

Southwest Airlines, as the nation's largest domestic carrier, just marked its 40th straight profitable year, an unmatched feat in a time of economic turbulence, fluctuating fuel prices and airline bankruptcies. It did so by out performing its competition with low cost, no-frill flights and excellent customer service. Recently, the carrier has shifted its focus away from low fares toward increasing its return on investment and bottom-line.

Over the past year, the RTAA has seen reductions and announced reductions in service by Southwest Airlines in short haul markets where passenger load factors have been below the airline's targets. The most significant are Southwest Airline's discontinuation of non-stop service to Boise, San Jose, and Salt Lake City along with announced elimination of service to Oakland in June, 2013. All of these markets were served by Southwest using Boeing 737 aircraft and are within a day's drive of our market place.

In response to discontinued service to San Jose by Southwest, Alaska Airlines began two non-stop daily flights, using DeHavilland Canada 400 Aircraft, between Reno and San Jose on June 4, 2012, which provides connections to the entire Alaska network each day.

The Bay area also has five non-stop daily flights by United Airlines using regional jets to San Francisco International Airport (SFO). In addition, new non-stop service between RTIA and Oakland International Airport (OAK) by Allegiant Air will begin on August 30, 2013.

With the adjustment in aircraft capacity serving the market, the remaining flights at RTIA will continue to benefit significantly from more passenger boardings per aircraft and less vacant seats. In June, 2013, the average enplaned load factor for scheduled airlines reached 85.0%, which is 6.5 load factor points higher than in June of the prior year. The increase in load factor indicates a lower risk of further reductions and improvement in the likelihood of attracting additional new service.

The following table compares the enplaned passenger traffic used to develop the proposed FY 2013-14 Budget as compared to the forecast in the adopted FY 2012-13 Budget from last year:

Reno-Tahoe International Airport
Enplaned Passenger Forecast
FY 2013-14 Proposed Budget

	FY 2012-13 Adopted Budget	FY 2013-14 Proposed Budget	Variance to Prior Year	Percent Change
FY 2010-11	1,901,850 Actual	1,901,850 Actual		
FY 2011-12	1,767,856 Forecast	1,780,812 Actual	(120,752)	(6.2%)
FY 2012-13	1,834,444 Budget	1,708,308 Forecast	(72,504)	(4.1%)
FY 2013-14		1,670,248 Budget	(38,060)	(2.2%)

With strong load factors on the remaining flights, an aggressive air service program, and modest improvement in the economy, RTAA believes the downward trend will be stabilized at levels forecasted in the FY 2013-14 adopted budget.

Based on current published schedules and signatory airline input, the following table outlines the forecast for landed weight incorporated into the FY 2013-14 Budget:

Reno-Tahoe International Airport
Landed Weight Per 1,000 Pounds

	FY 2012-13 Adopted Budget	FY 2013-14 Proposed Budget	Variance to Prior Year	Percent Change
FY 2010-11	2,896,599 Actual	2,896,599 Actual		
FY 2011-12	2,707,106 Forecast	2,689,121 Actual	(207,478)	(7.2%)
FY 2012-13	2,811,794 Budget	2,519,796 Forecast	(169,325)	(6.3%)
FY 2013-14		2,412,174 Budget	(107,622)	(4.3%)

With the significant decline in projected landed weight and in an effort to maintain the Authority's low cost environment for both passenger and cargo carriers, the Authority is proposing in FY 2013-14 to provide an incentive credit of up to $330,000 to the Airfield Cost Center.

This credit, funded by the Authority's share of FY 2012-13 profit sharing, is being offered to mitigate the increase in landing fees in light of the landed weight decreasing approximately 399,620 (1,000 lb. units) or 14.2% as compared to the FY 2012-13 Budget and 107,622 (1,000 lbs units) or 4.3% from the FY 2012-13 projected estimates.

The FY 2013-14 landing fee rate is projected to be $2.78 per 1,000 lbs of landed weight. This is an increase of $0.29 or 11.6% above the FY 2012-13 Budget landing fee rate and an increase of $0.14 or 5.3% above the current rate of $2.65, effective December 1, 2012, as part of the FY 2012-13 Mid-Year Analysis.

Without the proposed incentive credit of up to $330,000, the landing fee, based on the lower landed weight forecast, would be $2.91. This Authority funded incentive will be reduced, if appropriate, to retain the $2.78 landing fee should actual landed weight during FY 2013-14 exceed the estimate used in the proposed budget.

While this extraordinary step is not required under the airline agreement, the action recognizes the importance of maintaining and attracting new air service to the community and is intended to partially mitigate the impact of air service reductions.

Recent Financial News

Despite lower passenger traffic for the fiscal year, the Authority had its "A" credit rating confirmed on May 3, 2013 by Fitch Ratings, a nationally 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 Airline Cost per Enplaned Passenger: The airport's cost per enplaned passenger (CPE) remains low relative to peer airports at $6.81 for FY 2011-12 with an increase to the $7.00 range estimated for FY 2012-13. The Reno-Tahoe Airport Authority (RTAA) current airline use and lease agreement provides the airport with a larger cost recovery base, providing more cushion to volume declines.

- Stable Debt Structure: All of RTAA's senior debt is fixed rate with debt service payments flat at approximately $2.5 million through maturity in 2026. The subordinate lien revenue notes mature in 2017 and are strengthened with Passenger Facility Charge revenue support and no refinance risk. Fitch Ratings noted that the Authority does face risk from interest rate increases on the Series 2011B Subordinate Lien Notes (up to $15 million authorized) that are in a variable rate mode. The FY 2013-14 Budget estimates that the Authority's total draw under the 2011B Notes will be approximately $5.3 million of the $15.0 million available.

- Low Leverage and Strong Liquidity: In FY 2011-12, the airport's senior lien debt service coverage ratio increased to 4.06 from 1.66 in FY 2010-11. 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 approximately $39.0 million in unrestricted cash, equivalent to 420 days cash on hand, as well as $30.9 million in restricted cash as of June 30, 2012.

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

- Moderate Infrastructure Plan: The three-year capital improvement plan (CIP) is modest at $97 million and will be funded through federal grants, the existing Series 2011 subordinate notes, passenger facility charge (PFC) monies, and minimal internal funds.

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 property or sales 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 Employment Update

Employment within the Reno – Sparks Metropolitan Statistical Area (MSA) economy largely mirrors the nation overall. The service producing sector accounts for the largest share of local employment, at 73.5%, slightly above the national average of 71.2%.

As of April 2013, Reno-Sparks industrial employment base is comprised of the following:

Reno-Sparks MSA	Industrial Employment (In Thousands) (a)	Percent By Category (a)	Percent By Category U.S. 2010 (b)
Goods Producing			
Manufacturing	11.4	6.0%	7.6%
Other	8.9	4.7%	5.4%
Services Producing			
Trade, Transportation, and Utilities			
Wholesale	8.5	4.4%	4.1%
Retail	20.3	10.7%	10.8%
Transportation, Warehousing, & Utilities	12.7	6.7%	3.7%
Information	2.0	1.1%	1.9%
Finance	9.0	4.7%	5.6%
Professional and Business Services	23.6	12.4%	13.6%
Education and Health Services	22.1	11.7%	17.3%
Leisure and Hospitality	35.2	18.6%	9.6%
Other	6.1	3.2%	4.6%
Government	29.9	15.8%	15.8%
Grand Total	189.7	100.0%	100.0%

(a) Source: DETR, Reno-Sparks MSA, 2013 Industrial Employment, April 2013.
(b) Source: Employment Projections Program, U.S. Department of Labor, U.S. Bureau of Labor Statistics

Trade, Transportation, and Utilities category, which includes Wholesale, Retail, and Transportation, Warehousing, & Utilities, is the largest source of employment in the Reno – Sparks MSA at 21.8%. This compares to 18.6% nationally with the higher the average employment primarily focused in the transportation and warehousing sector.

Following closely in second place is Leisure and Hospitality with 18.6% reflecting the four season hotel and food services industries. This employment includes well-known casino resorts led by the Peppermill, Atlantis, Grand Sierra, Silver Legacy, Harrah's, Circus Circus, and the Eldorado. Furthermore, Reno serves as a gateway to the Lake Tahoe region and resorts including NorthStar at Tahoe, and Heavenly Lake Tahoe, which are part of the Vail Resort Management Company, and Squaw Valley USA.

The location of the Reno/Sparks metro area 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.

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.

The Tahoe Reno Industrial Center (TRIC) is a massive 107,000 acre industrial park that encompasses 30,000 acres of developable sites located nine miles east of Reno on Interstate 80. TRIC now has sites available for development that include:

- Rail access
- 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

Reno is also 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 throughput. 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.

As a result of all these regional benefits, Apple, Inc. announced plans and has begun construction 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 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.

Air Cargo Update

Despite an unusually challenging environment over the past several years, air cargo remains indispensable for a variety of industries that require transport of time-sensitive commodities. These commodities include perishables; high-value, low-weight goods including consumer electronics; high-fashion apparel; pharmaceuticals; industrial machinery; and high-value intermediate goods such as auto parts. The speed and punctuality advantages of air freight ensure that it will continue to play a significant role in the global economy.

Both dedicated freighters and passenger airplanes carry air cargo. Cargo capacity on passenger flights has been expanding as airlines deploy new jetliners that have excellent cargo capability. Dedicated freight service providers, such as Fed Ex and UPS, offer shippers a combination of reliability, predictability, and control over timing and routing that passenger carriers can't often match. Thus, freighters consistently account for roughly 60 percent of global air cargo traffic.

The airport handled 117,397,247 pounds of cargo during FY 2012-13, an increase of 3.8% versus FY 2011-12. The growth in cargo volume is primarily driven by a general increase in overall US domestic air cargo demand and retail sales over the same period.

According to the International Air Transportation Association ("IATA") in January 2013, air freight markets contracted 1.5% overall in 2012, but a more supportive business environment and stronger US consumer confidence at the end of 2012 has helped volumes recover to mid- 2011 levels. IATA is forecasting global air freight volumes over the next year will not show any significant improvement with the growth trend remaining largely flat.

In the long-term, a recent forecast released by the Boeing Company projected air cargo traffic to increase an average 5.0 percent per year over the next 20 years, as global Gross Domestic Produce and world trade return toward historic growth rates. With the Reno-Tahoe market's strategic location as discussed earlier, this segment of the Authority's business model is an area of growing significance and a strategic priority.

Operating Environment

In evaluating the Authority's operating circumstances, five significant initiatives impacted the development of the FY 2013-14 Budget.

Airport Gateway Program

The Airport Gateway program, which was completed in April, 2013, is comprised of the Terminal Refurbishment Project and the Consolidated Security Checkpoint of the Future. With significant private investment, this program also includes the opening of new retail and food and beverage outlets located post-security.

The impact on the FY 2013-14 Budget is two-fold. First the Authority will benefit from a significant increase in its concession revenues. This increase is due to the restoration of minimum annual guarantees ("MAGs") that were lowered to mitigate the impact of closing restaurants and shops during construction and the forecasted increase in gross sales from the new post-security dining and retail options.

The following chart outlines the revenue improvements forecasted in the FY 2013-14 Budget:

	FY 2011-12 Actual	FY 2012-13 Forecast	FY 2013-14 Budget
Concession – Food & Beverage	$831,549	$746,200	$885,800
Concession – Retail	886,128	832,800	1,042,200
Grand Total	$1,717,677	$1,579,000	$1,928,000
Enplaned Passenger	1,901,850	1,708,308	1,670,248
Revenue Per Enplaned Passenger	$0.90	$0.92	$1.15

As shown, total revenue is anticipated to increase $349,000 in next year's proposed budget over the current year estimate, an increase of 22%.

The second impact is higher operating costs associated with the expansion of the terminal building footprint and associated public space and restrooms. Overall, the building footprint has increased approximately 7,000 sq. ft on the first level to accommodate the

new security check point and 11,200 sq. ft. on the 2nd level for new restaurants, a public art display area, and a children's play area. The proposed FY 2013-14 Budget includes funding for four (4) previously frozen custodial positions and a modest increase in contractual services and utilities to meet the needs of the expanded building and public access areas.

To the extent possible, the Transportation Security Administration (TSA) and concessionaires will be billed for increased utility costs that directly benefit their new operations. This revenue will be reflected as higher Reimbursed Services portion of the Authority's operating revenue budget.

Reno-Stead Airport – Terminal Building/Emergency Operations Center

The Reno-Stead Airport (RTS) is designated by the Federal Aviation Administration (FAA) as a "Reliever Airport" to the Reno-Tahoe International Airport (RTIA). As a designated reliever, the RTS is expected to have facilities that support the capacity needs of the community's aviation demand and provide emergency operational support for Reno-Tahoe. RTIA may experience floods, earthquakes, and aircraft accidents, which make it critical to have facilities available at RTS to support activities in emergency situations.

Although the airfield (runways and taxiways) facilities at RTS are in excellent condition and capable of fulfilling the "reliever" designation requirements, the landside facilities were in desperate need of upgrading.

A new terminal/emergency operation facility is being constructed which consists of a 12,000 square foot two story building, parking areas, utilities, and site work. The primary components are public meeting areas, pilot lounge, administrative offices, Emergency Operations Center, and limited revenue space.

The first floor is dedicated to the general aviation users and the Stead community. The front doors will open into a large, airy public space which can be used for special events as well as for a media staging area during an emergency. The improved pilots' lounge is roughly 900 square feet and includes a break room, flight planning room, restrooms and a shower. The remaining first floor space is leasable for commercial, retail or restaurant purposes.

The second floor will house all airport administrative functions. The east end of the second floor will be configured, with adequate infrastructure, to act as an emergency operations center. When not in use for emergency purposes, the approximately 1,400 square foot emergency operations center can be used for events and meetings. The reminder of the second floor will house the offices of the Reno-Stead Airport manager and support staff including a reception area, restrooms, an employee break room, and a small conference room. The second floor location of these critical functions will provide an

increased visibility over the entire airfield.

The new facilities are scheduled to be completed and available for public use by December, 2013.

Fixed Based Operator (Atlantic Aviation)

In January, 2013, Atlantic Aviation executed a new 35-year Agreement for Fixed Base Operator (FBO) services at the Reno-Tahoe International Airport. Under this agreement, Atlantic will invest approximately $7.5 million in a new FBO/Hangar facility at their existing site.

Atlantic Aviation, a subsidiary of Macquarie Infrastructure Company, is headquartered in Plano, TX and is a leading U.S. provider of fixed base operations (FBO) for the general aviation community. Atlantic offers services such as fueling, aircraft storage, and de-icing as well as concierge services including catering and ground transportation for aircraft owners and pilots. Atlantic maintains a network of over sixty (60) FBO facilities at airports throughout the country.

The proposed new development has the following key new Agreement terms:

1. Atlantic will construct an 11,500 square foot, 2-story FBO building with attached 27,500+ square foot hangar built on the current FBO building site and immediately adjacent land over a nine (9) to twelve (12) month construction period.

2. Atlantic will demolish the existing FBO building and an adjacent Charter Terminal building at its cost.

3. By June 20, 2017, Atlantic will purchase from RTAA the two (2) box hangars that will revert to RTAA ownership on its leasehold. The value of these hangars will be established at fair market value (FMV) based on a 2017 appraisal.

4. Atlantic will invest approximately $200,000 within the first five (5) years of the new Agreement term in refurbishing the box hangars and their office areas, providing additional covered parking spaces, and possibly a Ground Service Equipment (GSE) building, without requesting additional term.

Unmanned Aerial Systems

The Federal Aviation Administration (FAA) is soliciting proposals to select six test sites to aid in the development of a plan for the full integration of Unmanned Aerial Systems (UAS) into the national airspace system. UAS (sometimes called "drones") aircraft have military applications, but the civilian commercial potential is much greater. If Nevada were

designated a test site, our region would likely have a significant jump start as a leader in this emerging industry.

The State of Nevada is ideal because of its diverse climate/terrain conditions, abundant protected airspace and strong existing aerospace industry foundation. With these attributes, coupled with many others, the State of Nevada is aggressively pursuing this opportunity, which will likely include the Reno-Stead Airport playing an integral part in the overall program. The State has developed an industry leader Oversight Committee responsible for preparing the State's proposal submission. The RTAA President/CEO serves on the Oversight Committee along with others including the Nevada Guard Adjutant General, the Nevada Department of Transportation Chief Executive Officer, and both Presidents from the University of Nevada, Reno and Las Vegas.

Related to this effort, RTAA, in partnership with the Economic Development Authority of Western Nevada (EDAWN), hosted in January, 2013 a demonstration of an Unmanned Aerial Vehicle (UAV) developed by Hawkeye UAV Americas. This firm's aircraft is designed to collect aerial imagery data for the purpose of survey mapping by a variety of industries, including mining, agriculture, transportation and land planning with Geographic Information Systems (GIS).

Strategic Plan – FY 2014-2018

During the November, 2012 Board of Trustees Retreat, the RTAA discussed the development of a Strategic Plan ("Plan") that incorporates new vision and mission statements for the Reno-Tahoe Airport Authority. The Board discussed that the Plan should set performance objectives to meet 5-year strategic priorities, which would be developed through Board member, staff and community input.

At the December 13, 2012 Board of Trustees meeting, the Board approved the President/CEO to execute a Professional Services Agreement for consultant services to assist in the establishment of a Reno-Tahoe Airport Authority Strategic Plan. In conjunction, a temporary Strategic Planning Committee ("Committee") was created.

The Strategic Planning Committee, in collaboration with the consultant and Authority staff, gathered and reviewed internal and external research data and clarified strategic topics to be addressed throughout the planning process. As part of the data collection process, the Committee gathered community perspectives through participation in discussions at group meetings such as the RTAA Community Outreach Committee, RTIA Users Committee, RTAA Air Service Task Force and Stead Airport Users Association. In addition, the consultant conducted various sessions with the Airport Authority executive staff to focus on brainstorming and gathering their input and perspectives.

The Board's purpose for developing the FY 2014-18 Strategic Plan is to provide a shared strategic vision for the organization and highlights core strategies that will guide the Airport Authority over the next 5 years. The high level plan will also guide priority-setting and serve as a helpful roadmap for Airport Authority staff. The Plan also incorporates long-term goals and performance measures that support the strategic priorities and provides a planning structure for objectives and annual action plans to be developed by staff.

On June 13, 2013, the Plan was formally approved and adopted by the Board of Trustees with the following five strategic initiatives:

- Increase Air Service.
- Optimize General Aviation Operations and Services.
- Expand Cargo Development and Service.
- Facilitate Economic Development at the Airports.
- Provide a Positive Environment and Experience for All.

President/CEO Succession Planning

In December 2012, Krys T. Bart, the President/CEO for the Reno-Tahoe Airport Authority for the past 15 years, announced her plans to retire upon the expiration of the current employment contract. Under Ms. Bart's leadership, the Authority has been recognized as an aviation industry leader and has maintained its strong financial position, despite tremendous volatility including the terrorist attacks of September 11, 2001 and the economic recession of 2008-09.

Following the retirement announcement, the Board of Trustees began a nationwide recruitment effort to select a new President/CEO.

On May 16, 2013, the Reno-Tahoe Airport Authority Board announced the selection of Marily M. Mora, A.A.E., as the Authority's new President/CEO to succeed Ms. Bart effective on July 1, 2013. Ms. Mora has over 25 years of experience at three different medium hub airports including serving as the Chief Operating Officer for the Authority for a period of 12 years. She held this position until November 2011 when she became the Assistant Director of Aviation of Oakland International Airport, which is owned and operated by the Port of Oakland. In this capacity, she oversaw the daily operations of Oakland International, which handles 10 million passengers a year.

During her tenure at the Authority from 1999 to 2011, Ms. Mora was responsible for the daily operations at both RTIA and RTS, which included facilities maintenance, operations, security, planning and development, finance, and all airport administrative areas. She monitored operations to enforce federal, state and local rules and regulations governing use.

Her additional experience includes eleven years as the Deputy Director of Aviation for Business Development at Mineta San José International, two years as the Director of the Marketing & Customer Service Division for the Santa Clara Valley Transportation Authority in San José. California and working in the Public Affairs Department for Public Service Company of Colorado (now Excel Energy) in Denver, Colorado.

She is an Accredited Airport Executive and has a Bachelor of Arts in International Relations from the University of California-Davis and a Masters in Business Administration from the University of Phoenix.

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 attract new 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, the Authority strives to create a positive experience for the customer by

maintaining and enhancing the appearance of facilities, ensuring ease of vehicle parking, and improving the security experience.

As demonstrated by improved efficiency at the security checkpoints, expanded concessions, and a more pleasant and updated baggage claim facilities through the Airport Gateway Project, the Authority continues to reinvest in facilities to improve the customer experience.

Budget Objectives

Since the economic recession of 2008-2009 and the slow recovery in its aftermath, 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.

In addition, RTAA management will be developing specific work plans focused on the Board of Trustee's adopted strategic initiatives and 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 extensive efforts to increase the level of air service at RTIA as measured by the number of seats and flights.

- Maintain the focus on increasing the level of air cargo activity as another means of increasing landed weight at RTIA.

- Attract and retain all categories of General Aviation (GA) and support services at both airports by enhancing the customer service experience and encouraging private development. Both the completion of the Reno-Stead Terminal Building and the new hangar and facility development by Atlantic Aviation at RTIA will be significant upgrades available to GA customers next year.

- Diversify revenue sources through expanding business and land development at both Reno-Tahoe International and Reno-Stead Airport. With the growth in unmanned aerial vehicles for use in the business sector, staff will be actively engaged in supporting development of this growing industry to our region.

- With the improvements incorporated in the Airport Gateway Project, staff will work to support the success of the new concession program and continue to focus on providing new services and products to meet customer demands.

- Continue a long history of customer service by delivering a high level of facility cleanliness, communication, and hospitality.

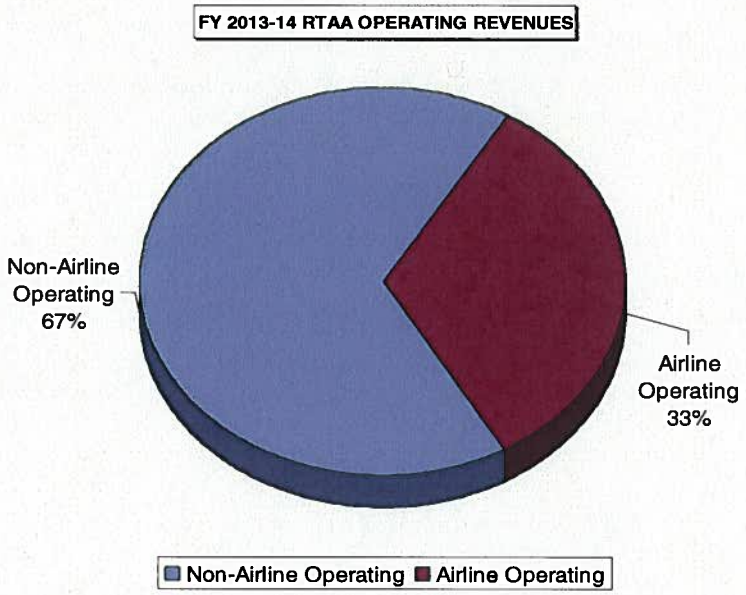
Staff continues to use innovation, technology, and new service delivery methods to maintain the RTAA's standard of customer service. Some of the proposed increases in the budget are focused on providing staff resources and new technology to upgrade the critical systems and services needed to meet as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

Budget Summary

This budget is for the RTAA's 2013-14 fiscal year, which begins on July 1, 2013 and ends June 30, 2014. RTAA has conservatively based its budget on a forecast of a modest decrease in passenger enplanements (passengers boarding an airline) for a total of 1,670,248, a decrease of 2.2%, as compared to the FY 2012-13 projected amounts.

The Total Operating Revenue budget for FY 2013-14 is $42,793,289. This is a 1.7% decrease from the FY 2012-13 Budget. Budgeted airline revenues are $14,129,645 or approximately 33% of total operating revenues. The total non-airline operating revenue budget is $28,663,644 or approximately 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. 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 the following: (1) Public Parking Revenues; (2) Rental Car Concessions; (3) Terminal Concessions including Gaming, News and Gift, and Food and Beverage; (4) Reimbursed Services associated with cost recovery of maintenance of the new Baggage Handling System (BHS), and (5) various Building, Hangar, and Land rents.



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

Airline Revenues (33%)	FY 2012 Actual	FY 2013 Budget	FY 2013 Forecast	FY 2014 Budget
Landing Fees	$ 6,906,411	$6,851,366	$ 6,502,262	$ 6,555,845
Terminal Building Rentals	6,348,277	7,509,000	6,868,500	7,573,800
Total Airline Revenue	13,254,638	14.360,366	13,370,762	14,129,645
Non-Airline Revenues (67%)				
Concession Fees	10,649,435	10,844,900	10,356,500	10,653,300
Parking / Ground Trans.	8,742,196	8,584,000	8,359,300	8,186,200
Other Rentals	6,142,308	6,272,900	6,258,600	6,378,000
Reimbursed Services	2,407,854	2,566,340	2,580,764	2,573,544
Other Aircraft Fees	833,750	874,800	839,100	847,200
Other Operating Revenues	68,099	12,000	20,300	25,400
Total Non-Airline Revenue	28,843,641	29,154,940	28,414,564	28,663,644
Non-Operating Revenue	608,462	458,100	446,900	1,629,400
Total Revenue	$42,706,741	$43,973,406	$42,232,226	$44,422,689

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 2013-14 Annual Budget was developed based on the business arrangement specified under this Airline Agreement.

The total FY 2013-14 Airline Revenues are forecasted to be $14,129,645, 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 and variance analysis appears in Section 3 Financial Plan.

Total landing fee revenue is estimated to be $6,555,845 in FY 2013-14, a decrease of approximately $295,521 or 4.3% below the FY 2012-13 Budget and $53,600 or 0.8% above the FY 2012-13 projected estimates.

The signatory landing fee is proposed to increase by $0.29 to $2.78 for FY 2013-14 from the prior year budgeted amount of $2.49. With lower than forecasted landed weight of 9.8% in FY 2012-13 and its impact on cost recovery, the landing fee was increased to $2.65 per 1,000 lbs. effective on December 1, 2012. This step was taken to ensure that the signatory airlines do not owe additional landing fees as part of the year-end airline rates and charges settlement.

Terminal Rental Rate

Terminal rentals reflect cost recovery of terminal costs allocated to airline occupied facilities (compensatory basis) with total facility costs divided by rentable terminal square footage. The average terminal rental rate is calculated as the difference between the Total Requirement, composed of operation and maintenance (O&M) expenses, debt service requirements and capital expenditures, the airline reimbursements and the airlines' portion of the profit sharing, divided by rentable terminal space.

The Profit Sharing Credit is calculated as 50% of the gross revenues less O&M expenses, debt service requirements, bond ordinance reserve requirements, repayment of loans to the

capital account, special fund and amortization requirements. The remaining 50% of the airport system net revenues is transferred to the Authority's general purpose fund.

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. This rentable terminal space square footage is divided into the net terminal cost to calculate the rental rate in the airline agreement.

Total terminal space rental revenue is estimated to be $7,573,800 in FY 2013-14, an increase of $64,800 or 0.9% as compared to the FY 2012-13 Budget and $705,300 or 10.2% above the FY 2012-13 updated projections.

The detailed terminal building rental rate calculation and variance analysis appears in Section 3 Financial Plan.

Non-Airline Revenue

Total Non-Airline operating revenues are forecasted to be $28,663,644 in FY 2013-14 Budget. This represents an expected decrease of $491,296 or approximately 1.7% from the FY 2012-13 Budget. This decrease is due primarily to lower projected passenger traffic and its forecasted impact of $1,009,000 in lower public parking, rental car concessions, and gaming revenues.

As an offset, as mentioned in the Airport Gateway Project update, higher revenue of $414,000 is anticipated due to opening of new retail and food and beverage outlets located post-security. With the restoration of minimum annual guarantees ("MAGs"), which were lowered to mitigate the impact of closing restaurants and shops during construction, and the forecasted increase in gross sales from the new post-security dining and retail options, this revenue upsurge is perfectly timed.

A detailed breakdown of FY 2013-14 non-airline revenue appears in the Section 3 Financial Plan - Revenues.

Non-Operating Revenue

The proposed budget for Non-Operating Pledged Revenue for FY 2013-14 is $1,629,400 and is 264.60% above the FY 2012-13 projection and 255.69% above the FY 2012-13 Budget.

The three major components of Non-Operating Pledged Revenues are as follows:

- Customer Facility Charge (CFC) Revenues, implemented in August 2012 after adoption of the prior year budget, are forecasted to be $1,190,100 in FY 2013-14. CFC revenues are derived from a $1.25 fee assessed to each rental car transaction day. These fees are dedicated to funding property management, repairs, and improvements to Authority-owned rental car facilities. A portion of these receipts are assigned to fund additional costs of $521,041 of operating costs for property management and repairs and maintenance.

- Investment Interest for FY 2013-14 is budgeted at $130,700, a 5.8% decrease compared to the projected revenue for the current year and a 0.2% decrease from the FY 2012-13 Budget. The slight decrease is primarily due to the maturity of investments held at higher rates and the historically low interest rates available upon reinvestment. Interest rates on government securities and bank deposits are at historic low levels as a result of efforts by the Federal Reserve to promote economic growth.

- Aviation Gas Tax is budgeted at $308,600 in FY 2013-14 Budget. This tax is collected by Washoe County in the form of fuel tax in the amount of one cent per gallon of fuel for jet or turbine-aircraft sold, distributed or used per Nevada Revised Statute 365.170.

Operation and Maintenance Budget

With anticipated lower passenger traffic in FY 2013-14, the adopted operations and maintenance budget is $37.140 million, which represents a modest increase of $761,435 or 2.1% above the adopted FY 2011-12 Budget.

The following table provides an overview of the proposed budget as compared to the prior year adopted budget:

	CURR. YR. BUDGET 2012-13	CURR. YR. PROJECTED 2012-13	BUDGET REQUEST 2013-14
Personnel Services	$ 24,061,025	$ 23,339,194	$ 24,983,395
Utilities & Communications	3,178,820	2,956,303	2,849,635
Purchased Services	4,899,204	4,507,268	5,135,666
Materials & Supplies	1,761,625	1,761,625	1,794,195
Administrative Expenses	2,477,567	2,403,240	2,376,785
Total	$ 36,378,241	$ 34,967,630	$ 37,139,676

Within the proposed budget is $521,041 of property management and maintenance costs associated with Rental Car Facilities. These expenses are funded by the new Customer Facility Charge of $1.25 per rental car transaction day authorized by the Board of Trustees on August 1, 2012. Excluding the new, self-funded professional services associated with the rental car companies, the proposed budget would be $36,618,635, an increase of only $240,394 or 0.7%.

The following are key drivers and major initiatives incorporated into the FY 2013-14 budget submission:

1. The FY 2013-14 proposed budget includes funding for four (4) previously frozen custodial positions, the full year impact of a maintenance technician position at the Reno-Stead Airport, and a new position to implement and manage a new Geographical Information System (GIS). The GIS Planning Manger position will be significantly funded by Passenger Facility Charges during the first two years of system implementation.

2. Increases in employee salaries reflect existing collective bargaining agreements and civil service and management guidelines.

3. Due to a significantly higher loss ratio during the current year, approximately 156% thru February, 2013, health insurance costs are estimated to increase significantly by $643,600 or 33.2% over the prior year budget.

4. In FY 2013-14, retirement contributions are scheduled to increase significantly as a result of increased contribution rates established by the Public Employees' Retirement System (PERS) for Regular members effective on July 1, 2013. The contribution rates under the Employer-paid Contribution Plan increased from 23.75% to 25.75%. In addition, contribution rates for Police/Fire members increased from 39.75% to 40.50%.

   This change results in an increase of $298,900 or 7.5% in higher retirement costs than the prior year adopted budget.

   These rates are established by PERS based on an actuarial valuation report adopted by the Retirement Board for a two year period and, therefore, no increase in the contribution rates is anticipated in the following year (FY 2014-15) Budget.

5. Due to savings generated from installation of new, energy efficient light fixtures, solar panels at the firehouse, and lower actual costs in all utility categories, the FY 2013-14 Utility Budget reflects a reduction of $329,185 or 10.4%. This decrease is despite higher costs associated with the Airport Gateway building expansion.

6. As mentioned earlier, purchased services include a proposed increase of $521,041 of property management and maintenance costs associated with Rental Car Facilities. Excluding these CFC funded services associated with the rental car companies, the remaining proposed purchase services budget would be $4,614,625, a decrease of $284,579 or 5.8%.

   Budget reductions have been made to the following services: (1) outside legal services; and (2) contracted and repair and maintenance services in support of the airfield, outside properties, and the terminal building.

7. Materials and Supplies have been increased modestly by $32,570 or 1.8% due primarily to the planned replacement of Flight Information Display System (FIDS) screen replacements in the baggage claim and concourse areas.

8. Administrative expenses are projected to decrease by $100,782 or 4.1%. This decrease is due to one-time events taking place in FY 2012-13 which included: (1) executive search firm and interview costs associated with the recruitment of a new President/CEO of $100,000 and (2) conference sponsorship costs to host the annual AAAE Conference of $140,000.

   This savings is partially offset by approximately $79,200 in higher property and public official's liability insurance. In addition, a budget of $18,000 is included to prepare and execute the full FAA required triennial emergency exercise required by the FAA.

9. The proposed budget also reflects a decrease of $93,491 in lower expenditures associated with the purchase of fixed assets, which include vehicles, maintenance equipment, and computer technology.

Personnel Complement

The total budgeted and/or authorized positions for FY 2013-14 is 268.5 positions, a net increase of one position as compared to the adopted FY 2012-13 Budget. A specific explanation of the changes, any frozen positions and the personnel complement by section is provided in Section 2 Organizational Guide.

Debt Service

The annual debt service included in the FY 2013-14 Budget includes the following:

- Airport Revenue Refunding Bonds, Series 2005 – Annual Debt Service of $2.52 million. The total outstanding senior lien debt on July 1, 2013 will be $23,715,000 after the scheduled July 1, 2013 principle payment.

- Subordinate Lien Note, Series A – Fixed Rate – Annual Debt Service of $1,265,020 after application of eligible Passenger Facility Charges (PFC) funding. The total outstanding principal under this subordinate lien note will be $10,265,000 after the scheduled July 1, 2013 principle payment.

- Subordinate Lien Note, Series B – Variable Rate – Estimated Annual Debt Service of $1,023,635 after application of eligible PFC funding. The Authority secured funding of $4.0 million on March 1, 2013 and $1.35 million on May 1, 2013. The Authority's total borrowing under the variable rate note is $5.35 million out of the $15.0 million line of credit available.

Total combined debt service for FY 2013-14, after the application of PFC's, is budgeted to be $4,805,155, an increase of $260,182 or 5.7% above the FY 2012-13 Budget.

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

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

Property, Plant and Equipment (PP&E)

The total PP&E request for FY 2013-14 is $255,220. This is a decrease of $93,541, or 27% from the FY 2012-13 PP&E budget amount of $348,761. This decrease is due primarily to a reduction in one time purchases of information technology required last year being offset by the request for vehicle purchases that were deferred in prior fiscal years.

The specific items requested are presented under the Section 3 - Capital Budget tab.

Capital Projects

The FY 2013-14 Capital Project requests for Reno-Tahoe and Reno-Stead Airports of $2.6 million are funded by Authority internally generated and other local funds (primarily the general purpose, special fund and the new rental car customer facility charges (CFC)). This budget request represents an increase of $776,780 from the FY 2012-13 Budget. Capital Projects are primarily to provide new infrastructure or maintain the existing airport infrastructure, such as pavement maintenance and repairs/ improvements on facilities used by rental car companies.

Of the total amount, $510,500 is for the Airfield Cost Center with $110,500 amortized and recovered in FY 2013-14. The project costs applicable to the Terminal Building Cost Center are $108,900, all of which will impact the FY 2013-14 terminal building rental rate. The projects in the non-airline cost centers will affect airline terminal rents indirectly through lower profit sharing.

The Majority in Interest (MII) threshold, as defined in the airline agreement, excludes $1 million in the Airfield Cost Center, $2 million in the Terminal Building Cost Center, $500,000 in the Baggage Handling System Cost Center. Therefore, an MII ballot associated with the proposed capital projects is not necessary.

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.

Profit to be shared with the Signatory Airlines for 2013-14 is budgeted to be $468,675 as compared to $1,945,252 estimated in the FY2012-13 Budget. Per the airline agreement, half of this amount is credited to the Terminal Building Cost Center in the year earned.

This decrease of $1,476,577 in profit sharing reflects the following: (1) $1.130 million or 2.5% in lower revenue, (2) $290,394 or 0.8% in higher operating expenses; and (3) $260,182 or 5.7% in higher debt service from the full year impact of borrowing associated with the Terminal Refurbishment Program and the Reno-Stead Terminal Building. The reduction in profit sharing as outlined above is partially offset by lower spending on fixed assets and capital improvement projects.

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 11, 2013 and May 16, 2013	Public Budget Workshops with the RTAA Board of Trustees
April 15th	April 15, 2013	Tentative budget filed with the Nevada Department of Taxation
Seven to 14 days before the Third Thursday in May	May 6, 2013	Notice of Budget Public Hearing published
Third Thursday in May	May 16, 2013	Hold Public Hearing
On or Before June 1st	May 16, 2013	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 2013-14 budgeted net pledged revenues for repayment of the outstanding senior lien bonds is 290% above the debt service requirements for the fiscal year, which exceeds the 25% minimum required. In addition, net pledged revenues after payment of the senior lien debt service is projected to be 160% above the debt service associated with the subordinate lien notes.

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 rehabilitation and reconstruction program in place.

With the completion of the Airport Gateway Program, significant terminal building and security checkpoints improvements are in place to accommodate current passenger traffic and provide capacity for future growth. As passenger levels increase in the future, the next likely step will be a building expansion including replacement of the existing concourses, expansion of the arrivals (baggage claim) lobby, and a new customs and border protection facilities.

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 13 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 an Environmental Management System. In 2011, the Authority completed the conversion of the Airfield Rescue and Firefighting Facility to solar electric power and is working on a number of other ways to generate and utilize renewable (geothermal and additional solar) sources of energy to offset existing supply needs. In addition, the Authority has reduced its annual energy consumption by more than 1.3 million kilowatt hours through light-emitting diode (LED) fixture retrofits and mechanical systems upgrades.

- **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 4,600 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.

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

2013-14 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 16, 2013. 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,

Marily M. Mora

Marily M. Mora, 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, 2012

President

Executive Director

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Section 2 – Organization Guide

The Reno-Tahoe Airport Authority (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 that governs the RTAA is appointed by the City of Reno, City of Sparks, Washoe County and the Reno Sparks Convention and Visitors Authority.

Listed below are the Board of Trustees and the entities they represent:

TRUSTEE NAME	REPRESENTING	TERM EXPIRES
Adam Mayberry, Chair	City of Sparks	June 2015
Nat Carasali, Vice-Chair	Washoe County	June 2017
Rick Murdock, Secretary	City of Reno	June 2017
Dr. Kosta Arger, Treasurer	City of Reno	June 2015
William "Bill" Eck	City of Sparks	June 2017
Jerry L. Hall	City of Reno	June 2017
Steve Katzmann	City of Reno	June 2015
Robert Larkin	Washoe County	June 2015
Andrew Wirth	Reno-Sparks Convention & Visitors Authority	June 2017

FY 2013-14 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

Marketing and Public Affairs
One Marketing Coordinator position has been reclassified as the Interdepartmental Project Liaison and moved to the Executive Vice President/COO department to more accurately reflect the duties and responsibilities of the position.

Economic Development
The Administrative Assistant position has been reclassified as Project Technician to more accurately reflect the duties and responsibilities of the position.

Airport Police
The Administrative Assistant position has been moved from the Airport Security department to the Airport Police department to handle increasing administrative duties.

EXECUTIVE VICE PRESIDENT/COO

Executive Vice President/COO

The Interdepartmental Project Liaison position is a reclassified Marketing Coordinator that has been moved to this department from Marketing and Public Affairs to more accurately reflect the duties and responsibilities of the position.

Reno – Stead Airport

The Airfield Maintenance Technician position has been added to the personnel complement.

OPERATIONS AND PUBLIC SAFETY

Vice President of Operations and Public Safety

The Administrative Assistant position has been reclassified as Project Technician to more accurately reflect the duties and responsibilities of the position.

Airside Operations

An Operations Supervisor position has been moved into Airside Operations from the Airport Security department.

Landside Operations

One Parking Shift Leader position has been reclassified to Parking Lot Attendant to better cover the current operating needs of the department.

Airport Security

The Operation Supervisor position has been moved to the Airside Operations department. The Administrative Assistant position has been moved to the Airport Police department.

PLANNING AND ENGINEERING

Planning and Environmental Services

A Geographic Information Systems (GIS) Planning Manager position has been added to the personnel complement. An Airport Planner I/II position has been reclassified to Senior Planner to more accurately reflect the duties and responsibilities of the position.

Engineering and Construction

The Program Technician position has been moved to the Engineering and Construction department from the Planning and Environmental department and reclassified to Architectural/Engineering Technician to cover the current operating needs of the department.

FACILITIES AND MAINTENANCE

Building Maintenance

The Maintenance Scheduler position has been reclassified as Maintenance Scheduler/Planner to more accurately reflect the duties and responsibilities of the position. The Maintenance Planner position has been removed from the personnel complement.

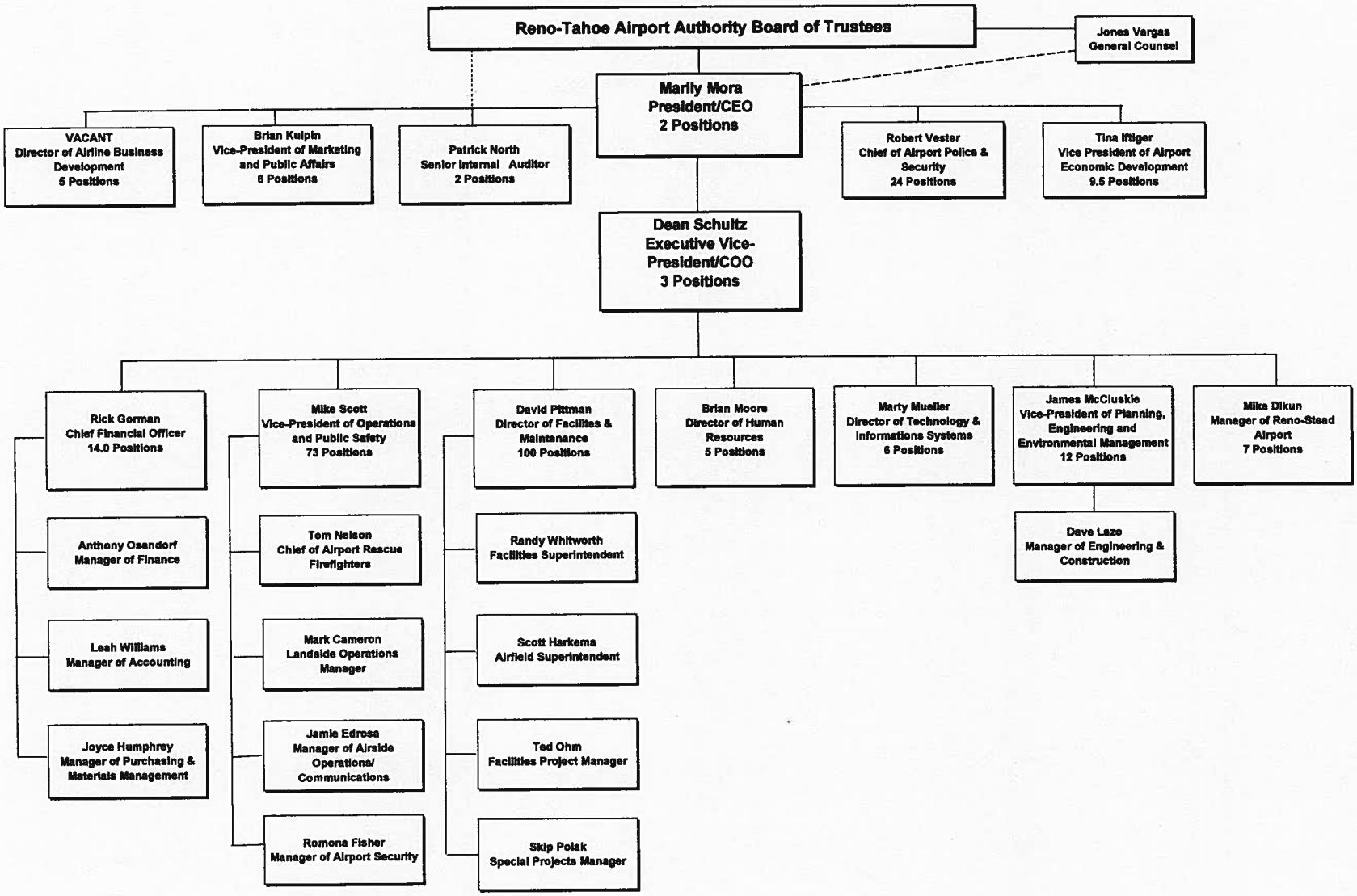
Effective July 1, 2013, the adopted FY 2013-14 budget approved funding of four (4) previously frozen Airport Facilities Custodial positions. These positions are required to provide janitorial services associated with the terminal building expansion constructed under the Airport Gateway Project.

VACANT POSITIONS

In response to the economic slowdown, various vacant positions shown in the personnel complement have been frozen by the President/CEO and are not funded in the FY 2013-14 Budget for personnel services.

Positions that become vacant during the 2013-14 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 2013-14


Reno-Tahoe Airport Authority Board of Trustees
Jones Vargas
General Counsel
Marily Mora
President/CEO
2 Positions
VACANT
Director of Airline Business Development
5 Positions
Brian Kulpin
Vice-President of Marketing and Public Affairs
6 Positions
Patrick North
Senior Internal Auditor
2 Positions
Robert Vester
Chief of Airport Police & Security
24 Positions
Tina Ittiger
Vice President of Airport Economic Development
9.5 Positions
Dean Schultz
Executive Vice-President/COO
3 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
Mike Scott
Vice-President of Operations and Public Safety
73 Positions
Tom Nelson
Chief of Airport Rescue Firefighters
Mark Cameron
Landside Operations Manager
Jamie Edrosa
Manager of Airside Operations/ Communications
Romona Fisher
Manager of Airport Security
David Pittman
Director of Facilities & Maintenance
100 Positions
Randy Whitworth
Facilities Superintendent
Scott Harkema
Airfield Superintendent
Ted Ohm
Facilities Project Manager
Skip Polak
Special Projects Manager
Brian Moore
Director of Human Resources
5 Positions
Marty Mueller
Director of Technology & Informations Systems
6 Positions
James McCluskie
Vice-President of Planning, Engineering and Environmental Management
12 Positions
Dave Lazo
Manager of Engineering & Construction
Mike Dikun
Manager of Reno-Stead Airport
7 Positions

Reno-Tahoe Airport Authority
FY 2013 - 14
ANNUAL BUDGET

Personnel Complement

	Budgeted and/or Authorized FY 2011-12	Budgeted and/or Authorized FY 2012-13	Budgeted and/or Authorized FY 2013-14
Board of Trustees Department			
Board of Trustees *	9.0	9.0	9.0
Internal Audit Section			
Senior Internal Auditor	2.0	1.0	1.0
Internal Auditor	0.0	1.0	1.0
Total Internal Audit Section	2.0	2.0	2.0
Total Board of Trustees Department	2.0	2.0	2.0
President/CEO Department			
President/CEO	1.0	1.0	1.0
Executive Assistant	1.0	1.0	1.0
Total President/CEO	2.0	2.0	2.0
Air Service Business Development Section			
Director of Air Service Business Development	1.0	1.0	1.0
Manager of Air Service	1.0	1.0	1.0
Aviation Analyst	1.0	1.0	1.0
Marketing Coordinator	2.0	1.0	1.0
Executive Assistant	1.0	1.0	1.0
Total Air Service Business Development Section	6.0	5.0	5.0
Marketing and Public Affairs Section			
Vice-President of Air Service, Marketing and Public Affairs	1.0	1.0	1.0
Manager of Air Service Marketing & Special Events	0.0	1.0	1.0
Marketing Program Manager	1.0	0.0	0.0
Marketing Coordinator	1.0	2.0	1.0
Manager of Public Affairs and Customer Service	0.0	1.0	1.0
Manager of Marketing and Public Affairs	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	7.0	6.0
Economic Development Section			
Vice-President of Airport Economic Development	0.0	1.0	1.0
Director of Airport Economic Development	1.0	0.0	0.0
Assistant Director of Airport Economic Development	1.0	0.0	0.0
Real Estate Supervisor	0.0	1.0	1.0
Concessions Program Manager	1.0	0.0	0.0
Manager of Concessions	0.0	1.0	1.0
Airport Economic Development Specialist	3.0	3.0	3.0
Property Technician	2.0	2.0	2.0
Project Technician	0.0	0.0	1.0
Administrative Assistant I/II	1.5	1.5	0.5
Total Economic Development Section	9.5	9.5	9.5

Reno-Tahoe Airport Authority
FY 2013 - 14
ANNUAL BUDGET

Personnel Complement

	Budgeted and/or Authorized FY 2011-12	Budgeted and/or Authorized FY 2012-13	Budgeted and/or Authorized FY 2013-14
Airport Police Section			
Chief of Airport Police and Security	1.0	0.0	0.0
Chief of Airport Police	0.0	1.0	1.0
Police Captain	1.0	1.0	1.0
Police Sergeant	4.0	4.0	4.0
Police Officer	17.0	17.0	17.0
Administrative Assistant I/II	0.0	0.0	1.0
Total Airport Police Section	23.0	23.0	24.0
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
Interdepartmental Project Liaison	0.0	0.0	1.0
Executive/Board Assistant	1.0	1.0	1.0
Total Executive Vice President/COO	2.0	2.0	3.0
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
Airfield Maintenance Technician	0.0	0.0	1.0
Lead Airfield Maintenance Technician	1.0	1.0	1.0
Total Reno Stead Airport Section	6.0	6.0	7.0
Human Resources Section			
Director of Human Resources	1.0	1.0	1.0
Senior Benefits Specialist	1.0	1.0	1.0
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
Total Executive Vice President/COO Department	19.0	19.0	21.0

Reno-Tahoe Airport Authority
FY 2013 - 14
ANNUAL BUDGET

Personnel Complement

	Budgeted and/or Authorized FY 2011-12	Budgeted and/or Authorized FY 2012-13	Budgeted and/or Authorized FY 2013-14
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
Project Technician	0.0	0.0	1.0
Administrative Assistant I/II	1.0	1.0	0.0
Total Vice-President of Operations and Public Safety	2.0	2.0	2.0
Airside Operations Section			
Manager of Airside Operations/Communications	1.0	1.0	1.0
Operations Supervisor	6.0	6.0	7.0
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	18.0
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	9.0	8.0	9.0
Parking Shift Leader	4.0	5.0	4.0
Total Landside Operations Section	15.0	15.0	15.0

Personnel Complement

	Budgeted and/or Authorized FY 2011-12	Budgeted and/or Authorized FY 2012-13	Budgeted and/or Authorized FY 2013-14
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	6.0	6.0	6.0
Fire Fighter	9.0	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	0.0
Airport Security Specialist	16.0	16.0	16.0
Program Technician	1.0	1.0	1.0
Administrative Assistant II	1.0	1.0	0.0
	20.0	20.0	18.0
Total Operations and Public Safety Department	74.0	74.0	73.0
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
GIS Planning Manager	0.0	0.0	1.0
Senior Planner	0.0	0.0	1.0
Airport Planner I/II	1.0	1.0	0.0
Noise Analyst	1.0	1.0	1.0
Program Technician	2.0	2.0	1.0
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
Architectural/Engineering Technician	0.0	0.0	1.0
Total Engineering and Construction	4.0	4.0	5.0
Total Planning and Engineering Department	11.0	11.0	12.0
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

Personnel Complement

	Budgeted and/or Authorized FY 2011-12	Budgeted and/or Authorized FY 2012-13	Budgeted and/or Authorized FY 2013-14
Special Projects Manager	1.0	1.0	1.0
Total Director of Facilities and Maintenance Section	5.0	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	0.0
Maintenance Scheduler/Planner	0.0	0.0	1.0
Facilities & Maintenance Planner	1.0	1.0	0.0
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	68.0
Total Facilities and Maintenance Department	101.0	101.0	100.0
TOTAL AIRPORT (Does not include the appointed Board of Trustees)	267.5	267.5	268.5

* Appointed positions

Reno-Tahoe Airport Authority
FY 2013-14
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 Reno-Tahoe International Airport and the Reno-Stead Airport 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 budget process complies with the Local Government Budget Act, and the Local Government Purchasing Act. The Local Government Budget Act calendar of budget events 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 improvement projects 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; and
- Establishes six cost centers: Airfield, Terminal Building, Baggage Handling System, Parking and Ground Transportation, Other, and Reno-Stead Airport.

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 control over financial decisions and receipt of 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 and the airlines have limited financial decision making power.

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 after debt service (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 that 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. The current agreement is a hybrid with net airfield costs and associated landing fees established on a cost center residual methodology in which the signatory airlines bear 100% of the financial risk for the airfield. The expenditures, which are primarily comprised of operating and debt service, in the Airfield cost center are divided by estimated aircraft landed weight resulting in a landing fee rate.

In contrast, the terminal building rental rates reflect a commercial compensatory rate setting formula that places the financial risk of funding terminal building costs with the Authority. The expenditures, which are primarily comprised of operating expenses and debt service, in the Terminal Building cost center are divided by a "rentable" space divisor (total terminal space available that is revenue producing and available for lease). This results in the signatory airlines only being responsible for terminal building costs allocated to airline leased premises and any costs allocated to vacant, concession, or other rentable space is the financial responsibility of the Authority.

In addition, the current hybrid agreement provides that the RTAA's net available revenues after debt service are split equally between the signatory airlines and the RTAA through a profit sharing formula. Profit sharing is derived by taking the sum of the Authority's total revenues less total expenses posted to all costs centers less debt service and other identified requirements. A profit sharing credit estimate offsets airline terminal building rents collected during the year with a final airline rates and charges reconciliation and settlement prepared based on audited year-end results.

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 current 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 2012-13 was $7.38 and it is currently forecasted at $7.22. The CPE for FY 2013-14 is budgeted to be $7.85. This increase reflects a modest increase in costs allocated to airline cost centers, a lower forecasted profit sharing credit, and a 2.2% decrease in enplaned passenger traffic as compared to FY 2012-13 forecasted results.

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 guidelines outlined in 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 its investment grade rating of "A" on its long term debt from Fitch Ratings.

Impact of Increased Airport Security Mandates

The terrorist attacks on September 11, 2001 resulted in the creation of the Department of Homeland Security and the Transportation Security Administration (TSA). These federal agencies have generated federally mandated increases in airport security that have significantly increased the security operations and budget of the RTAA. A few of the more significant 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 the additional costs. The RTAA works to minimize the fiscal impact of these programs while remaining compliant with all the security directives.

The TSA is currently proposing an amendment to all airport's Airport Security Plans, which would require airports to assume responsibility for staffing personnel at the security checkpoint exit lane. RTAA is taking strong exception to this proposal based on the position that no statutory authority requires the RTAA or any airport to be responsible for the staffing and funding of security at the exit lanes. In addition, it is the Authority's position that TSA is solely responsible for "civil aviation security functions" under Section 114 of the Aviation and Transportation Security Act 2001 (ATSA).

This recent TSA proposal represents an additional unfunded federal mandate whose costs will impact the airline cost centers and increase the associated costs paid by the signatory airlines that utilize our facility. This proposed change has not been incorporated into the FY 2013-14 Budget.

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 and bond rating. 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 Financial Plan – 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 2012-13 adopted budget, staff has been directed to limit the increases in operating and maintenance expenses by focusing on "mission critical" areas and exploring every opportunity to reduce costs. The FY 2013-14 operating budget reflects a modest increase of 2.1% with the increase primarily due to higher personnel costs associated with the Public Employee Retirement System (PERS) contributions and medical insurance.

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 - Financial Plan presents the financial details for the RTAA budget for the fiscal year beginning July 1, 2013. This section contains the following schedules:

- 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.
- Summary of Sources and Uses of Funds
- Detailed Airline Landing Fee and Terminal Rental Rate Calculations.
- Summary of Budgeted Revenue
- Non-Airline Revenue Summary

In addition, 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 - Financial Plan also includes details of the Capital Projects, Trust Funds Summary, and Debt Summary.

Reno Tahoe Airport Authority
Profit Sharing
Budget Year 2013-14

		Cost Centers						
		Airfield	Terminal	Baggage Sys	Landside	Other	Reno Stead	Total
Airline Revenue (Before Profit Sharing)		7,035,845	7,908,100	-	-	-	-	14,943,945
Non Airline Revenue		890,800	5,989,800	1,702,744	14,124,200	5,480,500	605,500	28,793,544
Total Revenue		7,926,645	13,897,900	1,702,744	14,124,200	5,480,500	605,500	43,737,489
O&M Expense		$ 7,772,142	$ 16,294,152	$ 1,699,478	$ 5,229,859	$ 3,710,683	$ 1,520,547	$ 36,226,860
Debt Service		-	-	-	2,516,500	1,265,020	1,023,635	4,805,155
Pre Bond Loan		67,726	79,485	-	32,676	41,921	22,151	243,959
O&M Reserve		14,935	31,312	3,266	11,051	7,883	2,922	71,369
Fixed Asset		78,724	67,661	-	74,712	34,040	83	255,220
Capital Project		10,500	108,900	-	-	215,000	44,800	379,200
Amort of Capital Items		335,121	-	-	391,630	-	15,000	741,751
Special Fund			545,300					545,300
LOI Transfer		-						-
Total Requirement		$ 8,279,148	$ 17,126,810	$ 1,702,744	$ 8,256,428	$ 5,274,547	$ 2,629,137	$ 43,268,814
Net Revenues		$ (352,503)	$ (3,228,910)	$ -	$ 5,867,772	$ 205,953	$ (2,023,637)	$ 468,675
Airport Share	50.00%							$ 234,337
Airline Share	50.00%							$ 234,337

RENO - TAHOE AIRPORT AUTHORITY
FY 2013-14
ANNUAL BUDGET
Summary of Sources and Uses of Funds

	Actual 2011-12	Budget 2012-13	Budget 2013-14
SOURCES OF FUNDS			
Revenue Fund			
Landing and Aircraft Fees	$ 7,740,161	$ 7,726,166	$ 7,403,045
Gaming Concession Fees	1,790,472	1,920,200	1,558,000
Food and Beverage Revenue	831,549	653,300	885,800
Merchandise Revenue	886,128	860,600	1,042,200
Auto Rental Concession Fees	5,871,788	6,137,300	5,875,400
Other Concession Fees	1,269,498	1,273,500	1,291,900
Auto Parking and Ground Transportation	8,742,196	8,584,000	8,186,200
Terminal Rents	6,348,227	7,509,000	7,573,800
Other Rents	6,142,308	6,272,900	6,378,000
Reimbursed Services & Miscellaneous	2,475,952	2,578,340	2,598,944
CFC Revenue	-	-	1,190,100
Other Non-Operating Pledged Revenue	303,919	130,100	129,900
Total Revenue Fund	$ 42,402,198	$ 43,645,406	$ 44,113,289
Non Rate Base Revenue			
Non-Rate Base Interest	20,443	39,500	35,800
Fuel Tax Revenue	304,048	327,100	308,600
Fuel Tax Interest	495	900	800
PFC Interest	20,969	5,400	6,600
PFC Revenue	6,785,930	7,006,300	6,379,200
Other Revenue	-	-	-
Total Non Rate Base Revenue	7,131,884	7,379,200	6,731,000
TOTAL SOURCES OF FUNDS	$ 49,534,083	$ 51,024,606	$ 50,844,289
USES OF FUNDS			
Operation and Maintenance Fund			
Personnel Services	$ 23,094,222	$ 24,061,025	$ 24,983,395
Utilities	2,626,376	3,178,820	2,849,635
Purchased Services	3,856,255	4,709,204	4,474,625
Materials and Supplies	1,871,018	1,761,625	1,794,195
Administrative Expenses	2,057,880	2,225,792	2,125,010
Total Operation and Maintenance Fund	$ 33,505,751	$ 35,936,466	$ 36,226,860
Bond Fund			
Interest Account	1,276,150	1,213,900	1,161,500
Principal Account	1,245,000	1,310,000	1,355,000
Total Bond Fund	$ 2,521,150	$ 2,523,900	$ 2,516,500
Subordinate Debt Fund			
Interest Account	229,455	587,423	396,302
Principal Account	2,335,000	3,625,000	3,745,000
PFCs Applied	(1,383,654)	(2,191,351)	(1,852,647)
Total Subordinate Debt Fund	$ 1,180,801	$ 2,021,073	$ 2,288,655
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	$ 108,547	$ -	$ 71,369
Short Term Financing			
Prebond Loan	$ 243,960	$ 243,960	$ 243,959
Property, Plant & Equipment	$ 700,982	$ 348,761	$ 255,220
Capital Projects			
Current Year	999,508	669,600	379,200
Prior year project reimbursement	659,182	506,897	741,751
Total Capital Projects	$ 1,658,690	$ 1,176,497	$ 1,120,951
Special Fund			
35 % of projected gaming revenue to Special Fund	$ 626,665	$ 672,070	$ 545,300
General Purpose Fund			
Current Year Profit Sharing Total	3,728,368	1,945,305	468,675
Current Year Profit Sharing Airline Share	(1,864,292)	(972,626)	(234,337)
Prior Year Profit Sharing Airline Share	-	-	(330,000)
Air Service Incentive	(8,423)	(250,000)	(250,000)
Total General Purpose Fund	$ 1,855,653	$ 722,679	$ (345,662)
Non-Rate Base Interest	20,443	39,500	35,800
Non Rate Base Expenditures			
Fuel Tax	304,543	328,000	309,400
CFC Funding	-	-	1,190,100
PFC Funding	6,806,898	7,011,700	6,385,800
Other Revenue			-
	$ 7,131,884	$ 7,379,200	$ 7,921,100
TOTAL USES OF FUNDS	$ 49,534,083	$ 51,024,606	$ 50,844,252

The Total Operating Revenue budget for FY 2013-14 is $42,793,289. This is a 1.7% decrease from the FY 2012-13 Budget. Budgeted airline revenues are $14,129,645 or approximately 33% of total operating revenues. The total non-airline operating revenue budget is $28,663,644 or approximately 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.

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. 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 lower than most other medium hub airports, which is useful when seeking new air service.

Airline traffic has decreased significantly over the past five years from 2.43 million enplaned passengers in the pre-recession FY 2007-08 to 1.76 million in FY 2012-13. This drop was the result of airlines reducing their aircraft capacity nationwide in order to regain profitability by reducing supply by providing fewer airline seats, generating higher fares through the implementation of new user fees such as bag charges, and lower operating costs. For FY 2013-14, the Authority is forecasting a 5.0% decrease in enplanements to 1.67 million as compared to FY 2012-13 actual results and an 8.9% decrease as compared to the FY 2012-13 Budget of 1.83 million enplaned passengers.

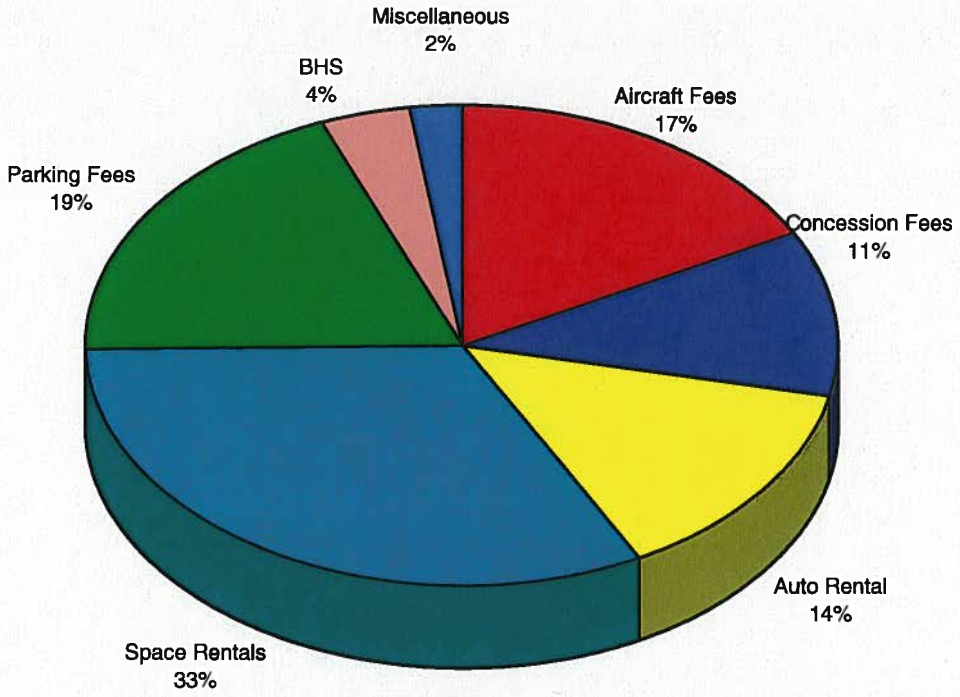
The forecasted landed weight for FY 2013-14 is projected to decrease to 2,412,174 (thousand pound units), a reduction of 4.4% over the actual results for FY 2012-13 and 399,620 (thousand pound units) from the adopted FY 2012-13 Budget or a 14.2% decrease. A decrease in airline landed weight impacts the landing fee calculation by decreasing the base used to recover airfield costs.

The FY 2013-14 Budget revenue projections are, in many cases, derived by applying historical revenue earned and transactions derived by enplaned passenger to the estimate of passenger traffic. This approach is primarily used to forecast terminal concessions, rental car concessions, and 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 $28,663,644 in the FY 2013-14 Budget. This represents an expected decrease of $491,296 or approximately 1.7% from the FY 2012-13 Budget. This decrease is primarily due to the lower passenger traffic forecasted and its impact on concession fees and public parking revenue.

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Operating Revenues

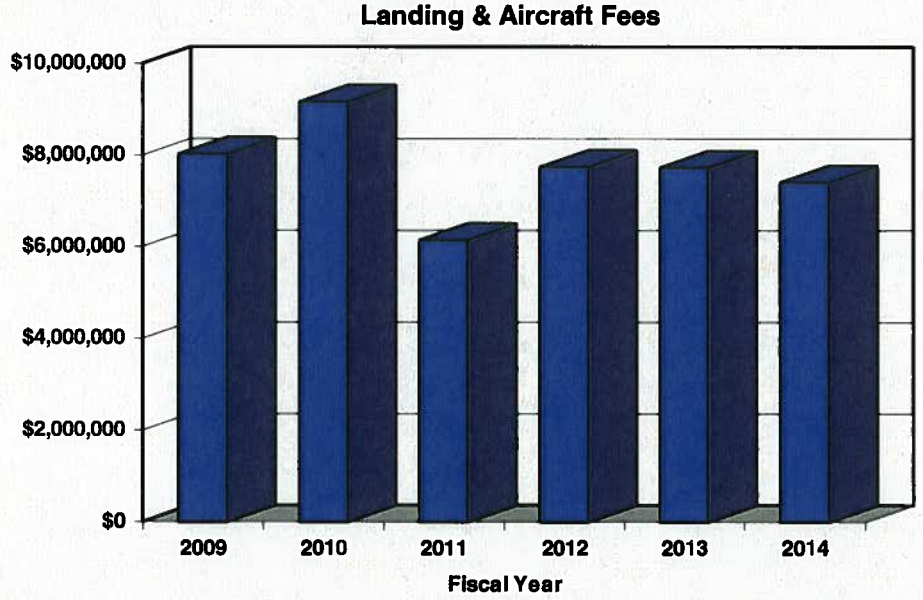
FY 2013-14
Operating Revenues



REVENUES	
Aircraft Fees	$ 7,403,045
Concession Fees	4,777,900
Auto Rental	5,875,400
Space Rentals	13,951,800
Parking Fees	8,186,200
BHS	1,702,744
Miscellaneous	896,200
Total	$ 42,793,289

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 1.7% decrease in operating revenues for FY 2013-14 as compared to the FY 2012-13 Budget and a 2.4% increase from the FY 2012-13 updated forecast. 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 2008-09 through 2011-12 followed by budgeted revenues for fiscal years 2012-13 and 2013-14.

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 2013-14 Budget are anticipated to only decrease 4.2% as compared to the FY 2012-13 Budget due primarily to the Authority applying up to $330,000 of previous year's profit share to lower landing fees and a decrease in fixed assets 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 tab 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 2012-13 landing fee rate was budgeted at $2.49 per thousand pounds of landed weight, while the FY 2013-14 landing fee rate will be $2.78. 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 $2.78 rate will be charged to all airlines, signatory or non-signatory.

The following is the detailed landing fee calculation:

CALCULATION OF FY 2013-14 LANDING FEE RATE

		FY 2011-12 Actual	FY 2012-13 Budget	FY 2013-14 Budget	Variance
O&M Expenses		$ 7,255,133	$ 7,717,186	$ 7,772,142	$ 54,956
Debt Service		-	-	-	-
Coverage		-	-	-	-
Pre Bond Loan		67,726	67,726	67,726	-
O&M Reserve		22,872	-	14,935	14,935
Fixed Assets		208,247	108,323	78,724	(29,599)
Capital Projects		191,749	-	10,500	10,500
Amortization of Capital Items		-	-	-	-
LOI Transfer		-	-	-	-
Total Requirement		$ 7,745,727	$ 7,893,235	$ 7,944,027	$ 50,792
Total Landed Weight (000s)		2,689,121	2,811,794	2,412,174	(399,620)
Non-Signatory Rate	A	$ 2.88	$ 2.81	$ 3.29	$ 0.48
Signatory Landed Weight (000s)	B	2,644,417	2,811,794	2,371,774	(440,020)
Signatory Revenue Prior to Revenue Sharing	A * B	$ 7,616,961	$ 7,893,235	$ 7,810,976	$ (82,259)
Less: Non-Airline Airfield Revenue		-	-	-	-
Less: Other Airfield Revenue		(833,867)	(883,900)	(890,800)	(6,900)
Less: Revenue Sharing		-	-	(330,000)	(330,000)
	C	6,783,094	7,009,335	6,590,176	(419,159)
Signatory Landed Fee Rate	C / B	$ 2.57	$ 2.49	$ 2.78	$ 0.29

The following are significant factors impacting the requirements in the Airfield Cost Center and the calculation of the landing fee in the FY 2013-14 Budget:

- The Authority has proposed contributing up to $330,000 of previous year's profit share to lower the requirement in the Airfield Cost Center.

- Fixed assets projected for FY 2013-14 are decreasing by 27.3% compared to the current year budget.

- The operation and maintenance costs allocated to the Airfield Cost Center are increasing 0.7% as compared to the prior year budget. This modest increase is due primarily to a personnel cost increases partially offset by savings in the cost of utilities 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 2013-14 landing fee rate of $2.78 is a $0.29 increase from the budgeted FY 2012-13 landing fee rate of $2.49. To illustrate the impact on landing fees, a 737-700 flown by Southwest Airlines, with a landed weight of 128,000 lbs., will see the cost per landing increase from $318.72 to $355.84, an increase of $37.12.

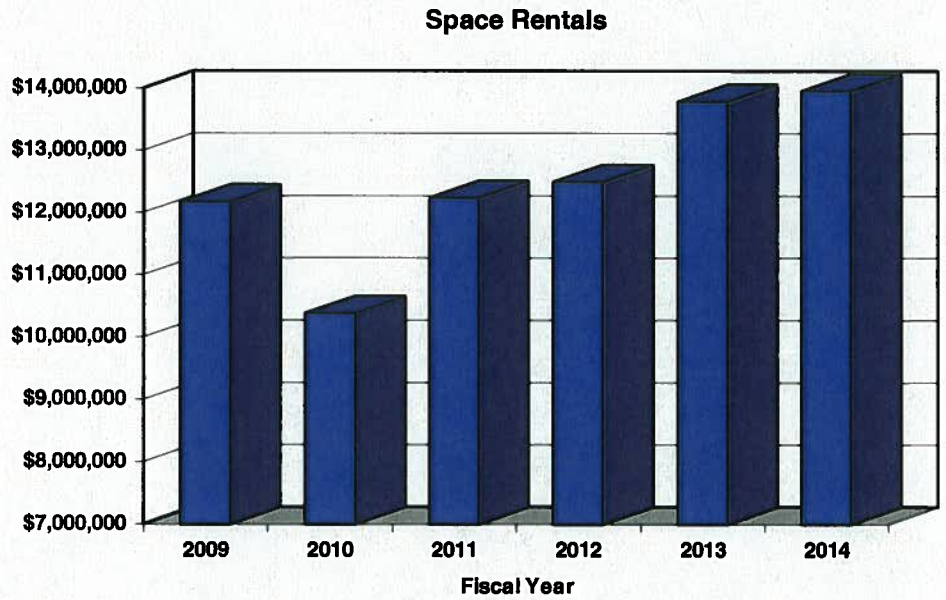
- Total revenues generated by landing fees are estimated to be $6,555,845 in FY 2013-14, a decrease of approximately $296,000 or 4.3% from the FY 2012-13 adopted budget.

Since 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 (GA) aircraft in the form of fuel flowage fees. The fuel flowage fee is a fee collected by the Fixed Based Operator (FBO) per gallon of fuel purchased by GA aircraft at the Reno-Tahoe International Airport (RTIA) and the Reno-Stead Airport (RTS). This fee is established annually by ordinance and is $0.07 per gallon at RTIA and $0.05 per gallon at RTS. This ensures that general aviation aircraft pay a share of the expenses of maintaining and developing the airfield area. An estimate of $173,400 is included in the aircraft fees' section of the revenue budget for RTIA fuel flowage fees, an increase of 8.2% as compared to the FY 2012-13 Budget.

Fuel farm system revenue of $588,400 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 $30,200 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 2013-14 are budgeted to reach $13.95 million, an increase of approximately $170,000 or 1.2% 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" basis and the Authority is at financial risk if vacant facilities exist. Approximately 54.3% or $7.57 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 2013-14 Budget, the average budgeted rental rate is $60.27 per square foot per annum, a 2.5% increase from the FY 2012-13 average budgeted rental rate of $58.80. Total signatory airlines terminal space rental revenue is estimated to be $7,400,700 in FY 2013-14, a $79,800 or 1.1% increase from the FY 2012-13 Budget.

The following is the detailed terminal rental rate calculation:

CALCULATION OF FY 2013-14 TERMINAL RENTAL RATE

		FY 2011-12 Actual	FY 2012-13 Budget	FY 2013-14 Budget	Variance
O&M Expenses		$ 15,151,191	$ 16,366,866	$ 16,294,152	$ (72,714)
Debt Service		-	-	-	-
Coverage		-	-	-	-
Pre Bond Loan		79,485	79,485	79,485	-
O&M Reserve		48,803	-	31,312	31,312
Fixed Assets		283,543	143,807	67,661	(76,146)
Capital Projects		459,488	53,000	108,900	55,900
Amortization of Capital Items		-	-	-	-
Special Fund		-	-	-	-
Airline Reimbursements (Disposal Fee)		(332,904)	(276,600)	(379,900)	(103,300)
Total Requirement	A	$ 15,689,606	$ 16,366,558	$ 16,201,610	$ (164,948)
Square Footage	B	245,697	245,697	260,580	14,883
Terminal Rental Rate	A/B= C	$ 63.86	$ 66.61	$ 62.18	$ (4.44)
Signatory Airline Terminal Leased Space	D	124,268	124,508	122,789	(1,719)
Signatory Airline Share of Net Requirement	C*D = E	$ 7,935,449	$ 8,293,823	$ 7,634,429	(659,394)
Less: Revenue Sharing Credit	F	(1,864,292)	(972,600)	(234,300)	738,300
Adjusted Signatory Airline Net Requirement	E+F= G	6,071,157	7,321,223	7,400,129	78,906
Signatory Airline Terminal Leased Space	H	124,268	124,508	122,789	(1,719)
Signatory Airline Average Rental Rate (Net)	G/H	$ 48.86	$ 58.80	$ 60.27	$ 1.47

The following are significant factors impacting the requirements in the Terminal Building Cost Center and the calculation of the terminal rental rate in the FY 2013-14 Budget:

- The operation and maintenance budget allocated to the Terminal Building is decreasing 0.4% from the FY 2012-13 Budget. This is primarily due to a slight reduction in cost allocation percentages.

- With passenger traffic forecasted to be 8.9% 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 2013-14 is $234,337, a decrease of approximately $738,300 or 75.9% 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.

RTIA non-terminal rents are forecasted to increase by $59,700 to $5.08 million, a 1.2% increase from the FY 2012-13 Budget. The slight increase is primarily a result of higher building rents from some of the rental properties (1200 Terminal, 1250 Terminal, and 1120 Telegraph), 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 $34,300 higher than last year's adopted budget primarily due to the new leases of portions of Hangar 6.

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 is showing signs of recovery from the economic slowdown, RTAA has several new projects that 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 2013-14, this revenue, which includes BHS reimbursement from signatory airlines, non-signatory airlines, and

the Transpiration Security Administration (TSA) is estimated to be $1,702,744. The signatory airline portion represents the Authority charging $1.38 per processed bag based on an estimate of 1.65 million signatory enplaned passengers check-in with 0.71 bags per passenger on average.

- The Baggage Handling System (BHS) costs of $1,699,478 are included in the FY 2013-14 Budget. This represents approximately a 7.5% decrease from the FY 2012-13 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 $58,500 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.

CALCULATION OF BAGGAGE HANDLING SYSTEM CHARGE

	FY 2011-12 Actual	FY 2012-13 Budget	FY 2013-14 Budget
Operating Requirement			
O&M Expenses	$ 1,561,892	$ 1,837,828	$ 1,699,478
Debt Service	-	-	-
O&M Reserve	5,769	-	3,266
Fixed Assets	-	-	-
Capital Projects	-	-	-
Less: TSA Reimbursement	(55,153)	(82,900)	(58,500)
Less: Non-Signatory Airline BHS	(51,510)	(25,000)	(25,000)
Total Baggage System Charge Revenue	1,460,998	1,729,928	1,619,244
Total Number of Bags Processed - Signatory	1,268,291	1,281,914	1,169,870
Signatory Rate per Bag Processed	1.15	$ 1.35	$ 1.38
Non-Signatory Rate per Bag Processed	$ 1.75	$ 1.48	$ 1.52

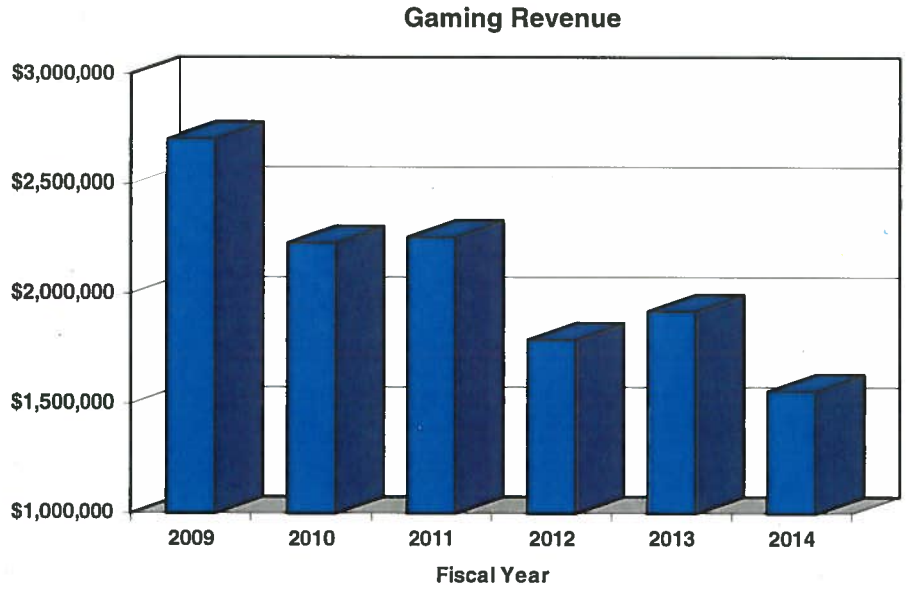
CONCESSION REVENUE

Concession revenues are predicted to decrease 1.8% for FY 2013-14 to $10.65 million compared to the budget for FY 2012-13 of $10.84 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 2013-14 as compared to the prior year budget. In addition, a reduction in concession revenues per enplaned passenger mainly for gaming is anticipated as the economy is modestly improving and passengers remain reluctant to spend their discretionary income on non-essential goods and services. See Section 1 Introduction and Summary for an expanded discussion of the history and traffic assumptions used in the FY 2013-14 Budget.

There are also smaller concessions such as luggage carts, massage chairs, charging stations, 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:

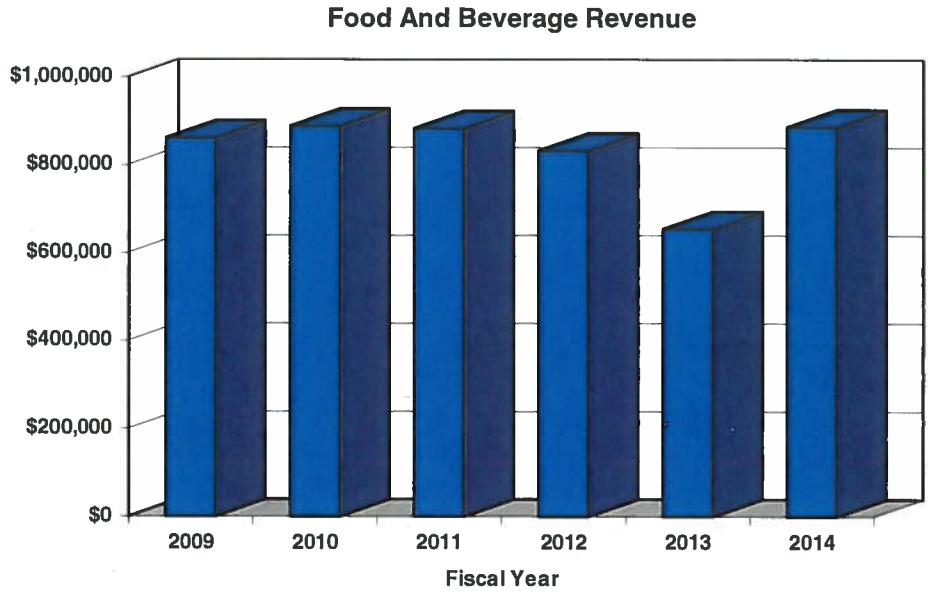


Gaming Revenue is a unique source of revenue for Nevada airports. International Game Technology (IGT) operates the gaming concession under an agreement that expires on November 30, 2015. The contract provides that IGT must pay the RTAA a concession fee of 53% of Net Win up to $350,000 and 75% for Net Win over $350,000. The FY 2013-14 Budget is 18.9% under the prior year budget and a 6.9% decrease as compared to the FY 2012-13 updated forecast.

With an increasing percentage of passengers traveling for business (less likely to engage in gaming activities) as compared to leisure travelers and overall passengers less willing to spend

their discretionary income, the FY 2013-14 Budget reflects a significant decrease as compared to the prior year's adopted budget.

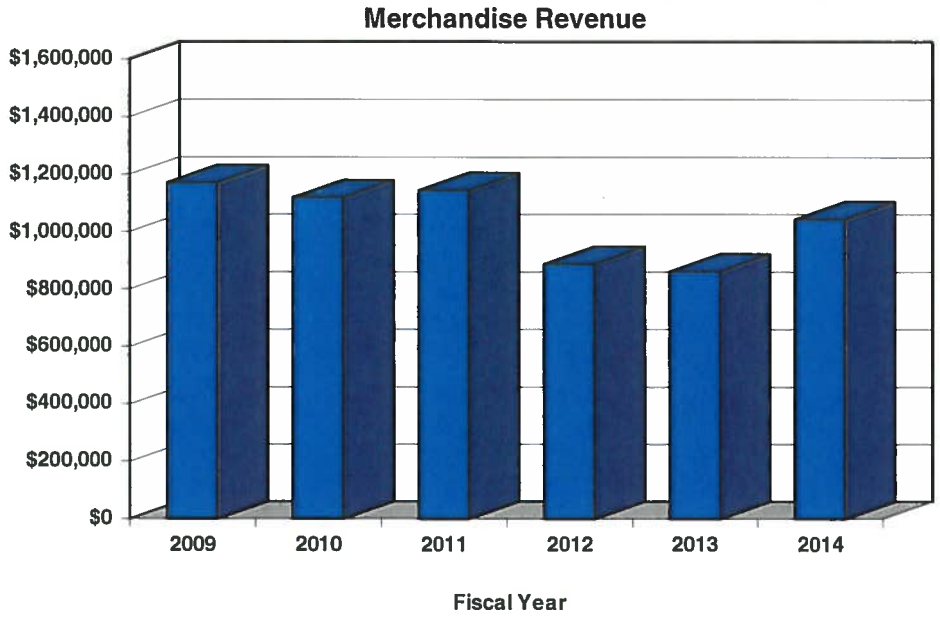
The graph depicts actual gaming concession revenues for the past four years and the budgeted amounts for FY 2012-13 and FY 2013-14.



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 the previous year's payments but not less than $885,800, whichever is greater.

With the completion of the Airport Gateway Program and all the concessionaires being fully operational, a 35.6% increase in revenues is expected from the food and beverage concession as compared to the FY 2012-13 Budget and an 18.7% increase as compared to the updated FY2012-13 forecast.

This increase reflects higher revenue per enplaned passenger due to the expanded variety of dining options available and the anticipated usage increase with the addition of new restaurants post security, such as McDonalds, Timber Ridge and Wild Garlic Pizza. SSP operates all the restaurants, bars, and coffee outlets in the terminal building.

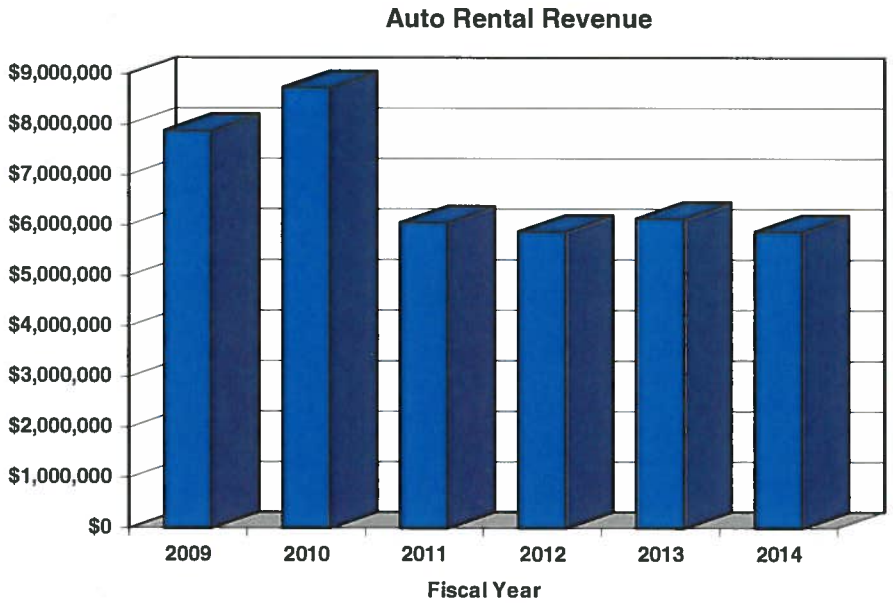


Merchandise Revenue is projected to be $1,042,200, a 21.1% increase from the FY 2012-13 Budget and 25.1% above the FY 2012-13 projected revenues. The primary concession agreement for merchandise and news and gift services is with The Paradies Shops. This agreement provides payment to the RTAA based on 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.

The revenue increase is mainly due to the addition of new retail stores owned and operated by Paradies. The four new post security stores, branded as the High Mountain Market, include Brighton Collectibles, No Boundaries (an outdoor apparel store), In Motion (a high tech electronics shop), and CNBC (news and gifts).

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

Advertising Revenues the FY 2013-14 budget of $792,700 represents a 5.6% decrease from the FY 2012-13 Budget and a decrease of 2.4% from the current year projection. The decrease from last year's budget is due to renegotiating a number of advertising contracts in light of the decrease in passenger levels expected for the 2013-14 fiscal year.



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 required to take a shuttle bus to an off-airport site for the rental and return of their vehicles.

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Section 3 – Revenues

Revenues are budgeted at $5,875,400 for FY 2013-14. This amount is based on the greater of 10% of gross receipts derived by the rental car companies or 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 20.5% of the Airport's total budgeted non-airline operating revenues.

The budgeted amount is 4.3%, or approximately $261,900 under the FY 2012-13 Budget. Despite lower budgeted passenger traffic, the FY 2013-14 Budget reflects higher gross revenue per rental car contract than forecasted in the prior year budget. The Minimum Annual Guarantee (MAG) for FY 2013-14 is forecasted to be set at $5,244,722. Based on this estimate, the Authority's budget is forecasted that 10% of gross receipts will be higher than the MAG.

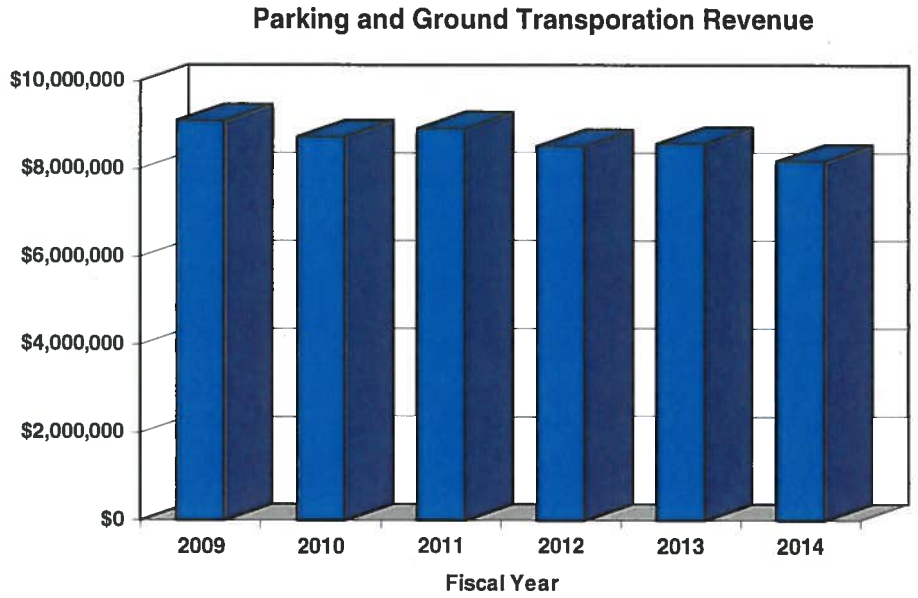
The agreements do have an abatement clause which waives the minimum annual guarantee (MAG) if passenger deplanements fall below 75% of the deplanements for the corresponding month in the preceding year. The FY 2013-14 Budget does not forecast any MAG abatement due to the forecasted decrease in passenger traffic being significantly above this threshold.

During 2012, the rental car industry has undergone additional consolidation that impacts the ownership of companies operating at RTIA. Hertz Global Holdings, Inc. ("Hertz"), which is the parent corporation of Simply Wheelz, has entered into a merger agreement with Dollar Thrifty Automotive Group, Inc. ("Dollar Thrifty") and is currently pursuing antitrust clearance of the merger. In order to complete the Dollar Thrifty acquisition, Hertz needs to divest itself of Simply Wheelz and also ensure that Simply Wheelz is able to operate the Advantage brand at RTIA.

Accordingly, Hertz has entered into a purchase agreement with Adreca Holdings Corporation ("Adreca") under which Adreca will acquire Simply Wheelz (the "Required Divestiture") concurrent with and conditioned upon Hertz's acquisition of Dollar Thrifty. The Required Divestiture has been mandated by the Federal Trade Commission as a condition to antitrust clearance for Hertz's acquisition of Dollar Thrifty.

Adreca, currently a subsidiary within the Macquarie Group, is operated by Franchise Services of North America, Inc. ("FSNA"), one of the largest franchisers of car rentals in North America; however, once regulatory approvals are received, it is expected that Macquarie, which will fund the transaction, will exchange its interest in Adreca for a 49% voting and economic interest in FSNA, with Adreca becoming a wholly owned subsidiary of FSNA.

Simply Wheelz will continue to remain liable for all of its obligations to the Authority under the terms of concession lease and there will be no change in the number of rental car brands servicing RTIA.



Parking and Ground Transportation Revenue - Total auto parking and ground transportation revenues are budgeted to decrease 4.6% from the prior year budget and a 2.1% decrease compared to the updated FY 2012-13 projected revenues. The decrease in revenue from last year's budget is due primarily to the estimated decrease in passenger traffic of 8.9%. This lower transaction activity is partially offset by slightly higher revenue per parking transaction. Auto parking represents 27.8% of the RTAA's total budgeted non-airline operating revenues.

Ground transportation fees are projected to be $208,800 in FY 2013-14. 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 2013-14 to increase 0.3% from the FY 2012-13 Budget. This increase is primarily due to the addition of an administrative fee funded by the $1.25 Customer Facility Charge (CFC) fees collected to maintain and improve rental car facilities. In addition, the Authority is forecasting to collect $101,500 more in utility reimbursement from the concessionaires operating in the new dining facilities and stores developed under the Airport Gateway Project.

These increases are partially offset by 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. See Baggage Handling System in this section.

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 $1.629 million in the FY 2013-14 Budget is a $1.171 million increase from the FY 2012-13 Budget and consists primarily of Customer Facility Charge (CFC) revenues and interest earnings on the surplus and reserve funds the RTAA has available for investment.

The significant increase in Non-Operating Pledged Revenues is due to the inclusion of Customer Facility Charge (CFC) revenues derived from the $1.25 fee assessed to each rental car transaction day.

Investment Interest for FY 2013-14 is budgeted at $130,700, a 5.5% decrease compared to the projected revenue for the current year and a 0.2% decrease from the FY 2012-13 Budget. The slight decrease is due primarily, to the maturity of investments held at higher rates and the historically low interest rates available upon reinvestment. Interest rates on government securities and bank deposits are at historic low levels as a result of efforts by the Federal Reserve to promote economic growth.

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 $308,600 in FY 2013-14. 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 $6.42 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 2013-14
ANNUAL BUDGET
Summary of Budgeted Revenues

	FY 2011-12 Actual	FY 2012-13 Budget	FY 2013-14 Forecast	Percent Change
Landing Fees - Reno-Tahoe				
Signatory Airlines-Scheduled Carriers	$ 5,855,634	$ 6,008,198	$ 5,539,867	
Signatory Airlines - Freight Carriers	940,518	920,818	1,053,665	
Non Signatory Airlines - Scheduled Carriers	73,066	50,406	88,966	
Charters, FBO's	18,544	-	-	
Non Signatory Airlines - Charters	5,539	-	-	
Non-Signatory Airlines - Air Freight Carriers	21,534	21,944	23,347	
Air Service Incentive- Landing Fees	(8,423)	(150,000)	(150,000)	
	6,906,411	6,851,366	6,555,845	-4%
Aircraft Fees - Reno-Tahoe				
Fuel Flowage	170,043	160,300	173,400	
Aircraft Parking	37,539	41,200	37,200	
Fuel Farm Use Fee and Ground Rent- RFFC	588,369	637,300	588,400	
Fuel Farm Use Fee - Jet West	9,000	9,000	18,000	
	804,951	847,800	817,000	-4%
Aircraft Fees - Reno-Stead				
Fuel Flowage	15,839	17,400	16,800	
Landing Fees	12,960	9,600	13,400	
	28,799	27,000	30,200	12%
TOTAL Aircraft Fees	$ 7,740,161	$ 7,726,166	$ 7,403,045	-4%
Concession Revenue				
Gaming Revenue	$ 1,790,472	$ 1,920,200	$ 1,558,000	-19%
Food and Beverage Revenue	831,549	653,300	885,800	36%
Merchandising Revenue				
Confection	(242)	-	-	
Duty Free Shop	92,935	93,600	88,500	
Newsstand and Gift Shop	793,436	767,000	953,700	
	886,128	860,600	1,042,200	21%
Other Concession Revenue				
FBO's and Ground Handling				
Fixed Base Operators - Reno-Tahoe	28,916	36,100	73,800	
Security Services	42,492	48,100	40,900	
Ground Handling/Support Services	152,012	167,900	204,700	
	223,420	252,100	319,400	27%
Stead Concession Revenue				
RARA Concession Revenue	25,291	-	-	
Fixed Base Operators - Reno-Stead	20,474	21,700	21,000	
Other Concession Revenue	664	300	700	
	46,430	22,000	21,700	-1%
Advertising Revenue	838,259	840,100	792,700	-6%
Miscellaneous Concession Revenue				
Other Concessions	24,024	23,600	20,500	
Luggage Carts	16,566	14,700	15,600	
ATM	120,800	121,000	122,000	
	161,389	159,300	158,100	-1%
Total Other Concession Revenue	1,269,498	1,273,500	1,291,900	1%
Total Concession Revenue Excluding Auto Rental and Gaming	2,987,175	2,787,400	3,219,900	16%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Summary of Budgeted Revenues

	FY 2011-12 Actual	FY 2012-13 Budget	FY 2013-14 Forecast	Percent Change
On Airport Auto Rental	5,871,788	6,137,300	5,875,400	
	5,871,788	6,137,300	5,875,400	-4%
TOTAL Concession Fees	$ 10,649,435	$ 10,844,900	$ 10,653,300	-2%
Auto Parking and Ground Transportation				
Auto Parking/Traffic Control				
Public Parking Lot	8,241,347	8,065,400	7,685,600	
Employee Parking	279,780	287,700	284,700	
Parking Fines	6,800	9,200	7,100	
	8,527,927	8,362,300	7,977,400	-5%
Ground Transportation				
Taxi Loop	84,515	88,900	83,400	
Limousines	5,666	5,800	5,500	
Buses/Courtesy Shuttles	120,093	123,200	116,000	
Permit Fees	3,995	3,800	3,900	
	214,269	221,700	208,800	-6%
TOTAL Auto Parking and Ground Transportation	$ 8,742,196	$ 8,584,000	$ 8,186,200	-5%
Space Rentals				
Terminal Rents, Signatory Airlines				
Ticket Counter	$247,094	$318,000	$304,100	
Hold Room	1,274,315	1,529,900	1,566,600	
Back Office	478,463	575,100	588,900	
Bag Claim	1,138,643	1,368,900	1,401,200	
Bag Service Office	133,858	160,900	164,800	
Bag Makeup	1,140,477	1,370,800	1,403,800	
Baggage System	767,836	922,900	945,100	
Operations Space	586,510	708,800	651,900	
Common Use Drives	276,583	332,500	340,400	
Outside Storage	27,513	33,100	33,900	
Gate Use Charge/ Non-Signatory Use Fees	276,935	288,100	273,100	
Air Service Incentive- Terminal Rent	-	(100,000)	(100,000)	
	$6,348,227	$7,509,000	$7,573,800	1%
Terminal Rents, Other				
Government Agencies	241,423	296,600	302,100	
Car Rental Counters & Offices	309,066	304,100	307,000	
Other Terminal Rents	140,609	133,000	135,700	
	691,097	733,700	744,800	2%
Reno/Tahoe Non-Terminal Rents				
Building Rental	1,218,347	1,221,200	1,307,800	
Building Rental - Auto Rental	440,815	445,000	453,000	
Hangar Rental	886,178	883,900	888,900	
Land Rental	1,469,693	1,499,300	1,452,900	
Land Rental - Auto Rental	961,015	970,500	977,000	
	4,976,048	5,019,900	5,079,600	1%
Reno Stead Rents				
Hangar Rental	245,554	247,800	275,400	
Airfield Rental	49,871	47,800	47,300	
Land Rental	135,422	143,200	150,900	
Sewer Use Fee	6,907	9,200	7,100	
Wash Rack	292	100	300	
Mini Warehouse Rent	16,267	14,800	10,600	
Other Rental	20,850	56,400	62,000	
	475,163	519,300	553,600	7%
TOTAL Space Rentals	$ 12,490,535	$ 13,781,900	$ 13,951,800	1%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Summary of Budgeted Revenues

	FY 2011-12 Actual	FY 2012-13 Budget	FY 2013-14 Forecast	Percent Change
Reimbursed Services				
Security Services	454,034	439,512	388,300	
Utilities	133,520	72,600	174,100	
Maintenance	6,728	6,100	13,000	
Disposal Fees	199,385	204,000	205,800	
Other	46,527	6,300	27,000	
Rental Car QTA Admin Costs	-	-	62,600	
BHS Reimbursement - Signatory Airline	1,460,998	1,729,928	1,619,244	
BHS Reimbursement - Non-Signatory Airline	51,510	25,000	25,000	
BHS - TSA Reimbursement	55,153	82,900	58,500	
TOTAL Reimbursed Services	$ 2,407,854	$ 2,566,340	$ 2,573,544	0%
Miscellaneous Revenue				
Miscellaneous Revenue	59,483	12,000	25,400	
Damage Claim Reimbursement	8,616	-	-	
	68,099	12,000	25,400	112%
TOTAL OPERATING REVENUE	$ 42,098,279	$ 43,515,306	$ 42,793,289	-2%
Non-Operating Revenue				
Investment Interest	224,935	129,900	128,700	
Investment Interest, CFC	206	200	1,200	
Investment Interest, Fuel Tax Fund	495	900	800	
Gain (Loss) on Sale of Fixed Assets	78,651	-	-	
Aviation Gas Tax	304,048	327,100	308,600	
CFC Revenue	-	-	1,190,100	
Miscellaneous	126	-	-	
TOTAL Non-Operating Revenue	608,462	458,100	1,629,400	256%
TOTAL Pledged Revenue	$ 42,706,741	$ 43,973,406	$ 44,422,689	1%
Non-Pledged Revenue				
Investment Interest, Construction-Subordinate		4,800	2,500	
Investment Interest, Pre-Bond	(86)	1,600	-	
Investment Interest, Other Restricted	-	400	200	
Investment Interest, Flood Grant	5,156	6,900	6,900	
Investment Interest, Flood Proceeds	14,657	20,600	22,100	
Investment Interest, Consent Decree	715	5,200	4,100	
Investment Interest, PFC	20,969	5,400	6,600	
PFC Revenue	6,785,930	7,006,300	6,379,200	
TOTAL Non-Pledged Revenue	$ 6,827,341	$ 7,051,200	$ 6,421,600	-9%
TOTAL REVENUES	$ 49,534,083	$ 51,024,606	$ 50,844,289	0%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Non-Airline Revenues

	2011-12 Actual	2012-13 Budget	2012-13 Forecast	2013-14 Budget	% Percent Change FY 14 Budget to	
					FY 13 Budget	FY 13 Forecast
Non Airline Revenue						
Aircraft Fees - Reno	804,951	847,800	809,600	817,000	-3.6%	0.9%
Aircraft Fees - Stead	28,799	27,000	29,500	30,200	11.9%	2.4%
Gaming Concession	1,790,472	1,920,200	1,675,000	1,558,000	-18.9%	-7.0%
Food & Beverage	831,549	653,300	746,200	885,800	35.6%	18.7%
Merchandising Revenue	886,128	860,600	832,800	1,042,200	21.1%	25.1%
Advertising	838,259	840,100	812,300	792,700	-5.6%	-2.4%
Other Concessions	431,239	433,400	399,400	499,200	15.2%	25.0%
Auto Rental	5,871,788	6,137,300	5,890,800	5,875,400	-4.3%	-0.3%
Auto Parking	8,527,927	8,362,300	8,151,900	7,977,400	-4.6%	-2.1%
Ground Transportation	214,269	221,700	207,400	208,800	-5.8%	0.7%
Other Terminal Rents	691,097	733,700	733,700	744,800	1.5%	1.5%
Reno/Tahoe Non-Terminal Rents	4,976,048	5,019,900	5,002,700	5,079,600	1.2%	1.5%
Reno Stead Rents	475,163	519,300	522,200	553,600	6.6%	6.0%
Baggage Handling System	1,567,661	1,837,828	1,766,564	1,702,744	-7.4%	-3.6%
Reimbursed Services	840,193	728,512	814,200	870,800	19.5%	7.0%
Miscellaneous	68,099	12,000	20,300	25,400	111.7%	25.1%
Total Non Airline Revenue	$ 28,843,641	$ 29,154,940	$ 28,414,564	$ 28,663,644	-1.7%	0.9%
Non Operating Revenue	608,462	458,100	446,900	1,629,400	255.7%	264.6%
TOTAL NON-AIRLINE REVENUES	$ 29,452,103	$ 29,613,040	$ 28,861,464	$ 30,293,044	2.3%	5.0%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Section 3 – Expenditures

The total Operating and Maintenance (O&M) expenses in the adopted FY 2013-14 Budget are $37,139,676. This is 2.1% above the FY 2012-13 Budget and 6.2% above the FY 2012-13 projected expenditures.

	CURR. YR. BUDGET 2012-13	CURR. YR. PROJECTED 2012-13	BUDGET REQUEST 2013-14	PERCENT CHANGE FY14 BUDGET TO FY13	
				BUDGET	PROJECTED
Personnel Services	$ 24,061,025	$ 23,339,194	$ 24,983,395	3.8%	7.0%
Utilities & Communications	3,178,820	2,956,303	2,849,635	-10.4%	-3.6%
Purchased Services	4,899,204	4,507,268	5,135,666	4.8%	13.9%
Materials & Supplies	1,761,625	1,761,625	1,794,195	1.8%	1.8%
Administrative Expenses	2,477,567	2,403,240	2,376,785	-4.1%	-1.1%
Total	$ 36,378,241	$ 34,967,630	$ 37,139,676	2.1%	6.2%

The Airport's budget process is a zero-based process in which each expenditure line item is evaluated on its own merit each year. The underlying structure of the FY 2013-14 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 increasing by 3.8% from the FY 2012-13 Budget and is 7.0% above the updated projected expenditures for the 2012-13 fiscal year. This increase is due primarily to significantly higher medical insurance costs and higher Public Employee Retirement System (PERS) contribution rates.

  Health insurance costs are estimated to increase significantly by $643,600 or 33.2% over the prior year budget. This is due to a significantly higher loss ratio, out of pocket medical costs divided by premiums paid, during the current year of approximately 156%.

  In FY 2013-14, retirement contributions are scheduled to increase significantly as a result of increased contribution rates established by the Public Employees' Retirement System (PERS) for Regular members effective on July 1, 2013. The contribution rates under the Employer-paid Contribution Plan increased from 23.75% to 25.75%. In addition, contribution rates for Police/Fire members increased from 39.75% to 40.50%. This change results in an increase of $298,900 or 7.5% in higher retirement costs than the prior year adopted budget.

These rates are established by PERS based on an actuarial valuation report adopted by the Retirement Board for a two year period and, therefore, no increase in the contribution rates is anticipated in the following year (FY 2014-15) Budget.

In addition, the budget includes two new positions and funding for four previously frozen custodial positions and employee salaries will increase in compliance with existing collective bargaining agreements and civil service and management guidelines.

As part of the FY 2013-14 budget review process, 12.5 positions remain "frozen" and are not funded in the requested budget. With the support of the Board, RTAA management over the past five years has aggressively and proactively taken cost reduction steps in response to the recession and its impact on passenger levels.

- The Utilities and Communications FY 2013-14 Budget is 10.4% or $329,000 under the FY 2012-13 Budget and 3.6% or $107,000 above the updated projected expenditures for the 2012-13 fiscal year.

  The decrease in the FY 2013-14 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 budgeted electricity rates charged by NV Energy. However, with the current expansion of the terminal building, the Authority is forecasting to see an increase in utility costs as compared to last year's actual results.

- The Purchased Services Budget is 4.8% or $236,000 above the FY 2012-13 Budget and increasing 13.9% or $628,000 above the updated projected expenditures for the 2012-13 fiscal year.

  The increase from the previous year's budget is primarily due to additional expenses in the following areas: (1) data processing and maintenance agreements associated with upkeep of the noise monitoring system and police records management system of $184,000; (2) engineering consulting services of $25,000: (3) property management services for the Quick Turn Around (QTA) facility used by the rental car companies for fueling and wash cars of $300,000; and (4) contracted repair and maintenance services in support of the both the QTA and the Rental Car Service Facilities of $221,000.

  This increase is partially offset by savings in the following services: (1) lower outside legal services of $110,000; and (2) lower contract services in support of the terminal building of $98,000.

  As mentioned earlier, $521,000 of the increase in purchased services is related to property management and maintenance costs associated with Rental Car Facilities.

Excluding these expenses funded by the new Customer Facility Charge fee assessed to Rental Car Customers, the remaining proposed purchase services budget would be $4,595,625, a decrease of $303,579 or 6.2%.

- The Materials and Supplies Budget is increasing 1.8% or $33,000 from both the FY 2012-13 Budget and from the projected expenditures for FY 2012-13. The largest increase is $31,200 for office equipment needed to replace the Flight Information Display Systems (FIDS) on both concourses and entry to bag claim.

- The Administrative Expense Budget is decreasing 4.1% or $101,000 from the FY 2012-13 Budget and 1.1% or $26,000 from the projected expenditures for FY 2012-13. This decrease is mainly due to two one-time events that took place in FY 2012-13 and will not be recurring in the next fiscal year.

  These events include the following: (1) the American Association of Airport Executives (AAAE) Conference sponsorship of $140,000 associated with the national convention held in Reno on May 19 - 22, 2013; and (2) the executive search firm and interview costs associated with the recruitment of a new President/CEO of $100,000.

  This savings is partially offset by an approved budget of $35,000 to provide relocation expenses and a temporary housing allowance for the new President/CEO and RTAA sponsorship of $33,000 in support of an airport noise monitoring convention and an airport internal audit convention both being held in Reno.

The following are the strategic goals adopted by the Board, the status of the previous FY 2012-13 key initiatives, and the new FY 2013-14 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 2012-13 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.*

❖ 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:*** *Completed. On April 30, 2013, the Reno-Tahoe Airport Authority Police Department earned one of the highest accreditations in the nation. Airport Police completed the Law Enforcement Accreditation Program from the Commission on Accreditation for Law Enforcement Agencies (CALEA).*

  With this achievement, the Authority's Police Department joined an elite group of law enforcement officers and become only the third CALEA certified Police Department in all of Nevada. The CALEA certification is also recognized nationally as a high achievement, with only 580 other accredited police departments out of 18,000 in the nation.

❖ 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. This is an ongoing effort to ensure that our systems are secure and reliable. Staff has implemented new firewall technology to provide redundancy and detect system misuse.*

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

- ***Progress:*** *Ongoing. This project is in the analysis and design phase. Acquisition and implementation are anticipated during the second quarter of 2013.*

- 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. Data loss prevention technology will be implemented as part of the Workstation Replacement Project, Phase II. This technology will prevent the accidental or intentional loss or removal of sensitive and important data. It is a requirement of NRS 597.970. This technology will regulate the use of removable data storage devices, and monitor and restrict using email to transmit restricted information.*

- Computer Software Upgrade.

  - ***Progress:*** *Ongoing. Phase II of the Computer Workstation Replacement Project is underway and will result in the upgrade of server and workstation software. Upgrade to the Microsoft Windows 7 operating system and its associated applications are anticipated in the fourth quarter of 2013.*

- Telephone System Replacement.

  - ***Progress:*** *Complete. Phase II of the telephone system upgrade project was completed in August of 2012. All major airport buildings, including the Stead Airport, are utilizing a consolidated VoIP telephone infrastructure. This provides a consistent user experience as well as increased functionality and high reliability.*

- Maintain software and hardware for airport security systems including access control and CCTV. This task includes project management for various projects.

  - ***Progress:*** *Ongoing. This is an ongoing effort to ensure that the most important airport systems are functional at all times. The TIS department works closely with the Operations and Security Departments, as well as tenants and vendors, to ensure that security projects are implemented in a timely and appropriate manner.*

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

  - ***Progress:*** *Ongoing. The Operations and Public Safety and the Airport Police Departments are evaluating technology to replace the existing computer aided dispatch and police records management systems. Implementation is anticipated in the second quarter of 2013.*

- Virtual Server Infrastructure Replacement – Virtual server technology now hosts most of the mission-critical applications for the Authority. The existing hardware will enter its sixth year

of operation during FY2012-13 and must be replaced. This equipment is required to function in an uninterrupted manner and facilitates many safety, security, operations, and business functions.

- ***Progress:*** *Complete. The virtual server infrastructure replacement project was completed in December of 2012. This provided new hardware and software to host all technology in use at the RTAA. It also provided a redundant site, located in the base building of the old air traffic control tower, to function as a disaster recovery computer room. This new system will be the basis for all future technology implementations.*

❖ 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.

- ***Progress:*** *This project was deferred for one year due to funding considerations. In FY 2013-14 Budget, a new position of GIS Manager was approved and active recruitment will be underway starting with the new fiscal year. Once the position is filled, the Authority will acquire the initial hardware and software necessary to begin implementation along with the starting the initial configuration, developing the data schema, and collecting eALP data. .*

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

- ***Progress:*** *Complete and ongoing. TSA conducted a comprehensive, three week inspection of Reno-Tahoe International Airport's (RTIA) compliance with 14 CFR 1542 and associated Security Directives. The inspection not only includes interviews with various Security and Police staff, but also covert testing to determine whether airport users have been adequately trained on security procedures. The inspection was concluded with no findings. In addition, RTIA successfully completed all audits required by TSA regulations. These included a security badge audit and a Criminal History Records Check audit. No discrepancies were found in any of the audits.*

❖ 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.*

- Conduct annual aviation security tabletop exercise.

  - ***Progress:*** *Complete. The 2012 Aviation Security Exercise, required by 49 CFR 1542, brought all Operations & Public Safety departments together for a dynamic review of the airport's response to an active shooter. The exercise brought not only airport employees to the table but airline and concessionaire tenants also participated. The nature of the exercise brought about a review of the airport's evacuation plan.*

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

  - ***Progress:*** *Ongoing. In CY 2012, Security responded to 458 door alarms, conducted 772 delivery inspections, 6203 vehicle inspections at Gate 155 and issued 220 citations.*

- Develop and manage a Landside Operations program that will track landside facility inspections, identify maintenance needs, facilitate repairs and provide data for budget planning.

  - ***Progress:*** *Complete and ongoing. This program has been completed and is being used by staff to manage maintenance needs.*

- 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 Federal Aviation Administration (FAA) required annual table-top and triennial exercises.

  - ***Progress:*** *Complete and ongoing. Operations staff continually managed the EOC during emergencies. NIMS training was conducted for newly hired employees and recurrent training has also been initiated. An FAA required annual tabletop was successfully completed and the Triennial exercise is being planned.*

- 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. RTAA staff participate on the Washoe County Joint Operating Committee for the 800 MHz radio system.*

- 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 six (6) events per year. Review snow season activities and prepare for next year. Attend International Snow Symposium.

- **Progress:** *Complete and ongoing. Authority staff updated the Snow and Ice Control Plan and reviewed it internally and with stakeholders in October 2012. The Authority has coordinated 13 snow events during the 2012-2013 snow season. There is a standing agenda item for snow removal in the monthly Airline Station Manager's meeting and the adopted budget provides for an Airfield Operations Supervisor to attend Snow Symposium training in the upcoming budget year.*

❖ 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 is conducted for situational awareness.*

❖ 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 occurred.*

❖ 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:*** *Ongoing. Reported bird strikes totaled ten (10) in Calendar Year 2012. In coordination with United States Department of Agriculture, staff removed gull chicks and oiled gull eggs at old Parklane Mall site approximately two miles from 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 occurred. An RTAA representative was 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 102,870 calls from the public and made 14,905 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 five ramp freezes for President and other dignitary visits in coordination with the Secret Service. Conducted thirty-two (32) airline ring down calls.*

❖ 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 passed annual audits conducted by State of Nevada and the Federal Bureau of Investigation. Staff is currently preparing for upcoming audits.*

❖ 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 48,693 dispatch entries of staff and tenant activities, assignments, and incident responses and sent 460 InfoRad pages in 2012.*

❖ Coordinate, finalize and publish RTIA Rules and Regulations.

- ***Progress:*** *Ongoing. The Operations & Public Safety Department is in the final stages of editing of the RTIA Rules and Regulations.*

❖ Add Continuity of Operations Annex to Airport Emergency Plan (AEP).

- ***Progress:*** *Complete. A Continuity of Operations Annex was added to the AEP.*

❖ Improve situational awareness with map-based asset location tracking.

- ***Progress:*** Ongoing. *The new Computer Aided Dispatch (CAD) system being proposed will have the possibility to be expanded to include map-based asset location tracking.*

❖ 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. In final stages of completion.*

❖ 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 more than 170,000 recordable calls in 2012. 48,693 entries in the computer-aided dispatch system. Sent 460 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-Airport Firefighters responded to 211 emergency medical calls and 120 aircraft or other emergency situations that occurred at the Reno-Tahoe International Airport (RTIA) and Reno-Stead Airport (RTS). During the annual Federal Aviation Administration inspection, RTAA firefighters met or exceeded record inspection requirements. The annual emergency response drill was conducted and successfully completed.*

❖ 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 was completed. 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.*

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

- ***Progress:*** *Complete and ongoing. Conducted facility fire inspections at both airports 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.*

❖ 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. 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 were taken to provide a historical data.*

❖ 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 enhance performance when needed. The Captains have been provided on going training opportunities to participate in FEMA Incident Command System (ISC) training and improve their ability of managing 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. A lead Captain overseas the Airport's fire inspection program providing necessary structure, coordination and communication throughout the process enforcing Federal and Local Fire Codes.*

- Maintain high priority focus on safety during firefighting operations and for airport employees during their daily assigned duties.

  - ***Progress:*** *Complete and ongoing. Firefighter safety continues to be the number one priority of this department. Continuing safety education programs by applying Federal and State OSHA requirements and NFPA 1500 guidelines to maintain safety awareness for firefighters as a well as RTAA employees.*

- 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 firefighter continue to work with mutual aid agencies to include fire, emergency medical and emergency management leader to share knowledge of each agency's capabilities. Working together, while under the Incident Command Structure in a training atmosphere, helps to develop relationship during a real disaster situation.*

- Conduct communications cross-training with Reno and Regional Emergency Medical Services Authority (REMSA) dispatch centers.

  - ***Progress:*** *Ongoing. The communications division is working out the details to cross train with the City of Reno and REMSA dispatch centers.*

- Design and install curbside canopy gutter and drain system to provide enhanced safety and comfort to passenger arrivals and departures at the Terminal Building.

  - ***Progress:*** *Completed.*

- Install fiber optic cabling connection to Snow Removal Equipment building.

  - ***Progress:*** *Completed.*

- Replace Bag Claim area roof.

- ***Progress:*** *Ongoing. Roof design has been completed and was bid in late February/early March with completion expected by June 30th. Decision was made to delay this roof replacement due to the Airport Gateway Project. When the contractor has finished their roof work associated with the Airport Gateway Project, this project will be bid.*

❖ Continue to investigate energy efficiency improvements.

- ***Progress:*** *Ongoing. Central Lobby lights have been replaced with Light-Emitting Diodes (LED) fixtures, Bag Claim area fixtures have been ordered, received and are in the process of installation. Additional LED fixtures have been ordered for the Connector Concourse. Four LED fixtures were tested for exterior overhead pole lighting.*

❖ Develop inventory and investigate LED replacement plan for exterior overhead pole lighting.

- ***Progress:*** *Ongoing. Four (4) different fixtures were tested and evaluated this year. Fixture purchase was put out to bid in March, procured and installed by June 30, 2013.*

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

- ***Progress:*** *Complete and ongoing. This is an ongoing annual mission-critical task that is performed every day. Reno Tahoe International Airport (RTIA) staff was again commended for the procedures being used in the day-to-day operations of the airport in the 2012 Annual FAA 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% of operational requirements at all times and (2) airfield ramp and landside parking lighting to 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 20% of Asphaltic Concrete pavement at RTIA and Reno-Stead (RTS) airports. Repair cracks and spalls in pavement as required and replace joint sealants in areas of identified failure. Maintain Aircraft Operations Area markings to 100% compliance with Federal Aviation Regulation (FAR) Part 139 Airport Certification.

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

- Perform rubber removal as needed per Federal Aviation Administration Advisory Circulars, based on Runway Friction Test data to meet Federal Aviation Regulation (FAR) Part 139 Certification 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 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 response to an updated Markings Advisory Circular, forty-two (42) Hold Position ground markings were applied at every runway/ taxiway intersection on the airfield.*

- Patch and seal cracks in 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. A mild winter presented few challenges for the Airfield Snow Teams, but snow removal operations 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 continues to stay abreast of the latest advancements in the alternative fuel vehicles arena. Diesel fleet continues to operate exclusively on GDiesel, an environmentally friendly diesel fuel that is locally produced.*

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

  - ***Progress:*** *Ongoing. Action was taken on three pieces of state-of-the-art snow removal equipment. A four-wheel drive, four-wheel steer plow truck was delivered and a front-end wheel loader is ready to bid. Specifications are being compiled for the acquisition of a high-speed, high-capacity snow blower.*

- Maintain all signs to ensure 100% 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.*

- Paint interior of the airfield vehicle repair shop and annex walls and apply an epoxy floor coating on both building bay floors.

  - ***Progress:*** *Complete and ongoing. Epoxy floor coating was applied to floors in both shops and wall painting is ongoing.*

- 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.*

- Move in and organize snow equipment and accessories in the new Snow Removal Equipment building.

  - ***Progress:*** *Completed. Staff has completed the commissioning and outfitting of the new building.*

- 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 resources and contracted service providers in supporting this goal.*

❖ 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.*

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

- ***Progress:*** *Ongoing. This is an on-going program. Projects we have currently completed for this fiscal year in regards to energy efficiency are the installation of LED lighting, and other lighting upgrades. Maintenance staff has also altered the time of day schedules for the operations of the HVAC systems throughout the terminal and BHS areas.*

❖ Continued efforts in specifying and procuring new technology for terminal lighting efficiency.

- ***Progress:*** *Ongoing. This is an on-going effort as technology improves at a fast pace in regards to lighting efficiency. New products are tested and evaluated for applicability and cost reduction. The Facilities Department has started an LED lighting upgrade in the bag claim and the connector concourse which will be complete before the end of this fiscal year.*

❖ Storage and Work Area Expansion – build-out of three drive through bays under the Concourse "C" connector to construct additional storage and work space area that was lost due to surrendering to the Airport Police Department remodel project.

- ***Progress:*** *Complete. This project has been completed.*

- Coordinate with Purchasing and Materials Management to dispose of excess equipment from the Baggage Handling System (BHS) and Access Control and Monitoring System (ACAMS) projects.

  - ***Progress:*** *Complete. This project has been completed.*

- 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.

  - ***Progress:*** *Ongoing. This is an ongoing effort that will continue through the completion of the project and warranty periods.*

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

  - ***Progress:*** *Complete and ongoing. This has been achieved with the support of the Facility Supervisors, Planner/Scheduler and the facility maintenance staff.*

FY 2013-14 Key New Initiatives

- Expand RTAA disaster recovery and business continuity capabilities. The Technology and Information Systems department will use existing equipment and technology to separate and duplicate mission critical functions to ensure that mission critical systems are durable and recoverable during critical events and natural disasters.

- Comply with Purchasing Card Industry (PCI) security and privacy standards, as well as NRS 597.970 Electronic Data Privacy requirements. Implement and audit policies and procedures designed to further protect the authority's systems and data.

- Facilitate the technology requirements for the new Reno-Stead Terminal/Emergency Operations Center building. Work with engineering staff, contractors, consultants, and tenants to implement necessary technology. Relocate existing, and provide temporary technology during the construction period.

- Revise driving regulations and consolidate rules and regulations.

- Coordinate and publish revised Airport Rules and Regulations.

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

- Research and evaluate employee parking privileges and revenue to ensure equity among Airport staff and tenants.
- Review and improve parking validation process.
- Continue investigations for energy efficiency for the terminal systems and equipment.
- Pursue Americans with Disability Act (ADA) compliance upgrades within the terminal and other airport facilities.
- Install vehicle crash barriers at Concourse B & C elbow drive-through areas.
- Continue newly initiated Rental Car Facility CFC (Customer Facility Charge) maintenance and Capital Improvement program of all airport owned rental car facilities.
- Continue 100% compliance with mandated backflow device inspections and repairs and administration of required programs.
- Replace various water meters at airport owned facilities.
- Provide management and oversight of Tenant Improvement Permit program.
- Create a Security and Badging public webpage to provide on-line access to common Badging forms and Security training.
- Install thermoplastic markings at all runway entrances.
- Outfit snow equipment building for efficient operations.
- Change out the lighting on Concourse B and C with energy efficient LED's.
- Explore changing out the lighting on the Parking Structure with energy efficient LED's.
- Complete the five-year State of Nevada required testing of the fire suppression system in the Parking Structure.

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 2012-13 Key Initiatives

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

  - ***Progress:*** *Complete and ongoing. Staff answered more than 600 Ask The Airport questions and several hundred social media inquiries on Facebook and Twitter. A customer coupon program was also instituted on Four Square.*

- Showcase four (4) art exhibits annually.

  - ***Progress:*** *Ongoing but on hold due to the Gateway Project. With the completion of the Airport Gateway Project in April 2013, a new art gallery exhibited its first show- a celebration of Wild Horses.*

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

  - ***Progress:*** *Complete and ongoing. Welcomes were created for:*
    - *Pole Vaulters*
    - *Burning Man*
    - *American Century Golf Tournament*
    - *Bowlers*
    - *National Veterans of Foreign Wars*
    - *Reno-Tahoe Open Golf Tournament*
    - *All disabled passengers due to the Airport Gateway Project*
    - *University of Nevada Wolf Pack sports events*
    - *Returning service men and women*
    - *Honor Flight*
    - *National Guard Association*
    - *Geothermal Resources Conf.*
    - *Mountain Travel Symposium*

- Adopt social media as a full fledged marketing, public relations, and customer service tool.

  - ***Progress:*** *Complete and ongoing. Social Media is quickly becoming one of the more important tools for communicating with the traveling public. A vast majority of travelers are getting travel information and communicating via mobile device. Social Media (Twitter, Facebook, and Foursquare) has been used by the Marketing/PR Department to communicate with passengers, the local community, and media. With minimal effort, the department has been able to increase its followers by over 50% in both Facebook and Twitter since July of 2012 (combined followers of 4,300+). Social media has been used to provide updates on the status of the airport/weather, communicate unique arrivals at the airport, airline partner fare sales, construction and facility updates, special events and more. The department recently began utilizing Hootsuite, a social media monitoring tool that has allowed staff to engage more in conversations with passengers on Twitter. The introduction of Hootsuite has allowed the RTIA to return a lost iPad to a passenger from Southern California, engage a media personality from Southern California who spoke favorably about her experience with a janitor in RTIA, solve customer service issues and much more.*

- Implement a locally oriented air service marketing and public relations plan.

  - ***Progress:*** *Ongoing. Staff launched local campaigns for Horizon to San Jose and Allegiant to Las Vegas. A campaign is currently being planned for overall RTAA air service as well.*

- Develop a Children's Play area in the airport.

  - ***Progress:*** *Complete. The Nevada Mining Association adopted the Children's Play area and it was completed in April 2013.*

- Create a communications program for Airport Gateway Program.

  - ***Progress:*** *Complete. A wide ranging $150,000 campaign including TV, radio, print, web, social media and customer service was completed in March 2013.*

- 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. Airport Economic Development (AED) staff worked with the Paradies Shops (Paradies) through the Airport Gateway project to improve the retail offerings at RTIA including the addition of No Boundaries, CNBC and In Motion, as well*

as the return of Brighton in its own retail space – all to be located on the new concourse connector. These new offerings opened in April 2013.

AED staff is also discussing the possibility of placing the Northwest Duty Free Boutique store in a new, more prominent location at the Concourse B-landing area to allow Northwest Duty Free to expand their space and product offerings. Northwest Duty Free also proposes to expand its Concourse "C" store to its original size upon the relocation of the Security Checkpoint and possibly their Concourse B-elbow store as well if the Concourse B-landing area does not materialize. Finally, AED staff is exploring the option of adding interactive kiosks in various locations in the airport that would offer coupons for retail and food and beverage in an effort to drive additional traffic and revenue to these locations.

- 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:*** *Complete. Staff worked with SSP, the Food & Beverage concessionaire, to provide a new, full service restaurant, Timber Ridge, on the new concourse connector. Timber Ridge provides travelers with a relaxing, high-end dining experience in a beautifully appointed "Tahoe" themed restaurant complete with a fireplace, large timber beams, stone finishes and 18-foot high windows overlooking the tarmac and mountains beyond. Timber Ridge will offer a new menu with full-service restaurant food and beverage offerings post-security, which was not previously offered at RTIA. In addition, the Gateway project re-opening McDonald's on the concourse connector with a new restaurant design and a shared seating area. These restaurants opened in April 2013.*

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

  - ***Progress:*** *Ongoing. AED staff continues to work with SSP to enhance food and beverage offerings in areas outside the new Gateway project including the addition of the new Mountain House Diner in the Terminal Lobby, which features local flavor menu items such as venison and bison, SSP has also added new food items such as soup, salads and Panini's to the Peet's Coffee menu.*

    Improvements and enhancements on the concourses include the remodel of both concourse bars resulting in a more open, family friendly atmosphere in a "Tahoe" themed environment. The conversion of the Max's Eatz on both concourses to the Wild Garlic Pizza and Pub provides a pizza and beer menu in lieu of the Max's deli menu that had similar offerings already provided in the La Brea Bakeries on the concourses, thereby providing more food and beverage choices to passengers.

- 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:*** *Complete. The Terminal Lobby gaming area was completely renovated as part of the Airport Gateway Project with updated infrastructure and some of the newest, state-of-the-art games. IGT will also be reconfiguring some of their game groupings to be back-to-back rather than side-to-side to provide a different look and feel for the gaming customers.*

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

  - ***Progress:*** *Complete and ongoing. Airport staff continues to work with IGT to expand their gaming locations on both concourses and to offer the best and newest games that provide the most appeal to the RTIA traveler. Specifically, the B-2 holdroom has been approved as a new "gaming area" directly across from Southwest Airlines' busiest gate, B-1. Also, the former Game Zone enclosed space on the C-Concourse directly across from the Emerald Bay Taphouse has been approved to be another new "gaming area."*

- Manage Concessions participation in the Airport Gateway Project (design review, stakeholder coordination, etc.).

  - ***Progress:*** *Complete. AED staff was very active in managing the concessionaires' participation in the Airport Gateway Project by attending weekly and sometimes daily construction meetings, coordinating with all the stakeholders on at least a weekly basis, and acting as the first contact for concessionaires' Tenant Improvement Permit process by obtaining: Tenant Improvement Permits; Confirmation of Nevada State Contractors Licenses for all general contractors and subcontractors; Insurance certificates for all general contractors and vendors/subcontractors who are not included in the general contractor's insurance coverage; Performance and payment bonds; Notices of Non-responsibility signed by the RTAA President/CEO and distributed to the Project Manager; Building Permits from the City of Reno.*

    AED staff worked very closely with the RTAA's Project Manager for the Gateway Project as well as the concessionaires to ensure timely delivery of all of the tenants' Tenant Improvement Permit requirements.

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

- ***Progress:*** *This project will be included in the replacement and integration of the terminal public address and flight information systems. This project is currently slated for the 2014-15 fiscal year.*

❖ Terminal Public Address System Upgrades – The terminal public address system hardware will enter its sixth year of operation during FY 2012-13. The manufacturer recommends replacement of selected system components during the fifth year of operation. This project will upgrade the central server hardware and software.

- ***Progress:*** *Complete and ongoing. Interim upgrades were made to the existing terminal paging system to replace some portions that are at end-of-life. The central server was replaced as well as several key amplification components. This upgrade will enable the system to continue reliable operation until it is integrated with the flight information and visual paging systems during FY 2014-15.*

❖ 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 in 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:*** *Complete and ongoing. The first phase of a three-phase repaving project for the Long-Term Surface parking lot has been completed. Two more phases over the next two years will complete the project. The existing parking and revenue control system will be upgraded by June 30, 2013. The upgrade will bring the system into compliance with credit card industry standards and provide staff with a new analytics program for increased capability to conduct system and parking analysis. Staffing levels are satisfactory, currently stable and within budgeted capabilities.*

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

- ***Progress:*** *Ongoing. Formal guidance for ground transportation rules, regulation and service is found in the Section 8 of the Operations Department Airport Rules and Regulations document which is in development. In addition, ground transportation guidelines are communicated to transportation providers annually in conjunction with the permit renewal process.*

- Improve communication, service and product delivery to tenants and stakeholders who provide services to Authority passengers and customers.

  - ***Progress:*** *Complete and ongoing:*
    - *Concessions and Airlines - Staffing resources were reallocated and assigned certain concessionaires. This has increased staff's ability to communicate more frequently with all concession tenants and airlines and to coordinate more effectively with other departments. Staff also attends monthly Airline Station Managers meetings as well as daily/weekly Gateway construction meetings and all Tenant Improvement pre-construction meetings.*

    - *General Aviation - Improved communication with general aviation tenants through continued Tenant Bulletins, emails, written communication and Customer Service Impact Plans. Regular communication with RTIA tenants also occurs through the RTIA Users Group meetings.*

    - *Outside Properties - Staff has improved communication with our outside properties tenants by utilizing CenterShift. Staff developed a tenant contact database for this software for the generation and distribution of tenant bulletins, emails, and other written communication.*

FY 2013-14 Key New Initiatives

- Develop and implement an electronic way-finding program.

- Grow social media followers/friends by 5 percent (5%).

- Enhance customer service through better social media utilization.

- Market and promote the new Conference Room, completed as part of the Airport Gateway Project, to the public.

- Develop and implement a new local air service marketing campaign.

- Replace carpet in 23 jet-bridges.

- Research and implement a Mystery Shopper quarterly program for the food and beverage restaurants both pre- and post-security effective July 2013; all results and action items will be reviewed quarterly by Airport Economic Development staff with the local and regional food and beverage concessionaire to further enhance performance, customer service, and product quality standards.

- Work with all concessionaires to encourage participation in the Airport's social media platforms and the new Interactive Kiosks Program.

- Replace aging flight information display system (FIDS) monitors on both concourses and in the entry to the bag claim area. There are 16 large format LCD displays that are past their expected life and are failing in quality. These are to be replaced to improve appearance and readability.

3. Maximize Staff Effectiveness

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

FY 2012-13 Key Initiatives

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

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

- Develop in-house graphic skills.

  - ***Progress:*** *Complete and ongoing. Staff has attended Photoshop, typography, Illustrator, In-design, Brochure design.*

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

  - ***Progress:*** *Complete and ongoing:*
    - *Passport to Wellness: September poster, graphics for the RTAA intranet and created new passports as needed*
    - *World Routes: made changes and finalized graphics for the booth: two fascia graphics and map graphic for the podium*
    - *Burning Man Event: electronic messaging for BIDS and Ticketing monitors*
    - *Burning Man Event: concourse banners – 2 sided*
    - *Coordinated and sent cargo and interior RTIA photographs for EDAWN*
    - *Created RTIA Logo electronic messaging for BIDS and Ticketing monitors*
    - *NGAUS Conference: electronic messaging for BIDS and Ticketing monitors.*
    - *NGAUS Conference: concourse banners – 2 sided.*

- *Runway Reporter: created layout, articles edits, article creation and sent out.*
- *Air Races VIP Information Sheet for ticket packets.*
- *Worked on creating a new look and feel for ads.*
- *Street Vibrations Event: electronic messaging for BIDS and Ticketing monitors.*
- *Assistance with Air Race ticket distribution.*
- *Southwest Spirit Magazine ad design.*
- *Tahoe Quarterly ad design.*
- *Coordinated photos for Tahoe Quarterly winter feature.*
- *Designed a high resolution route map for Tahoe Quarterly.*
- *Tenant Bulletin distributions.*
- *Passport to Wellness: October poster and graphics for the RTAA intranet.*
- *Working with Economic Development to make content and layout changes to Reno-Tahoe: Where Business Takes Off brochure.*
- *GRC-GEA Conference: electronic messaging for BIDS and Ticketing monitors.*
- *Designed 2 sided concourse banners for thanking Veterans to be re-used as needed.*
- *Nevada Honor Flight: electronic messaging for BIDS and Ticketing monitors.*
- *Assisted with Wolf Pack Tailgate graphic elements, taking photos at event and event clean-up.*
- *NNDA-EDAWN Museum: Created an Edge-Lit sign, a poster board and a 3-sided display.*
- *Pep Squad: Updated Parking Garage Raffle flyer to be sent later in October.*
- *Pep Squad: Attended meeting on Oct. 4*
- *Pep Squad: Created Wolf Pack Ticket Raffle flyer and distributed, sent reminders.*
- *Created 3 logo choices for Human Resources recruitment efforts.*
- *High Resolution Route Map: made additions for one-stop cities.*
- *RTIA Terminal Map: got native file from KPS|3 to make edits and continue to make edits in-house to save money.*
- *Created RTAA Comprehensive Annual Financial Report cover/back for Finance Department.*
- *Creating Junior Achievement program ad – due October 18.*
- *Creating Reno-Tahoe Visitor Web banner advertisement.*

- Improve communication, service and product delivery to customers, stakeholders and internal RTAA departments through staff training.

  - ***Progress:*** *Complete and ongoing. The RTAA Training Coordinator has offered and staff has engaged in professional development workshops throughout the year to fortify communication and business skills, which all contribute to improved internal and external 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. During this period, specialized training sessions of Airport Economic Development (AED) staff on the Authority's property management software was completed. This training enhanced skills and advanced the use of the software to gain operational efficiency. AED staff attended a two-day seminar in July 2012 to expand staff's understanding of the program. Additionally, AED staff is working with the software developer and RTAA's Technology and Information Systems department to evaluate and enhance the current software and its effectiveness. AED staff evaluated the property management software upgrade in December 2012 and provided feedback to help increase the effectiveness for AED purposes as well as attempt to make the program more user-friendly.*

- 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 the 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.*

- Incorporate into current policies and procedures any applicable initiatives generated through both federal and state legislative changes, including regulatory guidance on PERS and health care reform provisions.

- ***Progress:*** *Ongoing. Reviewed each of the organizational policies and modified as necessary to incorporate changes in State and Federal Laws.*

❖ Provide continued support and assistance for implementation of the new employee recognition program.

- ***Progress:*** *Ongoing. Provided continued support and assistance in all facets of the program. Over twelve peer to peer recognitions have been approved and participation in the Excellence Award program grows each quarter.*

❖ Participate in the Airport Council International (ACI) compensation survey and review market competitiveness with benchmark airports.

- ***Progress:*** *Ongoing. Completed the Airport Council International (ACI) compensation survey in October 2012. Reviewed market competitiveness with benchmark airports upon receipt of completed data.*

❖ 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.

- ***Progress:*** *Ongoing. While customer service and safety/security remain a focus, with the launch of the "Five Star Learning Program", the focus of training has expanded to tie into more of the organizational values, incorporating Job/Career Development (Succession Planning); Business Skills (Technology); and Organizational (Communication).*

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

- ***Progress:*** *Complete and ongoing. Completed training with applicable supervisory personnel regarding the new provisions of the Fire employee collective bargaining agreement, which was amended and extended for one additional year, through June 2014. Ongoing administration, including contract interpretation, occurs daily.*

❖ Provide support and assistance towards organizational achievement of the Commission on Accreditation for Law Enforcement (CALEA) certification.

- ***Progress:*** *Ongoing support was provided to Airport Police to develop necessary policies, procedures and forms in support of CALEA certification.*

- Support the employee's efforts to achieve the organizational goal of 20 hours of training each year.

  - ***Progress:*** *Ongoing. Launched the Five Star Learning Program, which provides employees with incentives to diversify the type of training opportunities available. This training challenge allows employees to compete against themselves and each other to earn credits in five categories that support the organizational values.*

- Increase internal department employee knowledge with ongoing cross training and position specific procedure manuals.

  - ***Progress:*** *Ongoing. Updated and completed thirty-two (32) Benefit Specialist and Human Resources Specialist procedures which 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:*** *Complete and ongoing. Completed all management training on the updated performance appraisal system. Continued support provided throughout the year to all management personnel during completion of employee performance appraisals. In addition, supported over thirty (30) management employees during reviews of position performance factors to ensure applicability to current positions and non-duplication of new universal goals.*

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

  - ***Progress:*** *Ongoing. Conducted a focus group to gather information from key stakeholders to ensure that the new hire on-boarding process would support the needs of hiring managers. Completed a hiring manager on-boarding guide which provides tools and resources for hiring managers to provide a consistent on-boarding experience for all new hires.*

- 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:*** *Complete and Ongoing. Presentation of the new site to each department was completed after the initial launch. As a "living document", the intranet continues to*

develop and evolve to support the needs and initiatives of the organization. Developed new pages in support of new programs and initiatives, i.e. "Passport to Wellness" and "Training". In addition, new information and resources were added to increase communication across the organization.

- 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 November 2012. These measures provided data related to insurance costs, employee recognition, performance evaluations, labor relations, recruitment and turnover, retirement eligibility, training and on the job injuries.*

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

  - ***Progress:*** *Ongoing. Conducted ongoing OSHA-related safety training (taught primarily by Master Instructors from the Airport Fire Department), including confined space entry, respiratory protection, bloodborne pathogens, hazmat/hazcom awareness, CPR/1st aid, personal protective equipment, etc.*

- Conduct employee evaluations in a timely manner.

  - ***Progress:*** *Ongoing. Initiated over 40 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. Concluded successful negotiations with Police association in April 2012, resulting in a three year agreement through June 2014. Also concluded successful re-opener negotiations with the Fire union in August 2012, resulting in a one-year extension to the contract.*

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

  - ***Progress:*** *Ongoing. Sent four quarterly test messages to all employees to remind them of how this communication tool will work in the event of an actual emergency. This*

exercise also served to ensure that we have updated emergency contact information on all our employees.

- 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.

  - ***Progress:*** *Completed meetings with RTAA Management Negotiations Team to review the Teamster's collective bargaining agreement; identifying priorities and areas of discussion. The Authority commenced and successfully completed negotiations with Teamsters union in June 2013. Scheduled ongoing meetings with RTAA Management Negotiations Team to review Police and Fire employee collective bargaining agreements, whose contracts expire in June 2014.*

- 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.

  - ***Progress:*** *Ongoing review of best practices and attendance at two Employee Handbook webinars to determine best practices related to Employee Handbook development. Continuing to compile draft for presentation to President/CEO.*

- Develop and present an Occupational Enrichment Program to all employees as a part of the RTAA Wellness Initiative.

  - ***Progress:*** *Ongoing. Developed and implemented the Passport to Wellness program which occurred November 2011 - October 2012. This year long program focused on 12 Destinations to Wellness. Over 98% of all Airport Authority employees participated in at least one of the activities during the program and almost 51% of employees participated in 3 or more activities. This program was recommenced in January 2013.*

- Develop and implement a three (3) year strategic training program.

  - ***Progress:*** *Complete and ongoing. Completed the strategic plan with implementation of the various components of the plan ongoing. Year One focuses on ensuring that training is aligned with organizational needs and supports key stakeholders. To this end, a cross-divisional training committee was formed, training was regularly provided to the management team via management roundtable, and a greater variety of schedule-friendly classes were offered to all levels of the organization.*

- Develop and incorporate employment branding into the recruitment process to provide for a consistent look and message to potential new employees.

  - ***Progress:*** *Ongoing. Developed an employment brand to be incorporated into all recruitment materials in order to attract and hire top talent into the organization. The employment brand will be used in recruitment brochures, RTAA's employment website and in future social media recruitment efforts.*

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

  - ***Progress:*** *Complete and Ongoing. Attended monthly information meetings given by the local International Internal Auditor Chapter and by participating in conferences, phone calls, and online interaction with the Association of Airport Internal Auditors.*

- 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:*** *Ongoing. All established procedures have been documented and are being translated into a standardized format and made available for staff use.*

- 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.

  - ***Progress:*** *Ongoing. Site training on the new access control system was completed. Cross training opportunities are ongoing and are being planned for initial training for new staff members.*

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

  - ***Progress:*** *Completed, pending further FAA guidance. Integrated into operations check ride/training program.*

- 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. Onsite MCV training has been coordinated.*

- Posture RTAA Operations staff for probable SMS implementation in late FY 2011-12.
  - ***Progress:*** *SMS implementation at airports has been delayed. Awaiting FAA guidance.*
- Publish and train staff on the revised Airport Emergency Plan.
  - ***Progress:*** *Complete. FAA reviewed and approved the plan in January 2012. Staff members have been trained.*
- 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. Staff members have increased use of WebEOC for snow removal operations during the last 13 snow events.*
- To improve knowledge and professionalism, prepare Operations Supervisors (and other interested supervisory staff) for the AAAE Certified Member exam.
  - ***Progress:*** *Ongoing. Preparation complete, awaiting examination.*
- Provide staff and tenant training on the revised Airport Emergency Plan (AEP).
  - ***Progress:*** *Complete. Staff and tenants were trained and provided with the revised items found in the AEP.*
- 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 the appropriate training manuals, the fire department has*

participated in tabletop exercises that test RTAA employees and tenants and off-airport emergency response agencies.

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

  - ***Progress:*** *Ongoing. Certification programs for Driver/Operator and Acting Captain have been developed to provide trainees a structured certification program that allows them to move through programs at a steady and successful pace. These programs are continuously evaluated to insure they are providing the most current information as trainees move through the training program.*

- 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 (EMT) recertification through the State Fire Marshal's office.

  - ***Progress:*** *Complete and ongoing. All fire department EMT's are required to successfully maintain their emergency medical technicians certification by participating in bi-annual recertification training and monthly Continuing Education Unit training courses.*

- 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.*

- Update and maintain department Standard Operating Procedures.

- ***Progress:*** *Ongoing. The fire department Chief and his Captains update and maintain the departments Standard Operating Procedures on a continuous basis to improve day-to-day operations.*

❖ Familiarize fire department members with new Airport Emergency Plan procedures.

- ***Progress:*** *Complete and ongoing. All fire department personnel have been trained and are familiar with the new Airport Emergency Plan and Procedures.*

❖ Begin development of airport facilities pre-fire plans.

- ***Progress:*** *Ongoing. Shift personnel have been assigned to initiate and follow through on developing pre-fire plans for the Reno-Tahoe International Airport.*

❖ Improve indications and warnings to RTAA staff and tenants about impacts to safe, secure, efficient airport operations, sustain decision-grade information/situation reporting, and expand emergency response capabilities.

- ***Progress:*** *Ongoing. The 2012 Aviation Security Exercise, required by Part1542, brought all Operations & Public Safety departments together for a dynamic review of the airport's response to an active shooter. The exercise brought not only airport employees to the table but airline and concessionaire tenants also participated. The nature of the exercise brought about a review of the airport's evacuation plan. In October, 2012, Airside Operations hosted the National Transportation Safety Board (NTSB) Family Assistance office for a two day community responder training on disaster family assistance. This training demonstrated RTAA leadership in family assistance readiness and strengthened relationships with community resources. Family Assistance is federally-required in the aftermath of an airline mass casualty event. In Communications, the increase in InfoRad text notification reports is a result of the need to improve situational awareness for RTAA staff and tenants.*

<u>FY 2013-14 Key New Initiatives</u>

❖ Conduct mandated Triennial Emergency Full-Scale Exercise; improve incident command expertise and community partnerships for emergency response.

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

❖ Improve situational awareness with map-based asset location tracking.

- Assist and support management and employees with resources, support, and training through the period of transition to the new President/CEO.

- Provide support to the new HR Director so that he/she receives the resources, information, and assistance needed to grow accustomed to his/her new role.

- Improve resilience to the unexpected by team building, crisis leadership development, and better situational awareness.

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 2012-13 Key Initiatives

- Conduct six audits that focus on value-added auditing techniques for improved efficiency as well as financial accountability.

  - ***Progress:*** *Ongoing. With one auditor on staff, audits, other than the Parking and Revenue Control System, were delayed. Staff is currently hiring to fill the vacant position and anticipates being fully staffed in July, 2013.*

- Conduct three Lease Compliance audits in addition to the Quarterly Rental Car Company audits.

  - ***Progress:*** *Ongoing. This initiative is ongoing since with one auditor on staff, audits other than the Parking and Revenue Control System, were delayed. Staff is currently hiring to fill the vacant position and anticipates being fully staffed in July, 2013.*

- Oversee Public Parking Activities – Perform on-going monitoring of revenue control and operational activities specific to the parking audit program.

  Progress: *Complete and ongoing. This initiative was completed by daily audits, 365 days a year, using proven techniques to verify the revenue control processes and Landside activities are accurate and appropriate.*

- Quarterly Auditing of Rental Car Companies for agreement compliance to minimize effects of paperless financial record keeping.

- ***Progress:*** *Complete and ongoing. This initiative was completed by reviewing Monthly Statements from each rental car company to ensure compliance with the agreement. The monthly review is a better way to track compliance than quarterly.*

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

- ***Progress:*** *Ongoing. Airport Economic Development (AED) staff worked with The Younger Agency to apply their $50,000 required capital investment from the Second Amendment to their Advertising Concession License to help purchase and install double-sided carousel-mounted digital displays in baggage claim, which was accomplished during the Terminal Refurbishment Gateway Project. AED staff has also worked with The Younger Agency and the Project Manager of the Gateway Project to identify new pre- and post-security advertising sign locations that have resulted from the Gateway Project's changes to passenger traffic flow. A new advertising wall concept by The Peppermill was installed in January 2013. AED staff is also working with The Younger Agency to propose a new In-Terminal Advertising Program Policy that will rescind multiple current and previous advertising policies and replace them with one updated, comprehensive advertising policy that provides guidelines for advertising content, as well as fair and equal access to paid advertising opportunities at RTIA on a first-come, first-served basis.*

❖ Complete a long-term ground lease negotiation for the Greenfield development of a Fixed Based Operation (FBO).

- ***Progress:*** *Complete. A 50 year ground lease for a $23 million capital investment at the Greenfield site at Rock Blvd. and Mill St. was completed and executed. Unfortunately, the tenant was not able to meet its contractual obligations and the decision was made to not proceed with the development. Pending a market evaluation and direction from the Board of Trustees, staff will move forward on an RFP process for a second FBO at RTIA.*

❖ Negotiate Atlantic Aviation lease extension and capital improvements.

- ***Progress:*** *Ongoing. Staff obtained Board approval on a new 35-year lease and completed negotiations with Atlantic Aviation. Atlantic will build a new $8 million FBO and hangar facility as well as purchase two existing box hangars located on their premises upon their reversion to RTAA ownership in 2017.*

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

- ***Progress:*** *Ongoing. Due to business aviation and macro market conditions, Dassault has analyzed a variety of expansion options, including the vacant land to the south and*

north of their current leasehold as well as optimizing their current leasehold. Currently, Dassault is evaluating its options at RTIA and other competing sites. In an effort to retain and expand Dassault at RTIA, staff is working on aviation-related tax abatement policy this legislative session, which should make RTIA competitive with airports located in other states.

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

  - ***Progress:*** *Ongoing. A current tenant has expressed interest in a new hangar development and staff continues to work with him on the prospective project. The proposal under consideration is proposing a 3 or 4 unit hangar condo project on Parcel C. Staff also continues to market existing hangar facilities such as Hangar 6 as well as the O-Block hangar pads to potential Unmanned Aircraft System (UAS) companies. Several UAS related companies have expressed interest in the Reno-Stead Airport.*

- Create existing facilities utilization and marketing plans to develop targeted messaging and collateral materials; determine the highest and best land uses, and develop and implement a recruitment campaign. Pro-actively market all properties to take advantage of location and leasing opportunities to increase revenue and occupancy rates.

  - ***Progress:*** *Ongoing. A facility utilization plan for the Mini Warehouse property was created and approved. Phase 1 of the plan was executed and Phase 2 is proposed as part of the FY 2013-14 budget. Marketing materials have been created for multiple properties at RTIA and RTS. This includes flyers, presentations and information for the website, RNO Advantage. These materials have been used in discussions with economic development partners, interested parties, real estate brokers and developers.*

- 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; ensure that all active lease information is entered, monitored and maintained; and that lease compliance activities are managed effectively.

  - ***Progress:*** *Ongoing. This property management system allows staff to monitor lease compliance through the set up and running of alerts for a variety of contract requirements. Each month staff is required to run alert reports and provide an update to the department Vice President for review, to ensure that the Vice President is alerted to any significant expirations, such as lease expirations, in a timely manner. It also ensures that staff addresses outstanding compliance issues with bonding, insurance, Consumer Price Index (CPI) adjustments, etc. on a regular basis.*

- 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:*** *Completed. The Centershift software has been implemented and refined to meet the specific business needs of multiple properties, multi-tenant office, commercial, industrial, etc. The system has proven to be very effective in addressing audit recommendations, reducing financial exposure and increasing customer service and communications. During 2012-13, staff also implemented uses of a new software program to improve customer convenience and enhance revenue control of Airline Crew Lot parking.*

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

  - ***Progress:*** *Ongoing. The commercial occupancy rate at the Mini Warehouse has increased from 68% to 79%. This has resulted in a revenue increase of approximately $38,000 per year. 1280 Terminal Way is advertised through LoopNet and on-site signage. Unfortunately, high vacancy persists at this property due primarily to a still struggling office market. Staff is reviewing pricing and possible broker engagement.*

- 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. RTAA has and continues to work with many economic development partners including the Economic Development Authority of Western Nevada (EDAWN), the Governor's Office of Economic Development (GOED),the Northern Nevada Development Authority (NNDA), the Chamber of Commerce, the Desert Research Institute (DRI), NV Energy, the National Business Aviation Association (NBAA), the Aircraft Owners and Pilots Association (AOPA), the National Association of Industrial and Office Properties (NAIOP), and commercial real estate brokers on many types of initiatives including Request for Information (RFIs) and proposed 2013 state aviation tax abatement policy. Staff has worked with these entities to attract companies operating in the aerospace and defense industries, such as Unmanned Aerial Systems (UAS) and Maintenance, Repair and Overhaul (MROs), as well as logistics and air cargo.*

- Implement enhanced risk management practices related to lease management. The goals of this effort are to identify and limit potential liability and exposure, monitor cash flows, and revenue performance using property occupancy rates and/or lease term expiration dates.

- ***Progress:*** *Ongoing. During this period, Airport Economic Development (AED) obtained specialized training from property management software representatives and internal resources to enhance skills and advance the functionality of the software. AED staff attended a two-day seminar in July 2012 to expand staff's understanding of the program. Additionally, AED staff is working with the software developer through RTAA's Technology and Information Systems department to evaluate and enhance the current software and its effectiveness on productivity. AED staff also evaluated the upgrade version of the property management software in December 2012 and provided feedback to help increase the effectiveness for AED purposes, as well as attempt to make the program more user-friendly. This will increase the lease management component and reduce liability by insuring that alerts and cash flow are properly managed.*

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

- ***Progress:*** *Completed and ongoing. Obtained the GFOA Certificate of Achievement for Excellence in Financial reporting for the Fiscal Year Ended June 30, 2011 Financial Statement. Submitted application for the GFOA Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year Ended June 30, 2012.*

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

- ***Progress:*** *Complete. Staff has developed a monthly financial package to present to executive management and the Board. Staff is recording monthly accruals on all major account categories.*

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

- ***Progress:*** *Complete. Staff has fully implemented utilization of the automated "Works" program online for account reconciliation, account coding and management approvals for all purchases on procurement cards. Continued training and maintenance ongoing to ensure policy compliance and timely interface with MAS500 software.*

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

- ***Progress:*** *Complete and ongoing. Preliminary unaudited financial information projects a cost per enplaned passenger of $6.55 which is significantly below the FY 2012-13 budgeted amount of $7.38.*

- 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 2012-13, $10.1 million in Federal Aviation Administration (FAA) grants were received and $11.5 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.*

- 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 24, 2012 and the second on October 13, 2012. Proceeds from these auctions netted $4,802 and $13,652, respectively. Additionally, staff conducted an on-line surplus property auction that closed on July 25, 2012 for disposition of the old baggage conveyor system netting $62. Overall proceeds from all surplus auctions totaled $18,516.*

- Comply with the requirements for competitive bidding contained in NRS 332 and 338 and the Airport Improvement Project Handbook by preparing equipment, concession, small capital projects, AIP-funded bids, and maintenance bids and proposal requests that are budgeted in the Fiscal Year 2012-13 budget.

  - ***Progress:*** *Complete and on-going. Purchasing and Materials Management (PMM) issued the following competitive solicitations for materials, supplies, equipment, capital projects, maintenance bids, and professional services in this fiscal year to date: (1) lobbyist services, (2) glass beads for runways, (3) light emitting diode (LED) lights, (4) executive search firm, (5) annual herbicides and fertilizers, (6) annual janitorial paper products and trash liners, (7) upgrade to the Maximo maintenance management system, and (8) banking services.*

- Perform bi-annual physical fixed asset inspection and count.

  - ***Progress:*** *Complete and ongoing. Fixed asset audit/inventory was completed and forwarded to Accounting in August of 2012. The inventory was performed using an asset list provided by Accounting. Materials Management 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. Finally, staff facilitated transfer of decommissioned airport equipment to Lake Tahoe Airport consisting of 290 elevated taxiway fixtures with transformers, lenses, and lamps.*

- Research and develop a business case, if fiscally feasible, to purchase software to automate the purchase order and requisition approval process.

  - ***Progress:*** *Ongoing. Two separate software packages were evaluated in FY 12-13 in anticipation of automating the purchase order and requisition approval process. Implementation of this type of system would expedite processing of requests, reduce paper use, allow for approvals from mobile devices and provide originators the means to track their requests on-line. Purchasing and Materials Management staff is currently in the process of working with Information Technology staff seeking their input on the content, flexibility, and implementation ability for the software packages reviewed.*

- Research and develop purchasing process improvements such as on-line bidding and automation of the requisition approval process.

  - ***Progress:*** *Ongoing. Staff extensively researched on-line bidding by contacting local government entities in both northern and southern Nevada. No local government entities are currently utilizing on-line bidding at present with the exception of two that are utilizing it strictly for materials and goods. Staff will continue to liaison with Purchasing counterparts with regard to on-line bidding. Automating the requisition approval process has been discussed above.*

- Evaluate and complete implementation of the Purchasing and Materials Management (PMM) process changes to improve the communication and timeliness of the contracting process.

  - ***Progress:*** *Complete. In FY 12-13, PMM staff continued with process changes to improve the communication and timeliness of the contracting process as follows: (1) staff assists Building Maintenance staff with their use of Maximo's inventory control module to help them better track materials used by their baggage handling system maintenance contractor; (2) staff enhanced timely deliver of goods to operating departments through PMM delivery in lieu of their having to pick up goods at the warehouse; (3) staff conducts regular trips to Reno-Stead Airport to deliver mail/materials; (4) staff follows up with vendors to track lead times for items purchased;*

and (5) staff expanded communication with operating departments by routine status updates on purchase requests.

- Learn and enhance management reporting abilities through MAS Intelligence Report Writing. Develop new reports and train selected RTAA management staff in "real time" viewing information. Develop a management dashboard report and train selected RTAA management staff in "real time" viewing information.

  - ***Progress:*** *Ongoing. An upgrade to Windows 7 operating system is required to upgrade the accounting system, which includes MAS Intelligence Report Writing. This upgrade of the operating system is currently underway and staff expects to have access to the new software in FY 2013-14.*

2013-14 Key New Initiatives

- Implement new banking services per the outcome of the current Request for Proposals – Banking Services. Convert software and bank accounts to the selected bank or banks.

- Prepare and publish a Request for Proposal for auditing services as required by NRS 354.624. Review all submittals and conduct interviews to final selection to the Board of Trustees for approval.

- Develop a plan for additional concession opportunities on the concourses after the Gateway Project is complete; refer to Interested Parties List; go to Request for Proposal to solicit new concessions.

- 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 and ensure financial stability for the RTAA.

- 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; secure long-term leases to contribute towards financial stability for the RTAA.

- Conduct three Lease Compliance audits of concessions at Reno-Tahoe International Airport.

- Continue 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.

- Cross train employees on customizing Professional Service Agreements and managing Request for Proposal processes.

- Update policy and procedure manuals to ensure on-going compliance with the new Airport Improvement Project (AIP) Grant Oversight Risk Model Policy.

- Implement a new procurement card system, including staff training, should a new provider be selected through the Banking Service Request for Proposal.

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

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 2012-13 Key Initiatives

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

  - ***Progress:*** *Complete and ongoing. Four Air Service Task Force meetings were held in 2012. In addition, bimonthly (or as needed) Regional Marketing Committee meetings were attended, during which multiple marketing programs were established, including Ontario, CA and San Jose, CA.*

- 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 thirty-five (35) passenger meetings in 2012 focusing on maintaining existing routes and expanding service to underserved routes, when applicable. Successfully added non-stop service to Ontario, CA with Southwest Airlines and Las Vegas on Allegiant Air.*

- 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 Airlines and JetBlue three times each and Virgin America once during 2012. Meetings were focused on expanding air service options, while promoting marketing opportunities such as with the United States Bowling Congress (USBC). In addition, staff also met with ultra-low-cost carriers, such as Spirit Airlines twice and Allegiant Air three times during the course of the year.*

- Develop international air cargo carriers at RTIA.

  - ***Progress:*** *Ongoing. Over forty (40) meetings were held with international all-cargo carriers, as well as international freight forwarders, at their headquarters and during events such as Network USA, World Routes Development Forum and World Travel Mart. In addition, staff continues to solidify the relationship with Pactrans Air and Sea, Inc., who has indicated its intent to open a west coast office in Reno and bring international air cargo service to our market.*

- Partner with community organizations that contribute to the air service and business development 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 Air Service Development (ASD) 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.*

- 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 and posted on www.renoairport.com on a monthly basis. In addition, a new format was created and implemented in April 2012.*

- Partner with 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, Network USA and Transportation Research Board's Airport Cooperative Research Program (ACRP) program, in which staff participates on a panel for ACRP Project 03-16, Estimating the Economic Impact of Air Cargo on Airports.*

- 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 Routes Americas, JumpStart, Network USA, World Routes Development Forum, World Travel Mart and CIFTIS 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 Airlines and WestJet over the course of the past year.*

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

  - ***Progress:*** *Complete and ongoing. Air service was increased to Los Angeles and Las Vegas. In addition, Southwest began non-stop flights to Ontario, CA in January 2013. Efforts to increase service to Chicago and other Western markets 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 international and domestic 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 charter customers had a positive experience.*

- Pursue international air service as secondary priority.

  - ***Progress:*** *Complete and ongoing. Staff met with Aeromexico, Air Canada, Monarch Airlines, Volaris, and WestJet to explore opportunities to expand into international markets.*

- Conduct relationship building with RTIA airline station managers to maintain and facilitate communication and enhance coordination between the airlines and the RTAA.

  - ***Progress:*** *Complete and ongoing. Authority staff meets monthly with the Airline station managers to keep them informed of projects and news that impacts their operations. In addition, managers were included in numerous special events, such as the Reno Air Races.*

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

  - ***Progress:*** *Complete and ongoing. Four meetings were held during 2012 including one focused solely on Canadian air service, which involved the expanded community outside of the Air Service Task Force members.*

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

  - ***Progress:*** *Complete and ongoing. The Authority provides funding and staff actively participates in RMC meetings, typically scheduled on a bi-monthly basis, or as needed.*

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

  - ***Progress:*** *Complete and ongoing. Staff continues to meet with carriers such as Delta, JetBlue, 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. Southwest Airlines began non-stop flights between Reno and Ontario, CA, in January 2013. Staff continues to meet with carriers such as Alaska Airlines, JetBlue, Southwest and Spirit Airlines to pursue service to the L.A. Basin Airports other than LAX.*

- Work with properties to obtain new air service in Vancouver, British Columbia or Bellingham, Washington (BLI).

- ***Progress:*** *Ongoing. Starting on June 3, 2013, Allegiant Air began twice weekly service to BLI using a 166 seat, MD-80 Aircraft. Bellingham is approximately 20 miles south of the Canadian border and the flights began with an introductory fare of $69.99.*

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

- ***Progress:*** *Complete. Staff and the executives of USBC met with the Schedule Planning, Marketing and Properties team of Southwest Airlines at their headquarters to discuss air service options during the 2013 and 2014 bowling tournaments. In addition, staff utilized relationships with USBC staff to gain access to 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. Staff met with schedule planning teams of Southwest Airlines three times and United Airlines twice during 2012. Southwest Airlines added seasonal Ontario, CA service while United continues to bring Houston, TX back on a seasonal basis numerous times during the course of the year.*

❖ Develop targeted and ongoing air service marketing and advertising program to support local market demand and incorporate the business community in the messaging.

- ***Progress:*** *Ongoing. Staff developed and implemented a successful in-market marketing campaign that utilized numerous mediums and avenues including traditional media, community partnerships, electronic media and social media. This effort will continue to move forward.*

❖ Aggressively recruit carriers to add capacity for early 2013 when Safari International Club returns and both the men and women bowling tournament combines for the first time.

- ***Progress:*** *Ongoing. Staff discussed increased capacity during Safari Club International annual convention and bowling tournaments numerous times during the course of the year with all airlines at RTIA. US Airways has increased RTIA seat capacity during Safari Club convention in January 2013.*

❖ Pursue international charter carrier to support international ski charters for 2013 season.

- ***Progress:*** *Ongoing. Staff met with numerous tour operators and air carriers such as TUI, Jet2.com and Monarch Airlines during 2012 to discuss United Kingdom (UK) ski charters for the 2013-2014 ski season. In addition, staff continues to work closely with ski resorts and Tour Operators in efforts to bring nonstop ski charters from the UK.*

- Develop new methods for in-airport marketing of RTIA air service.
  - ***Progress:*** *Complete and ongoing. Advertising has been added to bag belts, ticketing screens, baggage information display system and garage banners.*
- Improve communication and coordination with business customers and key stakeholders.
  - ***Progress:*** *Ongoing. The Vice President of Airport Economic Development serves as the Airport Liaison to the Chamber of Commerce to facilitate communications with community Stakeholders regarding Air Service and Air Cargo development as well as airport business development initiatives.*

FY 2013-14 Key New Initiatives

- Foster locally supported air service programs to mitigate start up risks such as seat buys and fully bundled packages with regional partners.
- Bring together Asian and South American international air cargo programs, carriers and forwarding partners. Identify future air cargo facility and infrastructure needs for the southwest quadrant.
- Continue to grow, evolve and expand air service marketing programs and efforts through a variety of low-cost, high reach electronic marketing mediums including social media.

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 2012-13 Key Initiatives

- 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 12-13, the Airport Capital Improvement Programs (ACIP) for Reno-Tahoe International Airport and for Reno-Stead Airport were submitted to the FAA in January 2013.*

- Continue coordination with FAA on various projects including the Airport Surveillance Radar (ASR) -11 radar installation.

  - ***Progress:*** *Complete and ongoing. On-site construction began in October 2011 and is still ongoing. Continuing to coordinate with the FAA on the installation of the ASR-11 and restoration of the ASR-8 site for future airport use. ASR-11 is expected to be fully commissioned by the end of FY12-13; however ASR-8 site restoration will continue into FY13-14.*

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

  - ***Progress:*** *Completed and ongoing. Staff continued to pursue funding and other on-airport locations for additional solar development in FY12-13. Staff also assisted with efforts to develop northeast Mill Street property, former Reno-Tahoe International Airport Brookside property, the southwest quadrant property and the general aviation west property into revenue producing use. Staff assisted with efforts to attract unmanned aircraft system (UAS) manufacturing and research & development firms to Reno-Stead Airport.*

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

  - ***Progress:*** *Completed and ongoing.*
    - *Continuing work on Phase 19: Construction for Group 19.5, the final Phase 19 construction group, was completed in FY12-13. Phase 19 Airport Improvement Program grant to be closed by end of FY12-13.*
    - *Continuing work on Phase 20: Construction for Group 20.3 was completed in FY12-13. Design for Group 20.4 was initiated in FY12-13. Construction for Group 20.4, the final Phase 20 construction group, is to continue into FY13-14. Phase 20 Airport Improvement Program grants to be closed by end of FY13-14.*
    - *Continuing work on Phase 21: Construction for Group 21.2 and Group 21.3 was completed in FY12-13. Design for Group 21.4 (related to Group 22.1 construction) was initiated in FY12-13. Design for new Groups 21.5, 21.6 and 21.7 to be initiated in late FY12-13; however construction will continue into FY14-15.*
    - *Beginning work on Phase 22: Construction for Group 22.1 (related to Group 21.4 design) is to continue into FY13-14. Design for new Groups 22.2 and 22.3 to be initiated in late FY12-13; however construction will continue into FY14-15.*
    - *In FY12-13, the Federal Aviation Administration (FAA) began requiring sponsors of ongoing noise programs to provide bi-annual reports to their Airport District Office. These new reports are required from all airport sponsors with projects planned and/or underway during the FAA's designated sound insulation program "transition*

period". The first and second reports for the Reno-Tahoe International Airport's Sound Insulation Program were submitted in FY12-13 and additional reports will continue to be submitted through FY15-16.

❖ 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. Maintenance and performance of the NOMS and each of the fourteen off-site noise monitor stations is coordinated with Brüel & Kjær Environment Management Solutions. 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:*** *Complete and ongoing.*
  - *Participated in and will continue to participate in aviation development related planning, environmental, and noise 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.*
  - *Assisted in the planning, organization and staffing of the May 2013 American Association of Airport Executives (AAAE) Annual National Conference & Exposition held in Reno.*
  - *Assisted in the planning of the September 2012 Airport Noise Mitigation Symposium. Continuing to assist in the planning, organization and staffing of the Airport Noise Mitigation Symposium to be held in Reno in FY 13-14.*
  - *Participated in and will continue to participate in planning meetings related to existing and potential Reno-Tahoe International Airport air space modifications transitioning to the newer technology Required Navigation Performance (RNP) approach procedures (NextGEN).*
  - *Completed a Geographical Information System (GIS) Strategic Plan Study in FY 12-13. The study recommends a budget conscious incremental four (4) year plan with GIS staff and equipment to be housed in Technology and Information Services. Preliminary steps to be taken prior to implementation of the four (4) year plan would*

include the hiring of a GIS manager, establishment of a GIS working group, and selection of a consultant.

❖ 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.*
  - *Projects coordinated with outside agencies in FY12-13 include the Nevada Department of Transportation (NDOT) Connecting Nevada study, the NDOT I-11 Corridor study, the NDOT Moana Double Diamond Interchange project, the Regional Transportation Commission (RTC) Mill Terminal Corridor study, the RTC Moana Lane widening project, the RTC South McCarran widening project, the RTC and NDOT Southeast Connector project, the RTC Terminal Way / Neil Road / Gentry Way rehabilitation plans, the RTC 2035 Regional Transportation Plan Update, the Truckee Meadows Regional Planning Agency (TMRPA) Annual Report, the TMRPA Industrial Land Analysis study, and continued participation on the Truckee Meadows Flood Project Working Group and the Reno-Tahoe Winter Games Transportation Committee.*
  - *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. The Airport Gateway Project is completed with on-time completion of numerous construction activities located within high passenger traffic areas of the terminal. Some of the terminal construction activities include main lobby refurbishment, new meet and greet area, concourse carpet replacement, and information technology reconfiguration. Construction on the centralized checkpoint and tenant improvements in the new upstairs concession areas were completed in April 2013.*

❖ 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. Continued efforts on condensing the various Reno-Stead Airport planning documents into a simplified long term planning document is underway. Staff anticipates the plan will be found in conformance with the 2012 Truckee Meadows Regional Plan by the end of FY 2013-14.*

- Prepare annual RTIA noise contour.

  - ***Progress:*** *Complete and Ongoing. The Reno-Tahoe International Airport noise contour is generated annually based on calendar year (CY) data and reported on prior to the end of each fiscal year. The noise contour for CY 2012 was published before the end of FY12-13.*

- Continue Reno-Stead Airport Terminal / Emergency Operations Center site and building development.

  - **Progress:** *Ongoing. Construction of the Reno-Stead Airport Terminal/Emergency Operations Center begin in the Spring of 2013 and is expected to completed by December of this year.*

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

  - ***Progress:*** *Ongoing. The RTIA and RTS Airfield Pavement Management Program field inspections, PMS reports, budget estimates, design work and bid packages were completed for the 2012 Annual Program. The pavement maintenance contract for RTIA was issued for bids and awarded, with construction completed on October 21, 2012. The pavement maintenance contract for the RTIA Long Term Parking Lot Reconstruction Phase II was issued for bids and awarded, with construction expected to be completed on August 30, 2013.*

- Engineering and construction management for RTIA and RTS capital projects

  - ***Progress:*** *Complete and ongoing. The following capital projects were initiated or completed during 2012:*
    - *FAA Grant -Airport Improvement Program – Apron Reconstruction (Phase 15 & 16 Construction) and (Phase 17 & 18 Design), Taxiway "C" Extension, Taxiway "Q" Reconstruction, SIDA Access Controls (ACAMS), Runway 16L-34R Touchdown Areas Reconstruction.*
    - *Passenger Facility Charge (PFC) Program – Snow Removal Equipment (SRE) Building, IT/ Communication Reconfiguration, Consolidated Security Checkpoint (CSCF).*
    - *Capital Improvement Plan Program – GA West Sewer & Storm Drain Improvements, GA West Taxilane Pavement Repairs, GA West Landside Access Improvements, Airfield Pavement Management Program, Landside Pavement Management Program, South Employee Lot Access Controls, Stead Terminal/EOC.*

- Implementation of a Small Business Enterprise (SBE) component into the RTAA Disadvantaged Business Enterprise (DBE) program.

  - ***Progress:*** *Complete and Ongoing. The draft SBE program was submitted to the FAA for review on March 22, 2012.*

FY 2013-14 Key New Initiatives

- Completion of the Stead Terminal Building / Emergency Operations Center.

- Update of the Engineering Procedures manual.

- Update of contract documents for recent regulatory and legislative changes for public works and AIP 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 2012-13 Key Initiatives

- Random inspection of the airfield, tenant and public areas with sweeping as necessary.

  - ***Progress:*** *Complete and ongoing. Daily work assignments for the Stead staff include inspections of all areas of the airport, including tenant areas, public facilities, and all other areas of the airport, including landside areas. Clean up and sweeping is initiated as needed.*

- Remove snow promptly to ensure maximum tenant access.

  - ***Progress:*** *Complete and ongoing. Snow removal has been initiated and accomplished promptly and efficiently during the first half of winter 2012-13. There have been several snow events during the 2012 holiday season, and all available Stead staff responded in force to keep the airport open. The maximum duration for runway closures to date has been 4 hours. Plans for airport equipment and personnel enhancements will improve our response times.*

- Conduct random landscaping inspection.

  - ***Progress:*** *Complete and ongoing. During summer months, RTS landscaping is inspected, repaired and maintained to a new level, thanks in part to the renewed efforts of RTS staff. During winter months, the landscaped areas are inspected after significant wind events for debris and damage. In addition, staff has initiated winter tree pruning and removal in areas that were previously unattended.*

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

  - ***Progress:*** *Complete and ongoing. The fire suppression system for RTAA owned Hangars 5 and 6 is inspected monthly. The pump and generator area is visually inspected daily. The fire pump and generator are tested every two weeks, and required annual flow tests and inspections are conducted by contract each year. The airfield lighting emergency generator is tested monthly and serviced annually.*

- Fence and graded fire breaks randomly inspected.

  - ***Progress:*** *Complete and ongoing. The RTS perimeter fence is inspected at least monthly, and repaired as needed. Fire breaks are maintained on a rotating three year cycle, with emphasis on breaks used as access routes throughout the 5,000 acre facility.*

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

  - ***Progress:*** *Complete and ongoing. All tenant issues are evaluated and addressed in a timely manner. In addition, the airport manager is involved in all tenant lease discussions involving RTAA Economic Development.*

- Continue the ongoing airfield/asphalt maintenance program.

  - ***Progress:*** *Complete and ongoing. Runway 14/32 was sealed and painted in the summer of 2012 with assistance from RTIA Airfield maintenance personnel and equipment. In addition, 1/4th of the aircraft ramp was sealed by RTAA staff, and the center area of the ramp was sealed by RARA as part of the response to the NCAR accident of 2011. The effort to seal asphalt joints and cracks remains a major challenge and priority for staff. Over 800 man hours and $20,000 in materials are spent each year on crack sealing asphalt pavement at RTS.*

- Maintain ongoing relationship with surrounding neighborhood associations.

  - ***Progress:*** *Complete and ongoing. The airport manager attends all scheduled North Valleys Citizen Advisory Board meetings as well as the annual Silver Knolls Property Owners Association meeting.*

- 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 the support and operational success of the National Championship Air Races (NCAR). RTS staff continues to receive complements from NCAR volunteers and staff regarding the condition of the airport. RTS staff also continued to make progress on improving tenant / Reno Air Racing Association relations during Pylon Racing School and NCAR.*

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

  - ***Progress:*** *Ongoing. Hangar 6 reverted to RTAA ownership and control in 2011. Over the past year, numerous deficiencies have been identified in the building. The utility service and HVAC systems are in need of replacement and upgrades for safety and energy efficiency. The electrical system has been evaluated by RTAA staff, and we hope to have a full evaluation and design of new distribution completed if funding can be identified. A Capital Project to replace and upgrade the HVAC system has been incorporated into the FY 2013-14 Budget. Other areas of the building will be addressed as funding becomes available. Upgrades to plumbing and landscape systems are made on an as-needed basis. Staff has made progress in replacing several back flow systems on various water systems.*

- Assist the Economic Development Department in leasing/showing land to other parties.

  - ***Progress:*** *Ongoing. The RTS Manager is actively involved in all RTAA Economic Development initiatives at Stead, including hangar development, Unmanned Aerial System (UAS) programs, and other potential airport business opportunities.*

- Provide janitorial service for public facilities.

  - ***Progress:*** *Complete and ongoing. All public facilities are cleaned and serviced weekly, and otherwise as needed.*

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

  - ***Progress:*** *Complete and ongoing. With Board approval on January 17, 2013, construction should be complete in December 2013.*

- Acquire new, reliable equipment to meet Board goal of safe, efficient airport operations; specifically with regards to snow removal and pavement maintenance.

  - ***Progress:*** *Complete and ongoing. Recent acquisitions include new paint striping equipment, weed sprayer and snow plow. A loader mounted snow blower is in the process of being procured.*

- Provide hangar sites for RTS development.

  - ***Progress:*** *Complete and ongoing. While a significant investment will be required to complete the infrastructure for hangar development at the west end of RTS, RTAA Economic Development and RTS staff continue to monitor demand which (to date) has not reached a viable Return on Investment level. RTS receives periodic inquiries for single hangar development sites. The potential for UAS development remains a viable option.*

- 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. The reconditioning of Runway 8/26 during the Runway Safety Area project and requirements for RARA to repair damage to the airport has allowed us to meet this goal. With approval of a mid-year personnel request and O & M request for materials, RTS staff will meet this goal in the future.*

- Support RTAA departments in continued effort to realize economic growth at RTS.

  - ***Progress:*** *Ongoing. Current efforts include UAS activities and other business development opportunities including Sierra Nevada Corporation, Airlift Inc. helicopters and other potential tenants.*

- Support coordination and cooperation between RTAA and NV National Guard plans for enhancements at Stead Guard facility.

  - ***Progress:*** *Ongoing. Currently involved in discussions regarding expanded lease hold at Guard facility.*

- Improve communication, service and product delivery to customers, tenants, and key stakeholders at the Reno-Stead Airport (RTS).

  - ***Progress:*** *Complete and ongoing. Authority staff provided regular communication with RTS tenants through the RTS Users Group meetings. In addition, tenant meetings were held to reach an agreement with all M-Block tenants. The previous agreements expired on June 30, 2013. Airport Economic Development staff has an active role in property management with RTS Airport Manager and collaboration with Finance to monitor rent collection.*

FY 2013-14 Key New Initiatives

- Complete construction of new Terminal / Emergency Operations Center (EOC) building by December 2013.

- Prioritize hangar site development at RTS.

- Support Reno Air Racing Association / National Championship Air Race on the 50th anniversary event.

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 2012-13 Key Initiatives

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

  - ***Progress:*** *Complete and ongoing. Samples of Event Participation include:*
    - *Children's Cabinet*
    - *Junior Achievement tour*
    - *Go Red*
    - *Patriot Guard military welcomes*
    - *Western Nevada Development District*
    - *Chamber lunch and tour*
    - *Swope Job shadow*
    - *Swope Food Drive*
    - *Humane Society Walk for Animals*

- *Delegation Tours*
- *NNDA Display*
- *Bureau of Indian Affairs Art Exhibit*
- *KNPB Young Readers event*
- *Stead Young Eagles*
- *Sparks Newcomers Club*
- *Incline Rotary*
- *Reno Kiwanis*
- *Reno Downtown Rotary*
- *South Reno rotary*
- *RSCVA*
- *Mountain Gate*
- *Damonte Ranch JA*
- *Ski statue re-dedication*
- *Allegiant Air to Vegas*
- *Gateway media updates and tours*
- *Weather updates*
- *SRE Building*
- *San Jose on Alaska*
- *Air Race updates*

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

- ***Progress:*** *Complete and ongoing. Staff utilizes TV Eyes monitoring and News tracker for media.*

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

- ***Progress:*** *Complete and ongoing.*
  - *Reno Youth Jazz Orchestra*
  - *The Note-Ables*
  - *Danceworks Dance Studio*
  - *Champagne Singers*
  - *High Desert Harmony*
  - *MasterWorks Chorale*
  - *Vocal Art Works*

❖ Provide airport information through more than 100 media interviews.

- ***Progress:*** *Complete and ongoing. Authority staff conducted interviews on the following topics during the past fiscal year; (1) the Airport Gateway Project; (2) National Championship Air Races (NCAR; (3) Burning Man event; (4) military welcomes and Honor Flights; (5) completion of the Snow Removal Equipment Building; (6) President/ CEO retirement and departure; (7) presidential visit; (8) new air service announcements; and (9) a host of travel related information. More than 60 interviews were conducted for the Airport Gateway Project and NCAR.*

❖ 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:*
    - *Sparks Newcomers*
    - *Mavericks*
    - *Western Nevada Development District*
    - *Washoe County*
    - *Reno City Council*
    - *Sparks City Council*
    - *Downtown Rotary*
    - *Reno Sparks Convention and Visitor Authority*
    - *Reno South Rotary*
    - *Reno Kiwanis*
    - *Good Morning Truckee*
    - *South Lake Tahoe Chamber*
    - *Reno-Tahoe Young Professional Network*

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

- ***Progress:*** *Complete and ongoing. Runway Reporter has been redesigned and revitalized.*

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

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

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

  - ***Progress:*** *Complete and ongoing. Staff has run display advertisements in Southwest Airlines and Alaska Airlines inflight magazines as well as the Reno Gazette-Journal and Swift Newspapers in Lake Tahoe promoting air service.*

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

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

- Design and help maintain land development marketing materials.

  - ***Progress:*** *Complete and ongoing. The RNO Advantage web site is complete in English and mandarin. Staff provides updates to demographics and three videos have been produced to promote the airport, cargo and business development. Staff has also produced marketing materials for specific sites and properties.*

- 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, and Squaw Valley.*

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

  - ***Progress:*** *Ongoing. Staff will schedule visits to the National Business Aviation Association (NBAA) Convention and West Coast regional NBAA events.*

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

  - ***Progress:*** *Completed. AAAE is the world's largest professional organization for airport executives, representing thousands of airport management personnel at public-use commercial and general aviation airports both nationally and internationally. AAAE's members represent some 850 airports and hundreds of*

companies and organizations that support airports. It is estimated that over 2,000 people attended this conference and RTAA volunteer staff hosted a series of events and tours to promote our region to this national audience.

- 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. The Younger Agency updates the airport-related content on the digital information center as needed. In addition, new interactive digital signage software is available and is being evaluated as a possible replacement for the current system.*

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

  - ***Progress:*** *Complete and ongoing. The DBE program goals for federally funded projects were updated for 2012 and the DBE accomplishments report was submitted on November 2, 2012. The new DBE program requirement for a Small Business Enterprise (SBE) component was completed and submitted to the FAA for review on March 22, 2012. DBE Goals Accomplishment report was submitted to the FAA for review on December 2, 2012. Staff participated in DBE program community outreach efforts with other public agencies. Staff also participated in the State of Nevada Uniform Certification Program (UCP) in the evaluation and certification process for DBE applicants. Staff coordinated with the Airport Concessions component of the RTAA DBE program for the coordination of certification meetings. Staff directed input by RTAA DBE consultants (ACI) in regards to technical and regulatory aspects of the DBE program. 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 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, via email, 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, respond to and address noise issues. Most noise issues are not predictable and simply a result of something outside of the norm occurring, such as special military exercises or unusual helicopter activity. These noise inquiries typically require responses to individual homeowners. However, sometimes there is also a realized need to educate the public about flight paths and the associated aircraft noise to a larger audience. For example in FY12-13, a group of homeowners in a community south of the airport requested that the airport provide information on the history of flight tracks and questioned the need for current aircraft departure and arrival routes over their subdivision. Since this inquiry could best be answered by the Federal Aviation Administration (FAA), which directs aircraft traffic, staff facilitated an off-airport meeting between the FAA and these community members. Staff continues to have ongoing conversations with the FAA regarding the newer technology Required Navigation Performance (RNP) approach procedures (NextGEN), which were implemented in October 2011. Specifically, the implementation of the new departure procedure has been a challenge in FY12-13, and staff has monitored airline/aircraft flight performance and reported the results back to the airlines, FAA, ANAP and to the Board. Should the FAA modify the departure procedure in FY13-14, there may be a need to facilitate additional public outreach between the FAA and the Reno/Sparks community.*

<u>FY 2013-14 Key New Initiatives</u>

- Coordinate a community introduction program for new President/CEO.

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 2012-13 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 Reno-Stead Airport, which are completed annually and submitted each January, staff prepares and coordinates environmental determinations for FAA review and approval.*
    - *Coordinated facility inspections conducted by the City of Reno, Washoe County and State of Nevada.*
    - *Coordinated the disposal of expired chemical and other wastes determined to be hazardous.*
    - *Coordinated regularly and timely updates to Material Safety Data Sheet (MSDS) information.*
    - *Coordinated a variety of environmental planning and compliance programs including environmental management system, energy conservation reduction, storm water pollution prevention, water rights recognition, Reno-Stead Airport solvent site consent decree remediation program, airport recycling program, underground storage tank monitoring, solar power production as well as continue to respond to changing federal, state, county, and city environmental regulations and requirements.*

- Complete annual storm water pollution prevention inspections of RTAA and tenant facilities.
  - ***Progress:*** *Completed and ongoing. In August 2012, staff 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 FY12-13.*

- Complete annual update of water rights recognition.

  - ***Progress:*** *Completed and ongoing. Staff completed document review and data acquisition for the preparation of the FY12-13 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. Staff continued coordination with the consultant and City of Reno on the long-term operations and monitoring requirements of the Stead Solvent Site Operation. Staff 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 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. Staff continued to conduct inspections, monitoring and reporting of all underground and aboveground storage tank facilities at Reno-Tahoe International Airport and Reno-Stead Airport. Staff monitored closure of underground storage tanks located at the former Budget Rental Car site and the existing Hertz Rental Car site pursuant to state and county regulations. The Budget Rental Car site obtained closure in November 2012 and Hertz is anticipated to receive closure in FY13-14. Staff implemented and coordinated Best Management Practices to reduce and prevent product releases as well as coordinated removal and disposal of abandoned and 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 FY12-13, staff 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. An application was submitted to NV Energy's 2012 Solar Rebate Lottery Program for up to 200 kilowatts of solar rebate reservations. RTAA was unsuccessful in the lottery and was not granted any solar rebates for FY12-13. Staff will continue to pursue funding and other on-airport locations for additional solar development in FY13-14.*

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

  - ***Progress:*** *Ongoing. Staff initiated closure of the underground storage tanks located at the former National Rental Car site pursuant to state and county regulations. Closure is anticipated to be complete in FY13-14.*

- Complete annual regulated garbage compliance agreement and oversee quarterly inspections pursuant to United States Department of Agricultural (USDA), Animal and Plant Health Inspection Services (APHIS), and US Customs Border Protection (CBP).

  - ***Progress:*** *Completed and Ongoing. In December 2012, staff completed the annual regulated garbage compliance agreement between the RTAA, USDA, and CBP for scheduled and un-scheduled international flights into RTIA. Staff also participate in quarterly APHIS/CBP scheduled inspections of RTAA regulated garbage storage and disposal procedures and coordinate with Facilities Department to ensure that regulated garbage is properly destroyed by Waste Management.*

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

  - ***Progress:*** *Complete and ongoing. This is an ongoing effort with the Facilities team in progress of efficient lighting installations and tuning of the two energy management systems that control lighting and environmental controls.*

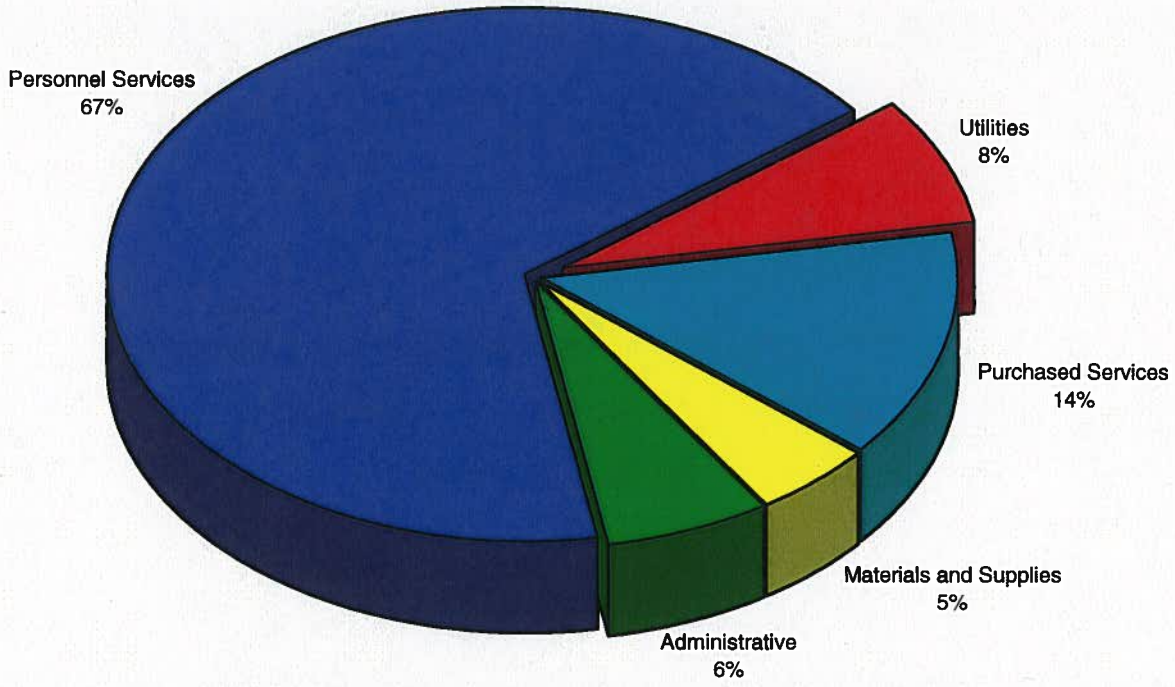
- Increase efforts to decrease the amount of refuse in the terminal building and the annual cost of solid waste disposal.

  - ***Progress:*** *Complete and ongoing. This is being achieved by the progressive employee training and awareness in relation to our recycle program and by consolidating trash/recyclable product where applicable thereby reducing the amount of solid waste to our landfills and the costs associated with solid waste disposal.*

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 2013-14 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.

Operation & Maintenance Expenditures

FY 2013-14 O&M Expenditures



EXPENDITURES		
Personnel Services	$	24,983,395
Utilities		2,849,635
Purchased Services		5,135,666
Materials and Supplies		1,794,195
Administrative		2,376,785
Total	$	37,139,676

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Summary of Budgeted Expenditures

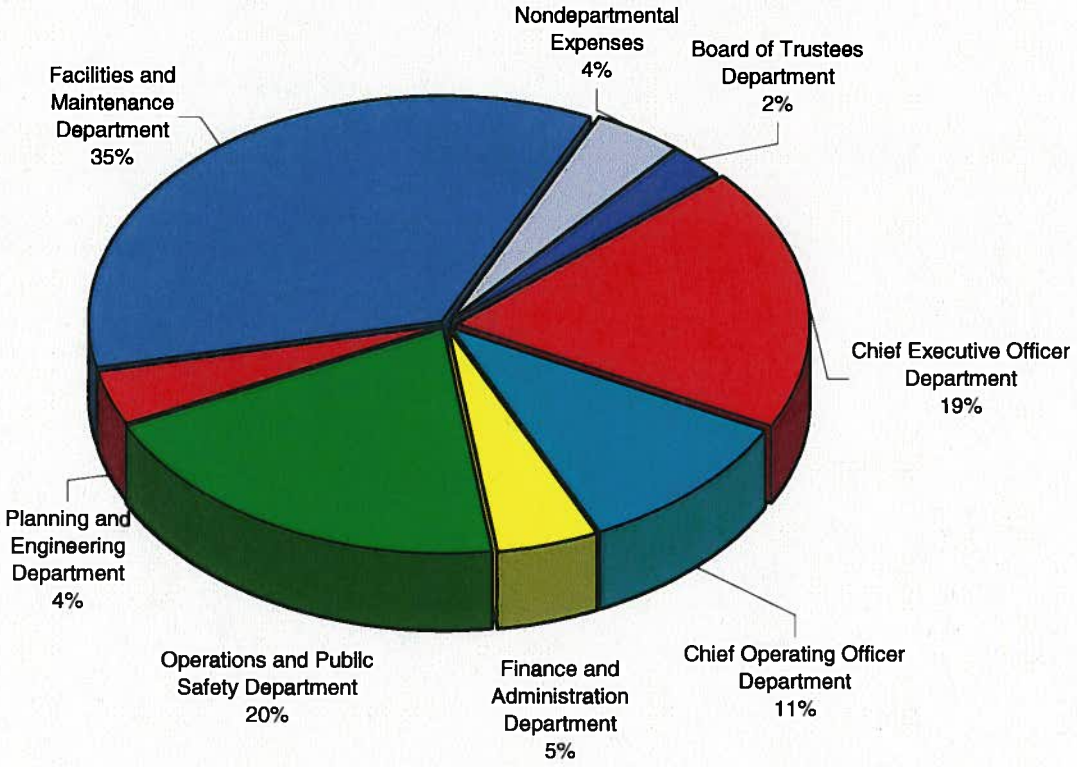
Account Group	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Personnel Services	$ 23,094,223	$ 24,061,025	$ 24,983,395	3.8%
Utilities and Communications	2,626,376	3,178,820	2,849,635	-10.4%
Purchased Services	3,982,041	4,899,204	5,135,666	4.8%
Materials and Supplies	1,871,019	1,761,625	1,794,195	1.8%
Administrative Expenses	2,234,156	2,477,567	2,376,785	-4.1%
Total Operating Expenses	$ 33,807,814	$ 36,378,241	$ 37,139,676	2.1%
Property, Plant and Equipment	246,224	348,761	255,220	-26.8%
TOTAL	$ 34,054,038	$ 36,727,002	$ 37,394,896	1.8%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T
Resources Applied by Organizational Unit

	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	CHANGE
Board of Trustees Department				
Board of Trustees	$ 124,923	$ 244,880	$ 178,080	-27.3%
Internal Audit	200,212	220,215	239,075	8.6%
Legal Counsel	459,939	592,850	470,000	-20.7%
TOTAL	785,074	1,057,945	887,155	-16.1%
President/CEO Department				
President/CEO	756,189	918,600	749,200	-18.4%
Air Service Development Section	521,180	632,005	580,295	-8.2%
Marketing and Public Affairs Section	1,006,956	905,730	831,030	-8.2%
Economic Development Section	1,004,316	1,067,445	1,044,627	-2.1%
Outside Properties Section	523,056	786,810	1,144,021	45.4%
Airport Police Section	2,412,656	2,713,960	2,710,739	-0.1%
TOTAL	6,224,353	7,024,550	7,059,912	0.5%
Executive Vice-President/COO Department				
Executive Vice-President/COO	416,858	336,080	446,250	32.8%
Technology and Information Systems Section	1,303,273	1,313,918	1,562,140	18.9%
Reno-Stead Airport Section	851,965	886,215	981,863	10.8%
Human Resources Section	905,964	894,060	921,440	3.1%
TOTAL	3,478,060	3,430,273	3,911,693	14.0%
Finance and Administration Department				
Accounting and Administration	845,465	899,565	955,155	6.2%
Finance and Budgeting Section	253,087	289,625	300,375	3.7%
Purchasing and Materials Management Section	464,200	487,712	502,230	3.0%
TOTAL	1,562,751	1,676,902	1,757,760	4.8%
Operations and Public Safety Department				
Vice-President of Operations and Public Safety	273,184	286,180	298,005	4.1%
Airside Operations Section	1,585,531	1,682,950	1,878,270	11.6%
Landside Operations Section	1,186,282	1,215,888	1,359,160	11.8%
Airport Rescue and Fire Section	2,460,999	2,624,515	2,620,935	-0.1%
Airport Security Section	1,263,182	1,357,450	1,248,010	0.0%
TOTAL	6,769,179	7,166,983	7,404,380	3.3%
Planning and Engineering Department				
Planning and Environmental Services Section	527,649	669,375	752,611	12.4%
Engineering and Construction Section	573,165	602,800	682,950	13.3%
TOTAL	1,100,814	1,272,175	1,435,561	12.8%
Facilities and Maintenance Department				
Director of Facilities and Maintenance	661,112	702,025	707,786	0.8%
Airfield Maintenance Section	3,176,200	3,303,675	3,434,991	4.0%
Building Maintenance and Services Section	6,713,008	7,209,210	7,325,785	1.6%
Baggage Handling System Section	1,561,892	1,837,828	1,699,478	-7.5%
TOTAL	12,112,211	13,052,738	13,168,040	0.9%
Nondepartmental Operation and Maintenance Expenses	1,485,610	1,254,900	1,123,400	-10.5%
Nondepartmental Non Rate Base Expenses	289,762	441,775	391,775	-11.3%
Total Operations and Maintenance Expense	33,807,814	36,378,241	37,139,676	2.1%
Property, Plant & Equipment	246,224	348,761	255,220	-26.8%
TOTAL	$ 34,054,038	$ 36,727,002	$ 37,394,896	1.8%

Departmental Operation & Maintenance Expenditures

FY 2013-14 O&M by Department



DEPARTMENT		
Board of Trustees Department	$	887,155
Chief Executive Officer Department		7,059,912
Chief Operating Officer Department		3,911,693
Finance and Administration Department		1,757,760
Operations and Public Safety Department		7,404,380
Planning and Engineering Department		1,435,561
Facilities and Maintenance Department		13,168,040
Nondepartmental Expenses		1,515,175
Total	$	37,139,676

Note: Fixed Assets and Capital Projects not included

Reno-Tahoe Airport Authority
FY 2013-14
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 three 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 2013-14
A N N U A L B U D G E T
Board of Trustees
Department Summary

Account Group	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Personnel Services	$ 287,313	$ 311,680	$ 313,080	0%
Utilities and Communications	-	3,000	-	-100%
Purchased Services	460,070	593,800	496,500	-16%
Materials and Supplies	2,486	5,850	6,550	12%
Administrative Expenses	35,205	143,615	71,025	-51%
Total Operating Expenses	$ 785,074	$ 1,057,945	$ 887,155	-16%
Property, Plant and Equipment	0	0	0	0%
TOTAL	$ 785,074	$ 1,057,945	$ 887,155	-16%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

BOARD OF TRUSTEES
Department 101

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$21,903	$24,300	$25,600	5%
Vacation Pay	41130	823	0	0	0%
Sick Leave	41140	229	0	0	0%
Holiday Pay	41150	793	0	0	0%
Trustee Stipend	41190	61,040	60,480	60,480	0%
Overtime Pay	41210	84	0	0	0%
Group Insurance	41340	4,646	5,900	7,300	24%
Retirement (Pers)	41360	5,263	5,800	6,600	14%
TOTAL PERSONNEL SERVICES		94,782	96,480	99,980	4%
UTILITIES AND COMMUNICATIONS					
Communications	42210	0	3,000	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		0	3,000	0	-100%
PURCHASED SERVICES					
Consultants - General	43140	0	0	8,000	%
Office Equipment Rental	43210	1,501	2,000	2,000	0%
Freight Expense	43430	114	200	200	0%
Other Purchased Services	43490	344	800	500	-38%
TOTAL PURCHASED SERVICES		1,959	3,000	10,700	257%
MATERIALS & SUPPLIES					
Office Supplies	44100	1,301	1,500	2,000	33%
Paper	44110	0	200	300	50%
Postage	44120	48	100	150	50%
Printing & Forms	44130	177	1,000	1,000	0%
Office Small Equipment	44410	0	2,500	2,550	2%
TOTAL MATERIALS & SUPPLIES		1,526	5,300	6,000	13%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,872	500	500	0%
Conference Registration Fees	45130	3,050	4,800	4,800	0%
Training Expense	45140	185	1,000	600	-40%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

BOARD OF TRUSTEES
Department 101

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Meeting Expense	45150	4,976	14,800	10,000	-32%
Travel & Reimbursed Expense	45210	13,871	11,500	10,500	-9%
Recruitment Expense	45230	0	104,500	35,000	-67%
Other Advertising & Promotion	45390	202	0	0	0%
Community Relations	45398	2,500	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		26,656	137,100	61,400	-55%
TOTAL DEPARTMENT EXPENSES		$124,923	$244,880	$178,080	-27%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

INTERNAL AUDIT
Executive Section 204

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$113,115	$144,700	$144,700	0%
Vacation Pay	41130	10,556	3,200	0	-100%
Sick Leave	41140	4,511	1,500	2,000	33%
Holiday Pay	41150	6,916	7,500	0	-100%
Medicare	41320	2,064	2,100	2,100	0%
Group Insurance	41340	7,389	10,600	14,200	34%
Disability Insurance	41342	1,554	1,600	1,600	0%
Self Funded Rx	41343	4,140	0	0	0%
Vision Insurance	41344	285	300	200	-33%
Dental Insurance	41347	2,357	1,700	1,600	-6%
Workers Comp	41350	416	400	200	-50%
Retirement	41360	30,907	34,400	37,300	8%
Benefit Bank Deferred Comp	41430	8,321	7,200	9,200	28%
TOTAL PERSONNEL SERVICES		192,531	215,200	213,100	-1%
PURCHASED SERVICES					
Consultants - General	43140	0	0	20,000	%
Office Equipment Rental	43210	502	600	600	0%
TOTAL PURCHASED SERVICES		502	600	20,600	3333%
MATERIALS & SUPPLIES					
Office Supplies	44100	781	300	300	0%
Paper	44110	32	100	100	0%
Postage	44120	0	50	50	0%
Printing & Forms	44130	15	50	50	0%
Office Small Equipment	44410	0	50	50	0%
TOTAL MATERIALS & SUPPLIES		828	550	550	0%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	365	495	515	4%
Books & Subscriptions	45120	400	400	400	0%
Conference Registration Fees	45130	700	550	550	0%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

INTERNAL AUDIT
Executive Section 204

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Training Expense	45140	741	1,220	1,160	-5%
Meeting Expense	45150	20	0	0	0%
Travel & Reimbursed Expense	45210	4,124	1,200	2,200	83%
TOTAL ADMINISTRATIVE EXPENSES		6,350	3,865	4,825	25%
TOTAL SECTION EXPENSES		$200,212	$220,215	$239,075	9%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

GENERAL COUNSEL
Executive Section 102

	ACCOUNT NO.	2011-12 ACTUAL	2011-12 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PURCHASED SERVICES					
Legal Contracted Service	43110	457,421	560,000	450,000	-20%
Other Professional Services	43190	0	30,000	15,000	-50%
Other Purchased Services	43490	188	200	200	0%
TOTAL PURCHASED SERVICES		457,609	590,200	465,200	-21%
MATERIALS & SUPPLIES					
Paper	44110	132	0	0	0%
TOTAL MATERIALS & SUPPLIES		132	0	0	0%
ADMINISTRATIVE EXPENSE					
Books & Subscriptions	45120	0	600	600	0%
Conference Registration Fees	45130	0	800	1,600	100%
Travel & Reimbursed Expense	45210	1,636	1,250	2,600	108%
TOTAL ADMINISTRATIVE EXPENSES		2,199	2,650	4,800	81%
TOTAL SECTION EXPENSES		$459,939	$592,850	$470,000	-21%

Reno-Tahoe Airport Authority
FY 2013-14
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. In addition, this department is responsible for representing the RTAA's interests and maintaining strong governmental relations at the local, state, and federal levels.

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 through 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.
- Advertise convenience and ease of using RTIA and the destinations served to potential regional and national passengers.
- Provide for an RTIA Art Plan and program.
- Maintain & Update RTIA Website.
- Communicate airport construction impacts to customers.
- Enhance presentations, proposals, marketing materials and invitations through graphic arts.

- Continue RTAA's music events in the terminal building, including holiday and Artown performances.
- Provide RTIA's Holiday decorations.
- Coordinate with the Reno-Sparks Convention and Visitors Authority (RSCVA), 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 (AED) Department serves to (1) attract, retain, and expand the variety and number of in-terminal, non-airline revenue tenants, as well as its on and off airport tenant base, resulting in long-term airport property leases; and (2) monitor and support the airlines, in-terminal concessions, and general aviation tenants, while effectively managing real property assets, to maximize revenue, minimize risk exposure and optimize the customer experience. AED's strives is to keep operating costs as low as possible for the airlines, provide exceptional food and beverage and retail concessions and service opportunities for the traveling public, and offer superior general aviation facilities and services for the general aviation community.

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: (1) increase sales; (2) capitalize on the opportunity to refresh the service providers/menu offerings; (3) improve the dining environment and experience as part of the Airport Gateway Project; and (4) negotiate new leases, as appropriate.
- Work with the Paradies Shops, the Specialty Retail Concessionaires, and various retail and specialty vending operators to: (1) adjust retail offerings to enhance shopping opportunities and customer satisfaction resulting in increased sales; (2) 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 Project; and (3) negotiate new leases, as appropriate.
- Work closely with our advertising concessionaire, The Younger Agency, to: (1) update the advertising master plan, taking into consideration facility changes that will occur as a result of the Airport Gateway Project; (2) select improved baggage carrousel-mounted displays and LED edge lit units for acquisition and installation that complement the planned aesthetic improvement in the Baggage Claim area with a high-end appearance and utilize low-energy technology; (3) revise the advertising locations and refresh the concepts to attract and diversify, as well as retain and

expand, client marketing opportunities; and (4) 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 as follows: (1) work closely with Dassault Falcon to facilitate their expansion on vacant land immediately south of their current leasehold; (2) promote enhanced services and upgraded facilities resulting from Atlantic Aviation $7.5 million investment in a new 11,500 sq. ft, two story Fixed Based Operator building with attached 27,500 sq. ft. hangar; and (3) work closely with other prospective tenants that wish to develop hangars at Reno-Tahoe International Airport 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 and ensure financial stability for the RTAA.
- Create a facilities utilization and revenue optimization plan for all outside properties, including the Airport Mini-Warehouse, Park to Travel and 1280 Terminal Way facilities. Based on facility assessments, create a phased plan to identify and correct deferred maintenance in order to increase utilization, occupancy rates, and revenue.
- Implement, monitor and maximize new financial and lease management software at the Airport Warehouse that will integrate with the RTAA's property management software and comply with standard accounting practices. This efforts will required the following: (1) provide frontline staff with skills training to ensure the basic suite of business software training is current; (2) ensure that administration and property management functions are consistent with RTAA policies and practices; and (3) market facilities to take advantage of location and leasing opportunities that contribute toward financial stability.
- 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; secure long-term leases to contribute towards financial stability for the RTAA.
- 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 Reno-Tahoe International Airport and Reno-Stead Airport in an effort to secure long-term relationships and airport property leases that contributes to RTAA financial stability.
- Optimize the use of the RTAA's property management software, and focus on system updates and data monitoring to ensure accurate billing statements each month to ensure revenue stream; ensure that all active lease information is entered, monitored and maintained and that lease compliance activities are managed effectively to protect the RTAA from adverse financial exposure.
- Improve communication, service and product delivery to customers, stakeholders, and internal RTAA departments; work collaboratively, meet established deadlines and follow-through on assignments in a timely and responsible manner with a superior work product.

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 2013-14
A N N U A L B U D G E T
President/CEO
Department Summary

Account Group	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Personnel Services	$ 4,881,294	$ 5,315,450	$ 5,138,600	-3%
Utilities and Communications	131,488	156,450	143,550	-8%
Purchased Services	478,556	860,985	1,165,650	35%
Materials and Supplies	61,089	67,880	86,850	28%
Administrative Expenses	671,926	623,785	525,262	-16%
Total Operating Expenses	$ 6,224,353	$ 7,024,550	$ 7,059,912	1%
Property, Plant and Equipment	138,091	0	0	0%
TOTAL	$ 6,362,444	$ 7,024,550	$ 7,059,912	1%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

PRESIDENT/CEO
Department 201

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$469,670	$459,600	$340,100	-26%
Vacation Pay	41130	28,433	8,600	4,800	-44%
Sick Leave	41140	15,235	12,300	12,700	3%
Holiday Pay	41150	16,335	0	0	0%
Automobile Allowance	41250	12,000	12,000	12,000	0%
Medicare	41320	4,502	5,900	3,900	-34%
Group Insurance	41340	13,557	15,400	20,800	35%
Disability Insurance	41342	9,657	9,300	9,300	0%
Self Funded Rx	41343	3,623	0	0	0%
Vision Insurance	41344	228	300	300	0%
Dental Insurance	41347	1,852	2,100	2,000	-5%
Workers Comp	41350	623	600	300	-50%
Retirement	41360	65,527	109,200	76,000	-30%
Benefit Bank Deferred Comp	41430	2,233	1,800	2,200	22%
TOTAL PERSONNEL SERVICES		643,476	637,100	484,400	-24%
PURCHASED SERVICES					
Other Professional Services	43190	0	170,000	170,000	0%
Office Equipment Rental	43210	1,717	400	400	0%
Freight Expense	43430	130	300	300	0%
Other Purchased Services	43490	436	0	0	0%
TOTAL PURCHASED SERVICES		2,283	170,700	170,700	0%
MATERIALS & SUPPLIES					
Office Supplies	44100	1,528	2,500	2,500	0%
Paper	44110	628	500	500	0%
Postage	44120	48	200	200	0%
Printing & Forms	44130	768	400	400	0%
TOTAL MATERIALS & SUPPLIES		2,973	3,600	3,600	0%
ADMINISTRATION EXPENSES					
Membership Dues	45110	53,457	64,700	63,000	-3%
Books & Subscriptions	45120	4,741	4,000	4,000	0%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

PRESIDENT/CEO
Department 201

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Conference Registration Fees	45130	1,096	3,500	3,500	0%
Meeting Expense	45150	13,179	10,000	10,000	0%
Travel & Reimbursed Expense	45210	34,984	25,000	10,000	-60%
TOTAL ADMINISTRATIVE EXPENSES		107,457	107,200	90,500	-16%
TOTAL DEPARTMENT EXPENSES		$756,189	$918,600	$749,200	-18%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

AIR SERVICE BUSINESS DEVELOPMENT
Executive Section 202

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$183,966	$346,400	$290,200	-16%
Vacation Pay	41130	15,113	1,600	0	-100%
Sick Leave	41140	7,296	2,800	3,300	18%
Holiday Pay	41150	9,550	0	0	0%
Overtime Pay	41210	1,254	0	0	0%
Medicare	41320	3,265	5,200	4,400	-15%
FICA	41321	140	0	0	0%
Group Insurance	41340	15,622	27,400	30,800	12%
Disability Insurance	41342	2,153	3,800	3,600	-5%
Self Funded Rx	41343	8,074	0	0	0%
Vision Insurance	41344	513	600	500	-17%
Dental Insurance	41347	4,209	3,700	3,000	-19%
Workers Comp	41350	1,039	1,000	500	-50%
Retirement	41360	47,602	82,300	74,700	-9%
Benefit Bank Deferred Comp	41430	7,642	5,800	10,300	78%
TOTAL PERSONNEL SERVICES		307,438	480,600	421,300	-12%
PURCHASED SERVICES					
Consultants - General	43140	20,000	0	0	0%
Other Professional Services	43190	6,783	3,995	3,995	0%
Office Equipment Rental	43210	827	2,400	2,400	0%
Freight Expense	43430	243	1,000	1,000	0%
Other Purchased Services	43490	69	60	70	17%
TOTAL PURCHASED SERVICES		27,922	7,455	7,465	0%
MATERIALS & SUPPLIES					
Office Supplies	44100	560	0	0	0%
Paper	44110	30	0	0	0%
Postage	44120	56	0	0	0%
Printing & Forms	44130	115	0	0	0%
Sign and Sign Maintenance	44430	49	0	0	0%
TOTAL MATERIALS & SUPPLIES		810	0	0	0%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

AIR SERVICE BUSINESS DEVELOPMENT
Executive Section 202

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,330	1,630	2,630	61%
Books & Subscriptions	45120	1,804	0	0	0%
Conference Registration Fees	45130	18,243	12,620	17,000	35%
Training Expense	45140	70	2,000	2,000	0%
Meeting Expense	45150	1,035	2,500	2,500	0%
Meeting Exp-Air Svc Task Force	45151	0	500	500	0%
Travel & Reimbursed Expense	45210	88,521	79,000	79,000	0%
Travel&Reimb Exp-Air Svc Task	45211	0	7,800	7,800	0%
Employee Milege Reimbursement	45240	0	100	100	0%
Publications	45320	0	2,800	0	-100%
Other Advertising & Promotion	45390	20,511	20,000	20,000	0%
Conference Sponsorship	45391	0	15,000	20,000	33%
Community Outreach	45398	53,497	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		185,010	143,950	151,530	5%
TOTAL SECTION EXPENSES		$521,180	$632,005	$580,295	-8%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

MARKETING AND PUBLIC AFFAIRS
Executive Section 203

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$341,837	$407,400	$417,800	3%
Temporary Employees	41120	2,775	6,000	4,000	-33%
Vacation Pay	41130	30,780	3,400	1,000	-71%
Sick Leave	41140	18,237	6,200	5,800	-6%
Holiday Pay	41150	20,561	0	0	0%
Comp Time	41160	262	0	0	0%
Overtime Pay	41210	1,063	500	0	-100%
Automobile Allowance	41250	4,800	4,800	4,800	0%
Medicare	41320	5,980	6,000	6,000	0%
FICA	41321	42	0	0	0%
Group Insurance	41340	37,156	41,500	55,900	35%
Disability Insurance	41342	4,449	3,600	3,500	-3%
Self Funded Rx	41343	9,626	0	0	0%
Vision Insurance	41344	570	1,000	900	-10%
Dental Insurance	41347	5,134	6,400	5,900	-8%
Workers Comp	41350	1,247	1,250	600	-52%
Retirement	41360	92,616	96,800	107,600	11%
TOTAL PERSONNEL SERVICES		577,136	584,850	613,800	5%
PURCHASED SERVICES					
Consultants - General	43140	19,283	25,000	16,000	-36%
Other Professional Services	43190	92,235	5,000	22,500	350%
Office Equipment Rental	43210	3,591	1,300	4,000	208%
Contracted Services	43340	20	250	250	0%
Freight Expense	43430	905	300	300	0%
Other Purchased Services	43490	39	400	100	-75%
TOTAL PURCHASED SERVICES		116,072	32,250	43,150	34%
MATERIALS & SUPPLIES					
Office Supplies	44100	2,779	6,000	6,000	0%
Paper	44110	174	300	300	0%
Postage	44120	503	250	200	-20%
Printing & Forms	44130	324	700	700	0%

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MARKETING AND PUBLIC AFFAIRS
Executive Section 203

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Sign and Sign Maintenance	44430	8,009	5,000	4,000	-20%
TOTAL MATERIALS & SUPPLIES		11,789	12,250	11,200	-9%
ADMINISTRATIVE EXPENSES					
Membership Dues	45110	3,749	3,880	3,725	-4%
Books & Subscriptions	45120	3,274	3,000	2,955	-2%
Conference Registration Fees	45130	1,125	0	1,700	%
Training Expense	45140	801	1,000	2,500	150%
Meeting Expense	45150	1,149	1,200	1,200	0%
Travel & Reimbursed Expense	45210	8,408	0	2,500	%
Employee Milege Reimburseme	45240	305	300	300	0%
Publications	45320	29,028	35,500	31,500	-11%
Other Advertising & Promotion	45390	1,011	3,000	13,000	333%
Conference Sponsorship	45391	229,267	140,000	25,000	-82%
Art Program	45393	2,281	3,500	8,500	143%
Community Outreach	45398	21,560	85,000	70,000	-18%
TOTAL ADMINISTRATIVE EXPENSES		301,958	276,380	162,880	-41%
TOTAL SECTION EXPENSES		$1,006,956	$905,730	$831,030	-8%

Reno-Tahoe Airport Authority
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ECONOMIC DEVELOPMENT
Executive Section 304

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$555,966	$608,100	$603,300	-1%
Vacation Pay	41130	37,463	2,600	100	-96%
Sick Leave	41140	15,081	6,400	3,400	-47%
Holiday Pay	41150	27,359	0	0	0%
Comp Time	41160	247	0	0	0%
Overtime Pay	41210	64	0	0	0%
Car Allowance	41250	4,800	4,800	4,800	0%
Medicare	41320	9,529	9,000	8,900	-1%
Group Insurance	41340	38,579	52,500	67,100	28%
Disability Insurance	41342	6,226	6,000	5,600	-7%
Self Funded Rx	41343	10,351	0	0	0%
Vision Insurance	41344	627	1,200	1,100	-8%
Dental Insurance	41347	5,219	7,500	6,500	-13%
Workers Comp	41350	1,455	1,400	700	-50%
Retirement	41360	138,534	144,200	155,300	8%
Benefit Bank Deferred Comp	41430	12,598	10,000	8,100	-19%
TOTAL PERSONNEL SERVICES		864,096	853,700	864,900	1%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	3,877	0	0	0%
Natural Gas	42120	1,910	0	0	0%
Water	42130	8,528	12,000	7,000	-42%
Sewer	42140	691	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		15,007	12,000	7,000	-42%
PURCHASED SERVICES					
Consultants - General	43140	0	63,000	13,000	-79%
Real Estate Appraising & Neg.	43170	6,500	22,500	20,000	-11%
Other Professional Services	43190	19,833	40,000	30,000	-25%
Office Equipment Rental	43210	4,310	2,000	5,000	150%
Land Rental	43240	4,400	4,400	4,400	0%
Contracted Services	43340	295	0	8,000	%
Freight Expense	43430	510	800	1,000	25%

Reno-Tahoe Airport Authority
FY 2013-14
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ECONOMIC DEVELOPMENT
Executive Section 304

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Permits & Recorders Fees	43460	233	200	200	0%
Airport Advertising	43470	21,165	3,000	3,000	0%
Other Purchased Services	43490	1,424	5,000	5,000	0%
TOTAL PURCHASED SERVICES		58,670	140,900	89,600	-36%
MATERIALS & SUPPLIES					
Office Supplies	44100	3,509	4,000	4,000	0%
Paper	44110	846	1,000	1,000	0%
Postage	44120	2,401	1,300	2,000	54%
Printing & Forms	44130	780	1,600	1,500	-6%
Office Small Equipment	44410	1,012	500	500	0%
Sign and Sign Maintenance	44430	120	0	1,000	%
TOTAL MATERIALS & SUPPLIES		8,668	8,400	10,000	19%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,866	3,170	26,732	743%
Books & Subscriptions	45120	455	0	0	0%
Conference Registration Fees	45130	3,097	1,975	2,145	9%
Training Expense	45140	0	0	0	0%
Meeting Expense	45150	1,448	2,000	2,000	0%
Travel & Reimbursed Expense	45210	20,738	4,700	1,650	-65%
Employee reimbursed mileage	45240	0	200	200	0%
Legal Ads	45340	0	400	400	0%
Economic Development	45360	30,269	40,000	40,000	0%
TOTAL ADMINISTRATIVE EXPENSES		57,874	52,445	73,127	39%
TOTAL SECTION EXPENSES		$1,004,316	$1,067,445	$1,044,627	-2%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

OUTSIDE PROPERTIES
Executive Section 306

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$119,713	$90,600	$88,700	-2%
Temporary Employees	41120	1,670	0	0	0%
Vacation Pay	41130	(39,833)	0	0	0%
Sick Leave	41140	(794)	0	0	0%
Holiday Pay	41150	3,744	0	0	0%
Overtime Pay	41210	1,274	1,000	1,000	0%
Shift Differential	41230	769	0	0	0%
Medicare	41320	1,018	1,300	1,300	0%
FICA	41321	98	0	0	0%
Group Insurance	41340	15,660	17,300	23,300	35%
Disability Insurance	41342	1,671	700	700	0%
Self Funded Rx	41343	6,211	0	0	0%
Vision Insurance	41344	513	400	400	0%
Dental Insurance	41347	3,283	2,700	2,500	-7%
Workers Comp	41350	2,078	400	200	-50%
Retirement	41360	31,349	16,000	19,100	19%
Benefit Bank Deferred Comp	41430	687	0	0	0%
TOTAL PERSONNEL SERVICES		149,111	130,400	137,200	5%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	72,849	83,000	73,500	-11%
Natural Gas	42120	19,428	18,750	18,050	-4%
Water	42130	11,537	16,800	18,800	12%
Sewer	42140	6,965	17,400	16,500	-5%
Solid Waste Disposal	42150	5,702	8,500	9,700	14%
TOTAL UTILITIES & COMMUNICATIONS		116,481	144,450	136,550	-5%
PURCHASED SERVICES					
Other Professional Services	43190	8,716	4,500	4,200	-7%
Contracted Services	43340	90,086	118,180	398,417	237%
Other Repair/Maintenance Svc	43390	135,563	342,500	418,804	22%
Freight Expense	43430	82	0	0	0%
Permits & Recorders Fees	43460	863	0	0	0%

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OUTSIDE PROPERTIES
Executive Section 306

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Other Purchased Services	43490	14,158	18,500	7,000	-62%
TOTAL PURCHASED SERVICES		249,468	483,680	828,421	71%
MATERIALS & SUPPLIES					
Office Supplies	44100	943	1,500	1,600	7%
Paper	44110	32	130	150	15%
Postage	44120	535	500	350	-30%
Printing & Forms	44130	268	1,200	400	-67%
Janitorial Supplies	44260	292	1,800	5,550	208%
Repair & Maint. Supplies	44300	0	0	9,000	%
Vehicles	44310	0	400	150	-63%
Heating & Air Conditioning	44320	0	100	0	-100%
Locks & Hardware	44333	927	2,000	1,200	-40%
Seeds, Plants & Trees	44340	85	0	0	0%
Irrigation Supplies	44341	103	1,000	0	-100%
Small Tools - Minor Equipment	44400	90	100	500	400%
Office Small Equipment	44410	0	350	300	-14%
Sign and Sign Maintenance	44430	216	4,000	3,000	-25%
TOTAL MATERIALS & SUPPLIES		3,490	13,080	22,200	70%
ADMINISTRATIVE EXPENSE					
Employee reimbursed mileage	45240	0	550	500	-9%
Legal Ads	45340	100	150	150	0%
Other Advertising & Promotion	45390	4,407	14,500	10,000	-31%
Credit Card Fees	45500	0	0	9,000	%
TOTAL ADMINISTRATIVE EXPENSES		4,507	15,200	19,650	29%
TOTAL SECTION EXPENSES		$523,056	$786,810	$1,144,021	45%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

AIRPORT POLICE
Executive Section 405

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$1,160,475	$1,491,400	$1,520,600	2%
Vacation Pay	41130	85,780	3,700	500	-86%
Sick Leave	41140	51,418	6,200	4,800	-23%
Holiday Pay	41150	57,701	0	0	0%
Comp time	41160	21,438	0	0	0%
Overtime Pay	41210	57,201	70,000	40,000	-43%
Overtime Call Back	41213	446	0	0	0%
Standby	41220	804	0	0	0%
Shift Differential	41230	54,756	65,000	55,000	-15%
Holiday worked Pay	41280	30,475	95,000	35,000	-63%
Medicare	41320	22,320	21,900	22,400	2%
Group Insurance	41340	104,443	152,000	221,300	46%
Disability Insurance	41342	12,745	20,600	10,400	-50%
Self Funded Rx	41343	34,883	0	0	0%
Vision Insurance	41344	2,225	3,400	3,500	3%
Dental Insurance	41347	18,686	21,100	21,600	2%
Workers Comp	41350	54,820	52,400	29,700	-43%
Retirement	41360	516,815	565,000	585,100	4%
Uniform Allowance	41380	13,283	20,000	18,000	-10%
Post Employment Health Plan	41410	5,620	8,800	8,800	0%
Benefit Bank Deferred Comp	41430	33,702	32,300	40,300	25%
TOTAL PERSONNEL SERVICES		2,340,037	2,628,800	2,617,000	0%
PURCHASED SERVICES					
Other Professional Services	43190	3,354	3,000	0	-100%
Office Equipment Rental	43210	3,660	1,500	7,314	388%
Contracted Services	43340	5,093	8,500	8,500	0%
Other Repair/Maintenance Svcs	43390	57	0	0	0%
Freight Expense	43430	839	500	500	0%
Other Purchased Services	43490	11,139	12,500	10,000	-20%
TOTAL PURCHASED SERVICES		24,141	26,000	26,314	1%
MATERIALS & SUPPLIES					
Office Supplies	44100	4,920	5,000	5,000	0%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

AIRPORT POLICE
Executive Section 405

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Paper	44110	377	500	500	0%
Postage	44120	9	200	200	0%
Printing & Forms	44130	2,691	2,000	2,000	0%
Medical Supplies	44270	0	150	50	-67%
Other Operating Supplies	44290	3,866	3,500	0	-100%
Firearms	44293	4,808	6,000	6,000	0%
Canine	44294	0	0	7,000	%
Locks & Hardware	44333	95	200	100	-50%
Small Tools - Minor Equipment	44400	2,819	5,000	11,000	120%
Office Small Equipment	44410	129	500	500	0%
Employee Safety Equipment	44450	13,634	7,500	7,500	0%
TOTAL MATERIALS & SUPPLIES		33,358	30,550	39,850	30%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	5,395	5,670	6,845	21%
Books & Subscriptions	45120	807	300	300	0%
Conference Registration Fees	45130	175	2,440	2,930	20%
Training Expense	45140	6,188	8,000	8,000	0%
Meeting Expense	45150	23	0	0	0%
Travel & Reimbursed Expense	45210	2,533	12,200	9,500	-22%
TOTAL ADMINISTRATIVE EXPENSES		15,120	28,610	27,575	-4%
TOTAL EXPENSES BEFORE FIXED ASSETS		2,412,656	2,713,960	2,710,739	0%
FIXED ASSETS					
Fixed Asset Acquisition	48150	138,091	0	0	0%
TOTAL SECTION EXPENSES		$2,550,747	$2,713,960	$2,710,739	0%

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.

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 in the following areas:
  - Data Loss Prevention (DLP) technology
  - Disaster recover and business continuity technology
  - Purchasing Card Industry (PCI) compliance technology
  - Business and communications technology at the new Reno-Stead Terminal/ Emergency Operations Center building

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
  - Reno-Stead vehicle fleet
  - RTAA owned facilities
  - Landscaping
- Inspect Runway and lighting systems.
- 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.
- Cooperate with other departments with respect to leases and accounts receivable.
- Participate in Economic Development opportunities at RTS.
- Assist in emergency operations as appropriate.
- Represent the Reno-Stead Airport in local meetings as appropriate.
- Provide facilities to support various military training exercises.

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 administration of the new employee recognition program.
- Participate in the Airport Council International (ACI) compensation survey and review market competitiveness with benchmark airports.
- Continue to support employees in the successful performance of their jobs by providing relevant, timely, 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 to the Police Department in support of the recent awarded Commission on Accreditation for Law Enforcement (CALEA) certification.
- Continue to support the employee's efforts to achieve the organizational goal of twenty (20) hours of training each year.
- Increase internal department employee knowledge with ongoing cross training and position specific procedure manuals.
- Provide ongoing management training on the performance appraisal system. Support managerial efforts to review and update as necessary performance factors for applicability to current positions and or changing organizational needs.
- Continue efforts to enhance the new hire on-boarding process through transition of various module topics to an electronic learning format.
- Continue to regularly update the RTAA employee intranet to provide for enhanced ease of use and greater usefulness.
- Continue to measure key Human Resources functions to provide meaningful and relevant data in support of organizational effectiveness.
- Support the completion of employee evaluations in a timely manner.
- Continue to support the employee emergency communications call system to provide instructions to employees in the event of an emergency.

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T
Executive Vice-President/COO
Department Summary

Account Group	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Personnel Services	$ 2,379,067	$ 2,410,115	$ 2,651,985	10%
Utilities and Communications	361,683	309,600	317,600	3%
Purchased Services	334,323	442,493	635,798	44%
Materials and Supplies	274,018	170,600	214,080	25%
Administrative Expenses	128,970	97,465	92,230	-5%
Total Operating Expenses	$ 3,478,060	$ 3,430,273	$ 3,911,693	14%
Property, Plant and Equipment	17,742	220,761	0	-100%
TOTAL	$ 3,495,802	$ 3,651,034	$ 3,911,693	7%

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

EXECUTIVE VICE-PRESIDENT/COO
Department 251

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$194,827	$206,300	$285,500	38%
Vacation Pay	41130	65,937	4,600	2,300	-50%
Sick Leave	41140	12,020	9,800	11,100	13%
Holiday Pay	41150	10,817	0	0	0%
Overtime Pay	41210	169	0	0	0%
Automobile Allowance	41250	5,539	7,200	7,200	0%
Medicare	41320	4,624	4,000	4,500	13%
Group Insurance	41340	11,520	15,900	26,900	69%
Disability Insurance	41342	2,382	2,200	2,700	23%
Self Funded Rx	41343	4,140	0	0	0%
Vision Insurance	41344	285	500	600	20%
Dental Insurance	41347	2,357	3,200	3,500	9%
Workers Comp	41350	416	400	300	-25%
Retirement	41360	50,035	49,000	73,500	50%
Benefit Bank Deferred Comp	41430	1,605	0	0	0%
TOTAL PERSONNEL SERVICES		366,672	303,100	418,100	38%
PURCHASED SERVICES					
Consultants - General	43140	18,927	10,000	10,000	0%
Office Equipment Rental	43210	2,962	300	1,000	233%
Freight Expense	43430	19	100	150	50%
Other Purchased Services	43490	(27)	0	0	0%
TOTAL PURCHASED SERVICES		21,882	10,400	11,150	7%
MATERIALS & SUPPLIES					
Office Supplies	44100	1,931	900	300	-67%
Paper	44110	246	50	50	0%
Postage	44120	0	50	50	0%
Printing & Forms	44130	254	100	100	0%
Medical Supplies	44270	17	100	100	0%
TOTAL MATERIALS & SUPPLIES		2,448	1,200	600	-50%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

EXECUTIVE VICE-PRESIDENT/COO
Department 251

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,265	1,980	1,800	-9%
Conference Registration Fees	45130	1,586	5,000	2,900	-42%
Training Expense	45140	725	600	600	0%
Meeting Expense	45150	6,053	3,000	3,000	0%
Travel & Reimbursed Expense	45210	16,227	9,800	7,100	-28%
Community Assistance Reimbı	45212	0	1,000	1,000	0%
TOTAL ADMINISTRATIVE EXPENSES		25,856	21,380	16,400	-23%
TOTAL DEPARTMENT EXPENSES		$416,858	$336,080	$446,250	33%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET

HUMAN RESOURCES
Executive Section 252

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$315,486	$370,900	$380,700	3%
Temporary Employees	41120	1,709	3,960	0	-100%
Vacation Pay	41130	27,268	6,100	1,800	-70%
Sick Leave	41140	13,061	6,800	5,600	-18%
Holiday Pay	41150	17,642	0	0	0%
Comp Time	41160	211	0	0	0%
Incentive Awards	41260	10,720	9,550	11,085	16%
Service Awards	41270	2,366	3,955	3,355	-15%
Communications Allowance	41300	0	0	0	0%
Physical Exam Expense	41310	22,989	22,000	22,195	1%
Medicare	41320	5,492	5,600	5,600	0%
Wellness Program	41330	743	4,500	4,400	-2%
Group Insurance	41340	23,269	25,400	45,800	80%
PEBP Subsidy	41341	157,813	175,000	167,400	-4%
Disability Insurance	41342	3,242	3,000	3,700	23%
Self Funded Rx	41343	6,728	0	0	0%
Vision Insurance	41344	399	600	700	17%
Dental Insurance	41347	3,535	3,500	4,500	29%
Section 125 Flex Plan	41349	5,806	6,000	6,000	0%
Workers Comp	41350	935	900	500	-44%
Retirement	41360	83,598	88,100	98,000	11%
Unemployment	41370	74,593	60,000	60,000	0%
Benefit Bank Deferred Comp	41430	13,324	12,400	2,000	-84%
TOTAL PERSONNEL SERVICES		790,930	808,265	823,335	2%
PURCHASED SERVICES					
Consultants - General	43140	1,900	350	3,100	786%
Other Professional Services	43190	13,800	11,750	22,950	95%
Office Equipment Rental	43210	3,260	2,000	3,230	62%
Freight Expense	43430	200	335	250	-25%
Permits and Recorders Fees	43460	1,223	1,300	1,500	15%
Other Purchased Services	43490	3,358	2,790	2,940	5%
TOTAL PURCHASED SERVICES		23,742	18,525	33,970	83%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET

HUMAN RESOURCES
Executive Section 252

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
MATERIALS & SUPPLIES					
Office Supplies	44100	1,481	1,500	1,700	13%
Paper	44110	409	350	450	29%
Postage	44120	691	600	550	-8%
Printing & Forms	44130	804	700	900	29%
TOTAL MATERIALS & SUPPLIES		3,384	3,150	3,600	14%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,621	1,940	540	-72%
Books & Subscriptions	45120	639	550	550	0%
Conference Registration Fees	45130	3,539	575	750	30%
Training Expense	45140	716	800	1,000	25%
Organizational Training	45141	40,814	30,655	28,545	-7%
Meeting Expense	45150	76	0	0	0%
Tuition Reimbrusement	45160	15,028	19,000	15,000	-21%
Accreditation Incentive Program	45180	0	1,500	1,500	0%
Travel & Reimbursed Expense	45210	4,348	0	1,100	%
Interview Expense	45230	14,668	5,100	6,550	28%
Legal Ads	45340	6,460	4,000	5,000	25%
TOTAL ADMINISTRATIVE EXPENSES		87,908	64,120	60,535	-6%
TOTAL SECTION EXPENSES		$905,964	$894,060	$921,440	3%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET

TECHNOLOGY AND INFORMATION SYSTEMS

Executive Section 253

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$396,565	$496,900	$498,900	0%
Vacation Pay	41130	33,355	6,100	3,200	-48%
Sick Leave	41140	17,938	7,500	8,200	9%
Holiday Pay	41150	21,799	0	0	0%
Comp Time	41160	309	0	0	0%
Overtime Pay	41210	8,968	5,000	3,000	-40%
Overtime Call Back	41213	618	500	0	-100%
Shift Differential	41230	85	0	0	0%
Medicare	41320	6,677	7,200	7,200	0%
Group Insurance	41340	35,379	48,600	59,300	22%
Disability Insurance	41342	4,832	4,800	4,500	-6%
Self Funded Rx	41343	11,490	0	0	0%
Vision Insurance	41344	856	1,300	1,200	-8%
Dental Insurance	41347	6,060	6,900	6,000	-13%
Workers Comp	41350	2,909	2,800	2,000	-29%
Retirement	41360	102,658	118,000	128,500	9%
Uniform Allowance	41380	0	100	100	0%
TOTAL PERSONNEL SERVICES		650,496	705,700	722,100	2%
UTILITIES AND COMMUNICATIONS					
Communications	42210	269,393	203,400	218,500	7%
TOTAL UTILITIES & COMMUNICATIONS		269,393	203,400	218,500	7%
PURCHASED SERVICES					
Data Processing	43130	253,838	348,268	532,500	53%
Office Equipment Rental	43210	476	0	0	0%
Other Repair/Maintenance Svcs	43390	0	23,000	23,000	0%
Freight Expense	43430	1,497	0	0	0%
TOTAL PURCHASED SERVICES		255,811	371,268	555,500	50%
MATERIALS & SUPPLIES					
Office Supplies	44100	5	100	100	0%
Paper	44110	206	300	100	-67%
Postage	44120	32	100	100	0%
Printing & Forms	44130	73	0	0	0%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET

TECHNOLOGY AND INFORMATION SYSTEMS

Executive Section 253

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Office Small Equipment	44410	74,326	24,600	53,800	119%
Employee Safety Equipment	44450	0	250	100	-60%
Telephone Equipment and Labor	44460	48,090	5,800	9,230	59%
TOTAL MATERIALS & SUPPLIES		122,731	31,150	63,430	104%
ADMINISTRATIVE EXPENSES					
Membership Dues	45110	275	0	750	%
Books & Subscriptions	45120	1,209	600	600	0%
Conference Registration Fees	45130	2,020	0	60	%
Training Expense	45140	486	800	1,200	50%
Meeting Expense	45150	182	0	0	0%
Travel & Reimbursed Expense	45210	669	1,000	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		4,842	2,400	2,610	9%
TOTAL EXPENSES BEFORE FIXED ASSETS		1,303,273	1,313,918	1,562,140	19%
FIXED ASSETS					
Fixed Asset Acquisition	48150	17,742	220,761	0	-100%
TOTAL SECTION EXPENSES		$1,321,015	$1,534,679	$1,562,140	2%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET

RENO STEAD AIRPORT
Executive Section 254

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$331,239	$386,500	$434,400	12%
Vacation Pay	41130	28,448	900	0	-100%
Sick Leave	41140	12,906	5,100	6,200	22%
Holiday Pay	41150	16,698	16,000	16,000	0%
Comp Time	41160	1,981	0	0	0%
Overtime Pay	41210	11,838	15,000	13,500	-10%
Overtime Call Back	41213	608	750	750	0%
Standby	41220	0	500	600	20%
Shift Differential	41230	984	1,000	2,000	100%
Holiday worked Pay	41280	4,987	5,000	5,000	0%
Communications Allowance	41300	0	800	0	-100%
Medicare	41320	5,052	4,900	5,600	14%
Group Insurance	41340	30,891	40,400	66,000	63%
Disability Insurance	41342	4,038	3,400	3,500	3%
Self Funded Rx	41343	9,626	0	0	0%
Vision Insurance	41344	913	1,500	1,600	7%
Dental Insurance	41347	5,219	5,900	6,500	10%
Workers Comp	41350	12,791	9,400	9,200	-2%
Retirement	41360	88,594	91,400	111,400	22%
Uniform Allowance	41380	1,509	2,200	3,200	45%
Benefit Bank Deferred Comp	41430	2,649	2,400	3,000	25%
TOTAL PERSONNEL SERVICES		570,968	593,050	688,450	16%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	55,671	61,000	61,000	0%
Natural Gas	42120	8,687	16,500	10,000	-39%
Water	42130	13,370	10,000	8,500	-15%
Sewer	42140	11,080	15,000	15,000	0%
Solid Waste Disposal	42150	3,482	3,200	4,100	28%
Hazardous Waste Disposal	42180	0	500	500	0%
TOTAL UTILITIES & COMMUNICATIONS		92,290	106,200	99,100	-7%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET

RENO STEAD AIRPORT
Executive Section 254

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PURCHASED SERVICES					
Other Professional Services	43190	416	24,000	5,000	-79%
Office Equipment Rental	43210	2,302	2,500	2,500	0%
Equipment Rental	43211	460	1,000	1,000	0%
Contracted Services	43340	8,920	10,000	10,000	0%
Other Repair/Maintenance Svc	43390	18,937	2,500	13,000	420%
Freight Expense	43430	1,203	700	1,000	43%
Permits & Recorders Fees	43460	460	850	1,928	127%
Other Purchased Services	43490	190	750	750	0%
TOTAL PURCHASED SERVICES		32,889	42,300	35,178	-17%
MATERIALS & SUPPLIES					
Office Supplies	44100	1,442	1,800	1,800	0%
Paper	44110	122	0	0	0%
Postage	44120	81	400	400	0%
Printing & Forms	44130	0	400	200	-50%
Oil and Lubricants	44210	3,223	2,600	3,200	23%
Chemicals	44220	282	750	500	-33%
Herbicides	44221	9,373	12,000	12,000	0%
Fertilizer	44222	570	500	500	0%
Auto Fuel	44230	7,388	9,500	8,000	-16%
Diesel Fuel	44240	12,172	13,500	13,500	0%
Janitorial Paper Supplies	44250	243	500	500	0%
Janitorial Supplies	44260	705	450	1,800	300%
Medical Supplies	44270	662	450	450	0%
Trash Can Liners	44280	163	0	0	0%
Repair & Maintenance Supply	44300	4,694	2,500	4,000	60%
Vehicles	44310	4,648	4,000	4,400	10%
Heating & Air Conditioning	44320	826	1,500	1,500	0%
Machinery	44330	39,068	24,000	28,000	17%
Locks & Hardware	44333	678	800	800	0%
Seeds, Plants & Trees	44340	0	200	150	-25%
Plumbing Supplies	44350	10,354	1,000	1,000	0%
Electrical Supplies	44360	1,341	1,000	1,400	40%
Runway/Taxiway	44361	1,343	1,200	1,200	0%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET

RENO STEAD AIRPORT
Executive Section 254

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Ramp Lighting	44362	571	750	750	0%
Lumber & Building Supplies	44370	84	300	3,800	1167%
Paint Supplies	44380	5,228	4,000	3,500	-13%
Other Repairs-Maint Supplies	44390	2,229	0	0	0%
Small Tools - Minor Equipment	44400	4,073	2,500	4,000	60%
Office Small Equipment	44410	78	0	0	0%
Sign and Sign Maintenance	44430	95	500	600	20%
Employee Safety Equipment	44450	1,489	1,500	2,000	33%
Asphalt & Cement	44510	593	0	0	0%
Runways/taxiway Repair	44530	30,728	45,000	45,000	0%
Fence and Gate Repair Parts	44540	908	1,500	1,500	0%
TOTAL MATERIALS & SUPPLIES		145,454	135,100	146,450	8%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	380	605	630	4%
Conference Registration Fees	45130	630	1,560	875	-44%
Training Expense	45140	370	500	750	50%
Meeting Expense	45150	304	0	0	0%
Travel & Reimbursed Expense	45210	8,098	5,900	6,930	17%
Other Advertising & Promotion	45390	582	1,000	3,500	250%
TOTAL ADMINISTRATIVE EXPENSES		10,364	9,565	12,685	33%
TOTAL SECTION EXPENSES		$851,965	$886,215	$981,863	11%

Reno-Tahoe Airport Authority
FY 2013-14
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 payment of bills. This section is responsible for maintenance, reporting, and management of all accounting services, including the preparation of the comprehensive annual financial report, 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 IRS wage and reporting regulations and timely submittals of all year end reports.
- Compile financial and statistical reports monthly and review for accuracy.
- Record and track fixed assets including construction in progress.
- Coordinate staff member work with independent auditors to compile the annual financial statements.
- Obtain the Governmental Finance Officer Association "Certificate of Achievement in Excellence in Financial Reporting" award.
- Ensure that cash flows meet RTAA needs while maximizing investment earnings within the prudent standards established by the RTAA investment policy. .
- 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.
- Participates in RTAA committees such as Labor Management Committee, Strategic Planning.
- Continue enhancement of the functionality of the accounting software and enhance reporting to Executive and Department Management.
- Process purchasing cards payments on a timely basis and review reporting online.

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 Handbook by preparing bids and proposal requests that are budgeted in the Fiscal Year 2013-14 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.
- Review fixed assets with selected divisions/departments in preparation for the bi-annual inventory of Authority fixed assets scheduled in Fiscal Year 2014-15.
- Continue monitoring usage of and updates to the procurement card system and its interface with the Authority's accounting system.
- Provide training and assistance to RTAA department on purchasing processes and procedures to ensure compliance, while striving to provide materials, supplies, equipment, and services in a timely manner.
- 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
- Continue to scan all contracts, Professional Service Agreements, and blanket purchase orders and placed them on the public drive thus providing instant access to both Accounting staff and users.

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 financial package at monthly Finance Committee meetings.
- Calculate airline rates and charges and perform the mid year review and year end settlement analysis, including presentations to the RTAA Board and airlines.
- Update FAA Grants status reports, assist with annual Single Audit, and administer the Passenger Facility Charge program as required.
- Review Board memo fiscal impacts, and other analyses as requested.
- Attend Strategic Planning and Project Review Committee meetings, and report on project expenditures as requested.
- Complete insurance applications, provide insurance company tours, administer RTAA liability claims, and review RTAA contract insurance requirements.
- Solicit and negotiate a new agreement to provide insurance brokerage services.
- Perform analytical reviews and reports for Executive Management.
- Complete financial forecasts to assure compliance with the debt service requirements outlined in the various Bond Resolutions.
- Conduct employee evaluations in a timely manner.
- Set training goals and encourage all staff to take advantage of all appropriate RTAA in house training opportunities.
- Attend industry seminars and keep current on official pronouncements of accounting practice.
- Perform analytical reviews and reports for Executive Management.
- Participate in the Airport Council International – North America Financial Benchmarking survey and review RTAA competitiveness with other benchmark airports.

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T
Finance and Administration
Department Summary

Account Group	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Personnel Services	$ 1,417,304	$ 1,454,450	$ 1,566,350	8%
Utilities and Communications	0	0	0	0%
Purchased Services	117,219	184,675	160,850	-13%
Materials and Supplies	14,232	20,100	18,855	-6%
Administrative Expenses	13,996	17,677	11,705	-34%
Total Operating Expenses	$ 1,562,751	$ 1,676,902	$ 1,757,760	5%
Property, Plant and Equipment	0	0	0	0%
TOTAL	$ 1,562,751	$ 1,676,902	$ 1,757,760	5%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET

ACCOUNTING AND ADMINISTRATION
Section 302

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$439,335	$518,100	$544,400	5%
Vacation Pay	41130	33,711	5,500	3,000	-45%
Sick Leave	41140	19,835	10,700	9,700	-9%
Holiday Pay	41150	25,038	0	0	0%
Overtime Pay	41210	39	100	100	0%
Medicare	41320	7,391	7,600	8,000	5%
Group Insurance	41340	43,650	61,800	85,800	39%
Disability Insurance	41342	5,693	5,100	5,200	2%
Self Funded Rx	41343	13,146	0	0	0%
Vision Insurance	41344	856	1,400	1,400	0%
Dental Insurance	41347	7,070	8,600	9,000	5%
Workers Comp	41350	1,455	1,400	700	-50%
Retirement	41360	114,976	123,100	140,200	14%
Benefit Bank Deferred Comp	41430	7,642	6,100	7,700	26%
TOTAL PERSONNEL SERVICES		719,836	749,500	815,200	9%
PURCHASED SERVICES					
Accounting and Auditing	43120	60,730	60,730	63,000	4%
Trustee & Paying Agent Fees	43180	5,064	12,500	6,500	-48%
Other Professional Services	43190	638	8,600	5,800	-33%
Office Equipment Rental	43210	2,980	3,195	3,100	-3%
Freight Expense	43430	132	50	100	100%
Other Purchased Services	43490	41,367	48,575	47,500	-2%
TOTAL PURCHASED SERVICES		110,909	133,650	126,000	-6%
MATERIALS & SUPPLIES					
Office Supplies	44100	3,313	4,000	3,500	-13%
Paper	44110	654	800	900	13%
Postage	44120	3,010	3,500	4,400	26%
Printing & Forms	44130	1,455	1,500	1,500	0%
Office Small Equipment	44410	0	100	0	-100%
TOTAL MATERIALS & SUPPLIES		8,432	9,900	10,300	4%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET

ACCOUNTING AND ADMINISTRATION
Section 302

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSES					
Membership Dues	45110	1,579	1,980	1,455	-27%
Books & Subscriptions	45120	410	250	350	40%
Conference Registration Fees	45130	530	500	100	-80%
Training Expense	45140	1,793	1,350	1,350	0%
Meeting Expense	45150	218	1,000	400	-60%
Travel & Reimbursed Expense	45210	257	1,435	0	-100%
Conference Sponsorship	45391	1,500	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		6,287	6,515	3,655	-44%
TOTAL SECTION EXPENSES		$845,465	$899,565	$955,155	6%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET

PURCHASING AND MATERIALS MANAGEMENT
Section 303

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$263,131	$309,100	$315,100	2%
Vacation Pay	41130	25,797	5,300	2,900	-45%
Sick Leave	41140	11,008	8,500	9,100	7%
Holiday Pay	41150	14,775	0	0	0%
Overtime Pay	41210	89	500	500	0%
Medicare	41320	2,255	2,400	2,500	4%
Group Insurance	41340	29,685	36,100	48,600	35%
Disability Insurance	41342	3,683	3,200	3,100	-3%
Self Funded Rx	41343	8,488	0	0	0%
Vision Insurance	41344	513	800	700	-13%
Dental Insurance	41347	4,209	4,800	4,400	-8%
Workers Comp	41350	4,467	4,300	3,400	-21%
Retirement	41360	70,140	73,200	80,900	11%
Uniform Allowance	41380	1,822	750	750	0%
Benefit Bank Deferred Comp	41430	9,875	8,700	10,900	25%
TOTAL PERSONNEL SERVICES		449,937	457,650	482,850	6%
PURCHASED SERVICES					
Office Equipment Rental	43210	2,724	3,600	3,600	0%
Contracted Services	43340	130	500	0	-100%
Other Repair/Maintenance Svcs	43390	0	1,500	1,500	0%
Freight Expense	43430	1,775	3,300	3,000	-9%
Permits & Recorders Fees	43460	0	75	100	33%
Other Purchased Services	43490	0	5,400	0	-100%
TOTAL PURCHASED SERVICES		4,629	14,375	8,200	-43%
MATERIALS & SUPPLIES					
Office Supplies	44100	890	1,600	1,200	-25%
Paper	44110	144	250	250	0%
Postage	44120	7	100	100	0%
Printing & Forms	44130	608	500	500	0%
Medical Supplies	44270	52	400	405	1%
Other Operating Supplies	44290	130	500	500	0%
Machinery	44330	0	200	200	0%

Reno-Tahoe Airport Authority
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PURCHASING AND MATERIALS MANAGEMENT
Section 303

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Small Tools - Minor Equipment	44400	1,562	3,500	2,500	-29%
Office Small Equipment	44410	193	200	200	0%
Employee Safety Equipment	44450	281	500	500	0%
Purchase Price Variance	44750	20	0	0	0%
TOTAL MATERIALS & SUPPLIES		3,887	7,750	6,355	-18%
ADMINISTRATIVE EXPENSES					
Membership Dues	45110	860	1,375	1,375	0%
Books & Subscriptions	45120	446	450	450	0%
Conference Registration Fees	45130	300	1,250	0	-100%
Training Expense	45140	154	900	700	-22%
Travel & Reimbursed Expense	45210	1,699	1,962	0	-100%
Legal Advertisements	45340	2,288	2,000	2,300	15%
TOTAL ADMINISTRATIVE EXPENSES		5,747	7,937	4,825	-39%
TOTAL SECTION EXPENSES		$464,200	$487,712	$502,230	3%

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FINANCE AND BUDGETING
Section 305

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$151,097	$174,100	$184,000	6%
Vacation Pay	41130	14,457	2,700	1,700	-37%
Sick Leave	41140	6,842	4,000	4,200	5%
Holiday Pay	41150	8,442	0	0	0%
Medicare	41320	2,500	2,500	2,700	8%
Group Insurance	41340	14,740	17,300	23,300	35%
Disability Insurance	41342	2,163	1,900	1,900	0%
Self Funded Rx	41343	4,140	0	0	0%
Vision Insurance	41344	285	400	400	0%
Dental Insurance	41347	2,357	2,700	2,500	-7%
Workers Comp	41350	416	400	200	-50%
Retirement	41360	40,091	41,300	47,400	15%
TOTAL PERSONNEL SERVICES		247,531	247,300	268,300	8%
PURCHASED SERVICES					
Consultants - General	43140	0	35,000	25,000	-29%
Office Equipment Rental	43210	1,672	1,600	1,600	0%
Freight Expense	43430	8	50	50	0%
TOTAL PURCHASED SERVICES		1,680	36,650	26,650	-27%
MATERIALS & SUPPLIES					
Office Supplies	44100	236	600	500	-17%
Paper	44110	83	200	100	-50%
Postage	44120	28	150	100	-33%
Printing & Forms	44130	1,566	1,500	1,500	0%
TOTAL MATERIALS & SUPPLIES		1,913	2,450	2,200	-10%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,505	2,125	2,125	0%
Books & Subscriptions	45120	207	500	500	0%
Training Expense	45140	114	500	500	0%
Meeting Expense	45150	0	100	100	0%
Legal Ads	45340	136	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		1,963	3,225	3,225	0%
TOTAL SECTION EXPENSES		$253,087	$289,625	$300,375	4%

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

NONDEPARTMENTAL
Section 900

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	180,460	$175,000	$175,000	0%
Temporary Employees	41120	0	(300,000)	(300,000)	0%
Group Insurance	41340	426	0	0	0%
Self Funded Rx	41343	(1,911)	0	0	0%
Vision Service Plan	41347	(1,911)	0	0	0%
Dental Insurance	41347	(1,911)	0	0	0%
Post Employment Health Plan	41410	130,601	85,000	85,000	0%
TOTAL PERSONNEL SERVICES		305,754	(40,000)	(40,000)	0%
PURCHASED SERVICES					
Consultants - Engineering	43150	42,845	0	0	0%
Other Professional Services	43190	0	30,000	30,000	0%
Air Service Studies	43193	119,986	160,000	110,000	-31%
Contracted Services	43340	6,500	39,000	39,000	0%
Freight Expense	43430	480	0	0	0%
TOTAL PURCHASED SERVICES		169,811	229,000	179,000	-22%
MATERIALS & SUPPLIES					
Office Supplies	44100	293	0	0	0%
Paper	44110	1,683	0	0	0%
Inventory Adjustments	44292	(1,294)	0	0	0%
TOTAL MATERIALS & SUPPLIES		682	0	0	0%
ADMINISTRATIVE EXPENSE					
Air Service Development	45350	119,776	201,775	201,775	0%
Miscellaneous Expense	45370	974	0		0%
Other Advertising & Promotion	45390	50,000	50,000	50,000	0%
Community Relations	45398	7,560	0		0%
Airport Liability	45410	127,802	200,000	179,300	-10%
Vehicle Liability	45420	51,010	52,500	54,800	4%
Bonds Employees/Officers	45440	9,491	9,700	10,000	3%
Buildings & Contents	45450	533,385	568,900	668,200	17%
Public Officials Liability	45460	72,087	72,400	80,300	11%
Public Safety Liability	45470	80,006	82,400	81,800	-1%

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NONDEPARTMENTAL
Section 900

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Other Insurance	45490	33,935	50,000	50,000	0%
Credit Card Fees	45500	213,099	220,000	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		1,299,125	1,507,675	1,376,175	-9%
FIXED CHARGES					
Int Exp 2005 Bonds	71130	1,276,152	1,213,900	1,161,500	-4%
Int Exp 2011A Subordinate Note	71150	0	348,288	282,288	-19%
Int Exp 2011B Subordinate Note	71160	0	0	137,407	%
TOTAL FIXED CHARGES		1,276,152	1,562,188	1,581,195	1%
TOTAL SECTION EXPENSES		$3,051,525	$3,258,863	$3,096,370	-5%

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Functions and Work Plans

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

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

Board Goals: Efficient Airport Operations, Passenger Services and Experience

Work Plans:

- Provide direction and support to Airside Operations, Communications, Security, ARFF, and Landside Operations Divisions.
- Ensure airport is continually in compliance with 14 CFR 139 Certification of Airports and 14 CFR 1542 Airport Security.
- Represent the President/CEO on routine and emergency matters during non-business hours. Ensure the safe, secure, and effective operation of the airport during non-business hours.
- Sustain parking and ground transportation net revenues.
- Improve indications and warnings to RTAA staff and tenants about situations that may negatively impact safe, secure, efficient airport operations; sustain decision-grade information/situation reporting; and expand emergency response capabilities.
- Control costs; do more with the same.
- Effectively orient and train new organizational leaders on department missions, constraints, restrictions, and opportunities.
- Provide outstanding customer service to staff, tenants, aviation users, and the public from parking to the runways and back again.

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 to include training on the new systems and requirements in the Operations; provide cross-familiarization training to elevate knowledge and skills; prepare and present training on operations in movement areas and other topics.
- Mitigate the risk of bird strikes and animal strikes. Manage the population of wildlife on the Airfield in accordance with the Wildlife Hazard Plan.
- Identify and implement opportunities to improve runway and ramp safety.
- Revise driving regulations and consolidate rules and regulations.
- Conduct training on Safety Management System (SMS) and Operational Risk Management. Assess and mitigate hazards.
- Manage Emergency Operations Center (EOC) during emergencies. Provide National Incident Management System (NIMS) training to staff. Administer WebEOC.
- Improve Snow and Ice Control processes. Attend the International Snow Symposium.
- Provide daily reports on the results of the self-inspection program and verify corrections of deficiencies.
- Effectively manage ramp space to meet air carrier, cargo, general aviation, and Customs/Immigration operations.
- Ensure Operations representation during planning and execution of construction activities. Ensure proper notification of airfield construction activities. Maintain a safe operations area for aircraft operations and construction.
- Maintain professional certifications.
- Provide for the consistent and accurate communications while performing high confidence in Airport Communications reliability across all shifts.
- 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 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 perform Snow Desk duties.
- Activate emergency alert notifications, recall essential personnel, and open the Emergency Operations Center.
- Provide seamless communications support from the Mobile Command Vehicle.
- 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 communications.

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.

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.
- 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 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 2013-14
A N N U A L B U D G E T
Operations and Public Safety
Department Summary

Account Group	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Personnel Services	$ 6,144,936	$ 6,479,370	$ 6,533,350	1%
Utilities and Communications	0	0	0	0%
Purchased Services	451,287	485,673	470,325	-3%
Materials and Supplies	128,369	153,935	142,800	-7%
Administrative Expenses	44,587	48,005	257,905	437%
Total Operating Expenses	$ 6,769,179	$ 7,166,983	$ 7,404,380	3%
Property, Plant and Equipment	10,159	100,000	101,670	2%
TOTAL	$ 6,779,338	$ 7,266,983	$ 7,506,050	3%

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

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$161,229	$194,600	$188,800	-3%
Vacation Pay	41130	13,972	1,200	0	-100%
Sick Leave	41140	6,333	900	1,900	111%
Holiday Pay	41150	9,351	8,900	0	-100%
Overtime Pay	41210	0	500	200	-60%
Medicare	41320	2,879	2,900	3,000	3%
Group Insurance	41340	18,078	20,400	14,200	-30%
Disability Insurance	41342	2,193	2,000	1,000	-50%
Self Funded Rx	41343	5,072	0	0	0%
Vision Insurance	41344	342	500	200	-60%
Dental Insurance	41347	2,778	3,200	1,500	-53%
Workers Comp	41350	2,597	2,500	1,400	-44%
Retirement	41360	44,598	46,700	48,600	4%
Benefit Bank Deferred Comp	41430	0	0	15,800	%
TOTAL PERSONNEL SERVICES		269,423	284,300	276,600	-3%
PURCHASED SERVICES					
Office Equipment Rental	43210	644	525	850	62%
TOTAL PURCHASED SERVICES		644	525	850	62%
MATERIALS & SUPPLIES					
Office Supplies	44100	664	400	400	0%
Paper	44110	0	80	80	0%
Postage	44120	40	100	100	0%
Printing & Forms	44130	76	100	200	100%
TOTAL MATERIALS & SUPPLIES		780	680	780	15%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	330	275	275	0%
Conference Registration Fees	45130	500	0	400	%
Meeting Expense	45150	118	400	100	-75%
Disaster Exercise Expense	45170	0	0	18,000	%
Travel & Reimbursed Expens	45210	1,391	0	1,000	%
TOTAL ADMINISTRATIVE EXPENSES		2,338	675	19,775	2830%
TOTAL DEPARTMENT EXPENSES		$273,184	$286,180	$298,005	4%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

AIRSIDE OPERATIONS
Section 402

	ACCOUNT NO.	2011-12 ACTUAL	2011-12 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$818,868	$987,100	$1,051,400	7%
Vacation Pay	41130	67,219	4,800	2,800	-42%
Sick Leave	41140	40,247	13,700	15,100	10%
Holiday Pay	41150	38,184	0	10,000	%
Overtime Pay	41210	31,252	25,000	25,000	0%
Overtime Call Back	41213	7,795	8,000	8,000	0%
Shift Differential	41230	15,258	17,000	17,000	0%
Holiday worked Pay	41280	23,416	22,000	22,000	0%
Medicare	41320	15,222	14,200	15,600	10%
Group Insurance	41340	70,045	105,900	145,900	38%
Disability Insurance	41342	10,078	9,700	10,500	8%
Self Funded Rx	41343	22,358	0	0	0%
Vision Insurance	41344	1,426	2,400	2,400	0%
Dental Insurance	41347	11,868	14,500	14,500	0%
Workers Comp	41350	15,168	14,600	13,000	-11%
Retirement	41360	224,635	234,400	270,700	15%
Uniform Allowance	41380	1,436	1,700	1,700	0%
Benefit Bank Deferred Comp	41430	27,401	20,900	23,200	11%
TOTAL PERSONNEL SERVICES		1,441,875	1,495,900	1,648,800	10%
PURCHASED SERVICES					
Other Professional Services	43190	42,640	38,000	38,000	0%
Office Equipment Rental	43210	1,664	500	2,485	397%
Other Repair/Maintenance Svcs	43390	84,303	114,500	155,000	35%
Freight Expense	43430	325	400	350	-13%
TOTAL PURCHASED SERVICES		128,931	153,400	195,835	28%
MATERIALS & SUPPLIES					
Office Supplies	44100	2,894	2,800	2,800	0%
Paper	44110	275	400	400	0%
Postage	44120	29	50	50	0%
Printing & Forms	44130	180	300	300	0%
Medical Supplies	44270	133	100	100	0%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

AIRSIDE OPERATIONS
Section 402

	ACCOUNT NO.	2011-12 ACTUAL	2011-12 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Other Operating Supplies	44290	2,752	14,500	12,500	-14%
Office Small Equipment	44410	0	2,100	4,000	90%
TOTAL MATERIALS & SUPPLIES		6,263	20,250	20,150	0%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	2,279	2,500	2,235	-11%
Books & Subscriptions	45120	3,917	3,400	4,000	18%
Conference Registration Fees	45130	359	500	1,000	100%
Training Expense	45140	688	6,000	4,000	-33%
Meeting Expense	45150	126	500	500	0%
Travel & Reimbursed Expense	45210	1,093	500	1,750	250%
TOTAL ADMINISTRATIVE EXPENSES		8,462	13,400	13,485	1%
TOTAL EXPENSES BEFORE FIXED ASSETS		1,585,531	1,682,950	1,878,270	12%
FIXED ASSETS					
Fixed Asset Acquisition	48150	0	100,000	36,680	-63%
TOTAL SECTION EXPENSES		$1,585,531	$1,782,950	$1,914,950	7%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

LANDSIDE OPERATIONS
Section 403

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$433,629	$531,200	$507,900	-4%
Temporary Employees	41120	17,970	15,000	12,000	-20%
Vacation Pay	41130	37,119	800	0	-100%
Sick Leave	41140	39,514	5,600	6,800	21%
Holiday Pay	41150	18,303	8,000	19,000	138%
Overtime Pay	41210	12,153	15,000	12,000	-20%
Shift Differential	41230	19,435	22,000	20,000	-9%
Holiday worked Pay	41280	23,600	22,500	15,630	-31%
Medicare	41320	8,586	7,800	7,400	-5%
FICA	41321	1,148	0	0	0%
Group Insurance	41340	66,809	84,600	120,400	42%
Disability Insurance	41342	6,140	5,200	4,900	-6%
Self Funded Rx	41343	18,321	0	0	0%
Vision Insurance	41344	1,198	2,000	2,000	0%
Dental Insurance	41347	9,596	11,900	12,200	3%
Workers Comp	41350	19,894	19,800	15,400	-22%
Retirement	41360	125,917	126,200	130,800	4%
Uniform Allowance	41380	1,429	1,000	1,300	30%
Benefit Bank Deferred Comp	41430	4,173	3,600	4,600	28%
TOTAL PERSONNEL SERVICES		864,934	882,200	892,330	1%
PURCHASED SERVICES					
Other Professional Services	43190	263,854	263,854	216,740	-18%
Office Equipment Rental	43210	1,572	2,200	2,200	0%
Equipment Rental	43211	7,915	6,900	6,600	-4%
Contracted Services	43340	10,744	12,569	4,100	-67%
Other Repair/Maintenance Svcs	43390	2,430	0	0	0%
Freight Expense	43430	1,084	500	750	50%
Contracted Services - Towing	43450	190	285	250	-12%
TOTAL PURCHASED SERVICES		287,789	286,308	230,640	-19%
MATERIALS & SUPPLIES					
Office Supplies	44100	836	2,700	2,000	-26%
Paper	44110	201	400	400	0%
Postage	44120	363	400	400	0%

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A N N U A L B U D G E T

LANDSIDE OPERATIONS
Section 403

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Printing & Forms	44130	14,095	14,000	14,000	0%
Medical Supplies	44270	48	90	50	-44%
Other Operating Supplies	44290	2,944	3,000	2,750	-8%
Machinery	44330	4,175	15,000	15,000	0%
Other Repairs-Maint Supplies	44390	418	0	0	0%
Sign and Sign Maintenance	44430	7,091	10,000	10,000	0%
Employee Safety Equipment	44450	40	150	150	0%
TOTAL MATERIALS & SUPPLIES		30,210	45,740	44,750	-2%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,265	1,340	1,340	0%
Books & Subscriptions	45120	0	200	0	-100%
Conference Registration Fees	45130	995	0		0%
Training Expense	45140	76	0		0%
Meeting Expense	45150	0	100	100	0%
Travel & Reimbursed Expense	45210	1,013	0	0	0%
Credit Card Fees	45500	0	0	190,000	%
TOTAL ADMINISTRATIVE EXPENSES		3,349	1,640	191,440	11573%
TOTAL EXPENSES BEFORE FIXED ASSETS		1,186,282	1,215,888	1,359,160	12%
FIXED ASSETS					
Fixed Asset Acquisition	48150	0	0	56,700	%
TOTAL SECTION EXPENSES		$1,186,282	$1,215,888	$1,415,860	16%

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AIRPORT RESCUE AND FIRE
Section 404

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$992,122	$1,372,900	$1,353,300	-1%
Vacation Pay	41130	108,445	2,100	0	-100%
Sick Leave	41140	53,987	1,900	0	-100%
Holiday Pay	41150	38,578	65,100	66,600	2%
Comp time	41160	123,788	32,000	88,000	175%
Overtime Pay	41210	189,449	75,250	75,000	0%
FLSA Overtime Pay	41211	56,832	52,420	52,420	0%
Overtime Call Back	41213	5,624	20,000	10,000	-50%
Medicare	41320	16,384	12,500	17,200	38%
Group Insurance	41340	253,475	300,900	277,600	-8%
Disability Insurance	41342	1,475	1,300	9,800	654%
Self Funded Rx	41343	932	0	0	0%
Vision Insurance	41344	171	300	300	0%
Dental Insurance	41347	505	600	500	-17%
Workers Comp	41350	61,945	55,600	37,600	-32%
Retirement	41360	444,515	510,400	520,500	2%
Uniform Allowance	41380	9,216	7,000	8,000	14%
Benefit Bank Deferred Comp	41430	7,642	6,900	8,800	28%
TOTAL PERSONNEL SERVICES		2,365,086	2,517,170	2,525,620	0%
PURCHASED SERVICES					
Office Equipment Rental	43210	1,260	1,800	1,700	-6%
Contracted Services	43340	3,531	5,350	4,000	-25%
Other Repair/Maintenance Svcs	43390	2,287	2,450	2,450	0%
Freight Expense	43430	842	1,100	1,000	-9%
Permits & Recorders Fees	43460	57	0	0	0%
Other Purchased Services	43490	1,673	3,440	3,400	-1%
TOTAL PURCHASED SERVICES		9,651	14,140	12,550	-11%
MATERIALS & SUPPLIES					
Office Supplies	44100	3,025	3,000	2,000	-33%
Paper	44110	91	250	300	20%
Postage	44120	2	50	25	-50%
Printing & Forms	44130	233	450	450	0%
Chemicals	44220	0	4,000	2,000	-50%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

AIRPORT RESCUE AND FIRE
Section 404

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Firefighting Agent AFFF	44225	3,881	5,000	2,500	-50%
Janitorial Paper Supplies	44250	445	475	475	0%
Janitorial Supplies	44260	2,186	2,340	2,340	0%
Medical Supplies	44270	2,232	3,500	3,500	0%
Trash Can Liners	44280	213	0	0	0%
Other Operating Supplies	44290	168	0	0	0%
Turn Outs	44291	16,827	10,000	10,000	0%
Electrical Supplies	44360	37	80	80	0%
Other Repairs-Maint Supplies	44390	857	1,000	1,000	0%
Small Tools - Minor Equipment	44400	19,668	22,800	18,145	-20%
Office Small Equipment	44410	1,203	0	0	0%
Employee Safety Equipment	44450	8,330	10,070	10,070	0%
Hazardeous Materials Response	44451	422	1,600	1,600	0%
Emg. Preparedness Stations	44453	122	250	250	0%
TOTAL MATERIALS & SUPPLIES		59,940	64,865	54,735	-16%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,124	850	850	0%
Books & Subscriptions	45120	1,472	2,010	3,010	50%
Conference Registration Fees	45130	785	0	460	%
Training Expense	45140	16,140	18,000	18,000	0%
Meeting Expense	45150	82	100	100	0%
Travel & Reimbursed Expense	45210	6,609	7,200	5,490	-24%
Employee Milege Reimbursement	45240	110	180	120	-33%
TOTAL ADMINISTRATIVE EXPENSES		26,322	28,340	28,030	-1%
TOTAL EXPENSES BEFORE FIXED ASSETS		2,460,999	2,624,515	2,620,935	0%
FIXED ASSETS					
Fixed Asset Acquisition	48150	10,159	0	8,290	%
TOTAL SECTION EXPENSES		$2,471,158	$2,624,515	$2,629,225	0%

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AIRPORT SECURITY
Section 407

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$634,385	$791,900	$680,100	-14%
Vacation Pay	41130	43,520	2,200	600	-73%
Sick Leave	41140	43,831	8,600	6,000	-30%
Holiday Pay	41150	23,925	20,000	20,000	0%
Comp time	41160	62	0	0	0%
Overtime Pay	41210	15,997	35,000	25,000	-29%
Shift Differential	41230	29,082	32,000	30,000	-6%
Holiday worked Pay	41280	34,431	40,000	35,000	-13%
Medicare	41320	11,527	11,500	9,800	-15%
Group Insurance	41340	84,399	109,600	157,000	43%
Disability Insurance	41342	8,475	7,500	6,200	-17%
Self Funded Rx	41343	26,809	0	0	0%
Vision Insurance	41344	1,768	2,700	2,600	-4%
Dental Insurance	41347	14,393	16,300	16,200	-1%
Workers Comp	41350	30,440	28,400	21,400	-25%
Retirement	41360	183,662	188,100	175,100	-7%
Uniform Allowance	41380	14,848	5,000	5,000	0%
Benefit Bank Deferred Comp	41430	2,062	1,000	0	-100%
TOTAL PERSONNEL SERVICES		1,203,618	1,299,800	1,190,000	-8%
PURCHASED SERVICES					
Other Professional Services	43190	20,000	25,000	25,000	0%
Office Equipment Rental	43210	1,205	600	1,800	200%
Contracted Services	43340	2,464	4,000	3,000	-25%
Other Repair/Maintenance Svcs	43390	428	1,200	500	-58%
Freight Expense	43430	141	500	150	-70%
Other Purchased Services	43490	35	0		0%
TOTAL PURCHASED SERVICES		24,273	31,300	30,450	-3%
MATERIALS & SUPPLIES					
Office Supplies	44100	19,587	20,000	20,000	0%
Paper	44110	216	100	100	0%
Postage	44120	27	150	60	-60%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

AIRPORT SECURITY
Section 407

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Printing & Forms	44130	1,284	500	450	-10%
Medical Supplies	44270	47	150	75	-50%
Other Operating Supplies	44290	7,655	0	0	0%
Locks & Hardware	44333	631	500	250	-50%
Small Tools - Minor Equipment	44400	520	750	1,200	60%
Office Small Equipment	44410	247	0	0	0%
Employee Safety Equipment	44450	964	250	250	0%
TOTAL MATERIALS & SUPPLIES		31,176	22,400	22,385	0%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	550	550	275	-50%
Conference Registration Fees	45130	1,045	600	600	0%
Training Expense	45140	0	300	1,000	233%
Travel & Reimbursed Expense	45210	2,396	2,200	3,000	36%
Other Advertising & Promotion	45390	125	300	300	0%
TOTAL ADMINISTRATIVE EXPENSES		4,116	3,950	5,175	31%
TOTAL SECTION EXPENSES		$1,263,182	$1,357,450	$1,248,010	-8%

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: Master Development Planning, Community Relations, Environmental Responsibility

Work Plans:

- Coordinate multiple phases of the sound insulation program (continue work on Phases 19-22 and initiate new phases pending grant funding).
- Operate and maintain the permanent noise and operations monitoring system.
- Continue Reno-Stead Airport terminal/emergency operations center site and building development.
- Assist with conversion of under-utilized vacant land into revenue producing use.
- Plan for and initiate new on-airport development projects.
- Continue coordination with FAA on various projects including the Airport Surveillance Radar (ASR)-11 installation.
- Prepare annual RTIA noise contour.
- Address miscellaneous noise issues.
- Receive, review and respond to all noise complaint inquiries.
- Facilitate Airport Noise Advisory Panel.
- Coordinate environmental planning programs.
- Maintain and expand RTIA recycling program.
- Fulfill environmental compliance and regulatory programs.
- Complete annual regulated garbage compliance agreement.
- Complete annual storm water pollution prevention inspections of RTAA and tenant facilities.
- Complete annual update of water rights recognition.
- Oversee the RTS Solvent Site consent decree remediation program.
- Initiate environmental review for Concourse A development.
- Monitor underground and aboveground storage tanks for RTAA and tenants with tanks on RTS property
- Oversee closure of the underground storage tanks located at the former National Rental Car site.
- 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.
- Develop RTS Regional Plan Conformance Goals and Policies document.

- 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: Efficient Airport Operations, Maximize Staff Effectiveness, Financial Stability, Master Development Planning and Community Relations

Work Plans:

- Define and Allocate Engineering Department Resources.
- Provide Project Programming and Cost Estimating for Capital Project Budgets.
- Manage Engineering and Construction Management Services in the following areas:
  - FAA Grant – Airport Improvement Program Capital Projects
  - Passenger Facility Charge (PFC) Capital Projects
  - Reno-Tahoe International Airport Capital Improvement Projects
  - Reno-Stead Airport Capital Improvement Projects
- Administer the FAA Airport Improvements Program (AIP) Grant Program.
- Manage the Qualified Consultants List and Request For Qualification Solicitation.
- Solicit, negotiate, and manage Professional Services Contracts.
- Procure and administer Construction Contracts.
- Ensure compliance with Federal and State Labor and Wage requirements for Construction Contracts.
- Coordinate the Disadvantaged Business Enterprise (DBE) Program.
- Coordinate the Small Business Enterprise (SBE) Program.
- Provide technical support services for Tenant Improvement projects.

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T
Planning and Engineering
Department Summary

Account Group	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Personnel Services	$ 1,012,632	$ 1,170,760	$ 1,324,430	13%
Utilities and Communications	0	0	0	0%
Purchased Services	60,860	69,450	78,870	14%
Materials and Supplies	8,464	11,200	11,050	-1%
Administrative Expenses	18,858	20,765	21,211	2%
Total Operating Expenses	$ 1,100,814	$ 1,272,175	$ 1,435,561	13%
Property, Plant and Equipment	0	0	0	0%
TOTAL	$ 1,100,814	$ 1,272,175	$ 1,435,561	13%

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

PLANNING AND ENVIRONMENTAL SERVICES
Section 502

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$282,463	$402,800	$438,900	9%
Vacation Pay	41130	(14,267)	4,200	3,200	-24%
Sick Leave	41140	14,069	7,000	7,400	6%
Holiday Pay	41150	20,728	0	0	0%
Comp Time	41160	467	0	0	0%
Overtime Pay	41210	262	360	430	19%
Automobile Allowance	41250	2,031	4,800	4,800	0%
Medicare	41320	6,023	7,100	8,900	25%
Group Insurance	41340	36,311	44,800	69,700	56%
Disability Insurance	41342	4,903	4,700	5,800	23%
Self Funded Rx	41343	11,075	0	0	0%
Vision Insurance	41344	784	1,100	1,300	18%
Dental Insurance	41347	6,229	6,400	7,900	23%
Workers Comp	41350	1,455	1,200	700	-42%
Retirement	41360	97,829	116,400	136,300	17%
Benefit Bank Deferred Comp	41430	0	1,000	2,700	170%
TOTAL PERSONNEL SERVICES		470,362	601,860	688,030	14%
PURCHASED SERVICES					
Other Professional Services	43190	31,087	33,400	31,000	-7%
Office Equipment Rental	43210	2,456	3,900	3,120	-20%
Other Repair/Maintenance Svcs	43390	35	4,990	4,110	-18%
Freight Expense	43430	147	240	240	0%
Permits & Recorders Fees	43460	831	1,200	1,200	0%
Other Purchased Services	43490	1,042	1,620	1,500	-7%
TOTAL PURCHASED SERVICES		35,598	45,350	41,170	-9%
MATERIALS & SUPPLIES					
Office Supplies	44100	5,948	7,500	7,500	0%
Paper	44110	437	600	800	33%
Postage	44120	201	400	400	0%
Printing & Forms	44130	317	500	500	0%
TOTAL MATERIALS & SUPPLIES		6,903	9,000	9,200	2%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

PLANNING AND ENVIRONMENTAL SERVICES
Section 502

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	1,927	1,835	1,955	7%
Books & Subscriptions	45120	1,537	1,875	1,795	-4%
Conference Registration Fees	45130	3,145	2,330	1,660	-29%
Training Expense	45140	579	1,450	1,450	0%
Meeting Expense	45150	824	250	650	160%
Travel & Reimbursed Expense	45210	6,658	5,425	5,525	2%
Legal Advertisements	45340	117	0	1,176	%
TOTAL ADMINISTRATIVE EXPENSES		14,786	13,165	14,211	8%
TOTAL SECTION EXPENSES		$527,649	$669,375	$752,611	12%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

ENGINEERING AND CONSTRUCTION
Department 503

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$331,798	$385,500	$422,000	9%
Vacation Pay	41130	27,226	7,600	3,900	-49%
Sick Leave	41140	12,123	9,000	9,200	2%
Holiday Pay	41150	20,015	0	0	0%
Medicare	41320	4,861	5,400	5,900	9%
Group Insurance	41340	25,541	39,600	53,300	35%
Disability Insurance	41342	4,260	4,100	4,200	2%
Vision Insurance	41344	528	900	900	0%
Dental Insurance	41347	4,293	5,400	5,500	2%
Self Funded Rx	41343	7,556	0	0	0%
Workers Comp	41350	831	1,000	500	-50%
Retirement	41360	95,091	103,200	121,800	18%
Benefit Bank Deferred Comp	41430	8,147	7,200	9,200	28%
TOTAL PERSONNEL SERVICES		542,270	568,900	636,400	12%
PURCHASED SERVICES					
Consultants - Engineering	43150	0	0	25,000	%
Other Professional Services	43190	19,904	18,000	5,000	-72%
Office Equipment Rental	43210	1,670	2,000	2,000	0%
Freight Expense	43430	72	500	300	-40%
Other Purchased Services	43490	3,617	3,600	5,400	50%
TOTAL PURCHASED SERVICES		25,262	24,100	37,700	56%
MATERIALS & SUPPLIES					
Office Supplies	44100	975	1,400	800	-43%
Paper	44110	212	300	600	100%
Postage	44120	45	200	250	25%
Printing & Forms	44130	330	300	200	-33%
TOTAL MATERIALS & SUPPLIES		1,561	2,200	1,850	-16%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	225	1,500	1,500	0%
Books & Subscriptions	45120	94	800	600	-25%
Conference Registration Fees	45130	1,245	2,600	2,300	-12%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

ENGINEERING AND CONSTRUCTION
Department 503

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Training Expense	45140	0	300	0	-100%
Meeting Expense	45150	209	400	400	0%
Travel & Reimbursed Expense	45210	1,820	1,200	1,600	33%
Legal Advertisements	45340	479	800	600	-25%
TOTAL ADMINISTRATIVE EXPENSE		4,072	7,600	7,000	-8%
TOTAL SECTION EXPENSES		$573,165	$602,800	$682,950	13%

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.
- Provide 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:

- Evaluate vehicle and equipment fleet for performance, fuel efficiency, maintenance costs, and overall value to RTAA.
- Procure new snow removal equipment 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.
- Maintain all airfield lighting equipment and navigational aids.
- 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, weed control and dust abatement.
- Continued assistance at Reno-Stead Airport for pavement maintenance, airfield markings and the National Championship Air Races.

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.
- Assist in snow removal and ice treatment of the landside and airfield areas 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 2013-14
A N N U A L B U D G E T
Facilities and Maintenance
Department Summary

Account Group	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Personnel Services	$ 6,665,923	$ 6,959,200	$ 7,495,600	8%
Utilities and Communications	2,133,204	2,709,770	2,388,485	-12%
Purchased Services	1,909,914	2,033,128	1,948,673	-4%
Materials and Supplies	1,381,680	1,332,060	1,314,010	-1%
Administrative Expenses	21,489	18,580	21,272	14%
Total Operating Expenses	$ 12,112,211	$ 13,052,738	$ 13,168,040	1%
Property, Plant and Equipment	80,232	28,000	153,550	448%
TOTAL	$ 12,192,443	$ 13,080,738	$ 13,321,590	2%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

DIRECTOR OF FACILITES AND MAINTENANCE
Department 601

	ACCOUNT NO.	2011-12 ACTUAL	FY 2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$312,865	$425,700	$433,900	2%
Vacation Pay	41130	69,114	8,600	3,700	-57%
Sick Leave	41140	23,320	14,400	13,600	-6%
Holiday Pay	41150	20,375	0	0	0%
Comp Time	41160	541	0	0	0%
Medicare	41320	6,620	6,400	6,600	3%
Group Insurance	41340	18,637	25,500	34,300	35%
Disability Insurance	41342	4,246	4,400	4,400	0%
Self Funded Rx	41343	4,968	0		0%
Vision Insurance	41344	285	500	500	0%
Dental Insurance	41347	2,273	3,200	3,000	-6%
Workers Comp	41350	623	800	400	-50%
Retirement	41360	82,967	101,100	111,700	10%
Benefit Bank Deferred Comp	41430	16,830	15,600	19,700	26%
TOTAL PERSONNEL SERVICES		563,665	606,200	631,800	4%
PURCHASED SERVICES					
Other Professional Services	43190	1,396	1,500	1,500	0%
Office Equipment Rental	43210	814	1,000	640	-36%
Repairs	43310	143	600	600	0%
Contracted Services	43340	46,680	50,000	30,000	-40%
Other Repair/Maintenance Svcs	43390	11,597	13,000	13,000	0%
Freight Expense	43430	118	100	125	25%
TOTAL PURCHASED SERVICES		60,747	66,200	45,865	-31%
MATERIALS & SUPPLIES					
Office Supplies	44100	9,800	11,000	10,000	-9%
Paper	44110	0	100	100	0%
Postage	44120	39	100	75	-25%
Printing & Forms	44130	378	300	300	0%
Machinery	44330	2,467	0	0	0%
Other Repairs-Maint Supplies	44390	559	300	300	0%
Office Small Equipment	44410	8,994	3,000	3,000	0%
Sign and Sign Maintenance	44430	9,287	12,000	11,000	-8%
Employee Safety Equipment	44450	36	0	0	0%
TOTAL MATERIALS & SUPPLIES		31,559	26,800	24,775	-8%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

DIRECTOR OF FACILITES AND MAINTENANCE
Department 601

	ACCOUNT NO.	2011-12 ACTUAL	FY 2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	871	1,425	840	-41%
Books & Subscriptions	45120	871	900	0	-100%
Conference Registration Fees	45130	0	0	443	%
Training Expense	45140	780	500	2,655	431%
Travel & Reimbursed Expense	45210	2,619	0	1,408	%
TOTAL ADMINISTRATIVE EXPENSES		5,141	2,825	5,346	89%
TOTAL DEPARTMENT EXPENSES		$661,112	$702,025	$707,786	1%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

AIRFIELD MAINTENANCE
Section 602

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$1,055,828	$1,264,800	$1,281,600	1%
Temporary Employees	41120	50,216	50,000	50,000	0%
Vacation Pay	41130	87,915	4,900	2,400	-51%
Sick Leave	41140	66,604	8,900	11,200	26%
Holiday Pay	41150	52,237	40,000	40,000	0%
Overtime Pay	41210	25,033	38,000	38,000	0%
Overtime Call Back	41213	11,361	44,000	44,000	0%
Standby	41220	6,903	13,500	14,000	4%
Shift Differential	41230	9,695	10,500	11,000	5%
Holiday worked Pay	41280	20,233	21,500	21,500	0%
Medicare	41320	15,791	17,700	18,000	2%
Group Insurance	41340	149,628	212,700	290,000	36%
Disability Insurance	41342	13,295	11,500	11,200	-3%
Self Funded Rx	41343	50,823	0	0	0%
Vision Insurance	41344	4,422	6,700	6,400	-4%
Dental Insurance	41347	26,178	29,800	28,300	-5%
Workers Comp	41350	48,864	46,800	38,700	-17%
Retirement	41360	290,605	300,200	329,800	10%
Uniform Allowance	41380	9,165	8,400	8,600	2%
Meal Allowance	41390	294	900	900	0%
Benefit Bank Deferred Comp	41430	15,284	13,200	16,700	27%
TOTAL PERSONNEL SERVICES		2,010,373	2,144,000	2,262,300	6%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	92,892	112,000	100,000	-11%
Natural Gas	42120	18,891	35,000	26,000	-26%
Water	42130	0	0	2,000	%
Sewer	42140	299	0	0	0%
Solid Waste Disposal	42150	73,418	93,000	85,000	-9%
Recycleable Disposal	42151	2,902	4,400	7,200	64%
Dump Fees	42152	6,398	4,770	5,000	5%
Sumps/Oil-Water Seperators	42153	6,960	10,500	11,135	6%
Propane	42170	1,996	1,950	1,950	0%
Hazardous Waste Disposal	42180	3,139	1,800	4,200	133%
TOTAL UTILITIES & COMMUNICATIONS		206,896	263,420	242,485	-8%
PURCHASED SERVICES					
Other Professional Services	43190	437	0	0	0%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

AIRFIELD MAINTENANCE
Section 602

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Office Equipment Rental	43210	1,248	1,670	1,700	2%
Equipment Rental	43211	318	5,000	10,000	100%
Repairs	43310	266	0	0	0%
Contracted Services	43340	79,132	35,150	47,800	36%
Other Repair/Maintenance Svcs	43390	6,050	44,000	45,000	2%
Freight Expense	43430	971	2,700	850	-69%
Permits & Recorders Fees	43460	2,314	1,900	2,000	5%
Other Purchased Services	43490	1,500	2,700	0	-100%
TOTAL PURCHASED SERVICES		92,236	93,120	107,350	15%
MATERIALS & SUPPLIES					
Office Supplies	44100	2,908	2,350	2,500	6%
Paper	44110	122	300	250	-17%
Postage	44120	9	10	10	0%
Printing & Forms	44130	330	400	450	13%
Oil and Lubricants	44210	16,404	14,500	15,500	7%
Herbicides	44221	51,345	65,000	64,500	-1%
Fertilizer	44222	4,836	0	0	0%
Ice Control	44223	25,531	75,000	76,000	1%
Rubber Removal	44224	13,428	12,500	12,000	-4%
Gasoline	44230	96,750	98,000	100,000	2%
Diesel Fuel	44240	99,846	106,000	107,000	1%
Janitorial Paper Supplies	44250	50	400	350	-13%
Janitorial Supplies	44260	134	1,000	500	-50%
Medical Supplies	44270	215	300	300	0%
Trash Can Liners	44280	3,257	3,900	4,400	13%
Other Operating Supplies	44290	1,931	2,000	5,000	150%
Repair & Maintenance Supply	44300	26,266	12,500	12,500	0%
Vehicle Maintenance Supplies	44310	63,224	44,500	45,000	1%
Machinery	44330	151,462	124,000	131,225	6%
Steel and Sheet Metal	44332	3,434	1,500	1,500	0%
Locks & Hardware	44333	8,018	7,000	7,100	1%
Seeds, Plants & Trees	44340	2,861	3,300	3,500	6%
Irrigation Supplies	44341	5,612	4,500	5,000	11%
Landscape Materials	44342	3,795	3,000	4,000	33%
Plumbing Supplies	44350	769	0	0	0%
Electrical Supplies	44360	9,139	10,000	13,000	30%
Runway/Taxiway Lighting	44361	41,335	36,000	36,000	0%
Ramp Lighting	44362	7,522	6,000	6,200	3%
Lumber & Building Supplies	44370	977	600	600	0%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

AIRFIELD MAINTENANCE
Section 602

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Paint Supplies	44380	107,049	68,500	65,200	-5%
Other Repairs-Maint Supplies	44390	739	1,000	1,000	0%
Small Tools - Minor Equipment	44400	17,618	9,000	11,500	28%
Office Small Equipment	44410	1,229	1,000	1,200	20%
Sign and Sign Maintenance	44430	4,372	4,200	4,000	-5%
Employee Safety Equipment	44450	11,886	8,100	8,100	0%
Asphalt & Cement	44510	7,533	14,100	14,100	0%
Back Fill/Crusher Run, Etc.	44511	755	3,000	2,000	-33%
Patch Material	44513	1,842	7,800	6,800	-13%
Runways/taxiway Repair	44530	58,976	41,000	42,000	2%
Fence and Gate Repair Parts	44540	1,098	2,000	2,000	0%
TOTAL MATERIALS & SUPPLIES		854,609	794,260	812,285	2%
ADMINISTRATIVE EXPENSE					
Membership Dues	45110	975	2,685	2,296	-14%
Conference Registration Fees	45130	1,219	0	0	0%
Training Expense	45140	5,319	5,695	6,190	9%
Travel & Reimbursed Expense	45210	4,573	495	2,085	321%
TOTAL ADMINISTRATIVE EXPENSES		12,086	8,875	10,571	19%
TOTAL EXPENSES BEFORE FIXED ASSETS		3,176,200	3,303,675	3,434,991	4%
FIXED ASSETS					
Fixed Asset Acquisition	48150	55,332	28,000	112,830	303%
TOTAL SECTION EXPENSES		$3,231,532	$3,331,675	$3,547,821	6%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

BUILDING MAINTENANCE AND SERVICES
Section 603

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$2,134,195	$2,555,200	$2,650,100	4%
Vacation Pay	41130	165,115	6,500	800	-88%
Sick Leave	41140	155,628	20,600	17,300	-16%
Holiday Pay	41150	82,020	0	58,000	%
Overtime Pay	41210	2,676	6,000	6,000	0%
Overtime Call Back	41213	5,504	15,000	15,000	0%
Standby	41220	5,091	12,000	12,000	0%
Shift Differential	41230	96,587	123,700	107,100	-13%
Holiday worked Pay	41280	113,310	125,000	125,000	0%
Medicare	41320	38,868	37,400	38,800	4%
Group Insurance	41340	309,899	422,500	617,900	46%
Disability Insurance	41342	28,541	24,600	24,500	0%
Self Funded Rx	41343	101,957	0	0	0%
Vision Insurance	41344	8,181	12,100	12,100	0%
Dental Insurance	41347	52,608	58,700	59,100	1%
Workers Comp	41350	101,186	98,500	85,200	-14%
Retirement	41360	606,320	606,400	681,900	12%
Uniform Allowance	41380	7,355	10,000	11,500	15%
Meal Allowance	41390	134	1,000	1,000	0%
Benefit Bank Deferred Comp	41430	17,534	14,000	15,400	10%
TOTAL PERSONNEL SERVICES		4,032,710	4,149,200	4,538,700	9%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	1,094,780	1,300,000	1,200,000	-8%
Natural Gas	42120	259,977	305,000	280,000	-8%
Water	42130	99,297	129,500	111,000	-14%
Sewer	42140	69,091	78,850	82,000	4%
Solid Waste Disposal	42150	2,483	0	0	0%
Hazardous Waste Disposal	42180	615	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		1,526,243	1,813,350	1,673,000	-8%
PURCHASED SERVICES					
Other Professional Services	43190	2,350	6,000	6,000	0%
Office Equipment Rental	43210	1,916	2,280	2,280	0%
Equipment Rental	43211	0	1,000	0	-100%
Contracted Services	43340	585,797	700,000	602,000	-14%
Other Repair/Maintenance Svcs	43390	18,681	0	0	0%

Reno-Tahoe Airport Authority
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BUILDING MAINTENANCE AND SERVICES
Section 603

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Freight Expense	43430	4,346	5,000	5,000	0%
Permits & Recorders Fees	43460	436	1,000	1,500	50%
Other Purchased Services	43490	69,852	50,000	50,000	0%
TOTAL PURCHASED SERVICES		683,378	765,280	666,780	-13%
MATERIALS & SUPPLIES					
Office Supplies	44100	3,496	2,500	2,500	0%
Paper	44110	341	500	500	0%
Printing & Forms	44130	1,070	1,000	1,000	0%
Chemicals	44220	217	0	0	0%
Ice Control	44223	17,620	82,500	60,000	-27%
Janitorial Paper Supplies	44250	72,327	70,000	66,950	-4%
Janitorial Supplies	44260	37,148	45,000	45,000	0%
Medical Supplies	44270	397	2,000	2,000	0%
Trash Can Liners	44280	19,862	35,000	24,000	-31%
Other Operating Supplies	44290	311	0	0	0%
Heating & Air Conditioning	44320	49,895	40,000	45,000	13%
Filters	44321	518	0	0	0%
Machinery	44330	4,211	5,000	4,000	-20%
Baggage Conveyors	44331	64,000	55,000	55,000	0%
Steel and Sheet Metal	44332	34	0	0	0%
Locks & Hardware	44333	13,917	10,000	10,000	0%
Brushes	44334	1,848	3,000	3,000	0%
Jet Bridge Repair	44336	49,686	30,000	30,000	0%
Plumbing Supplies	44350	33,689	25,000	25,000	0%
Electrical Supplies	44360	32,803	35,000	35,000	0%
Lumber & Building Supplies	44370	9,186	15,000	15,000	0%
Paint Supplies	44380	4,063	3,000	3,000	0%
Other Repairs-Maint Supplies	44390	15	0	0	0%
Small Tools - Minor Equipment	44400	36,465	5,000	5,000	0%
Sign and Sign Maintenance	44430	114	0	0	0%
Employee Safety Equipment	44450	13,181	10,000	10,000	0%
TOTAL MATERIALS & SUPPLIES		466,416	474,500	441,950	-7%
ADMINISTRATIVE EXPENSE					
Educational & Prof Fees	45100	132	0	0	0%
Membership Dues	45110	1,707	2,880	1,355	-53%
Books & Subscriptions	45120	23	0	0	0%

Reno-Tahoe Airport Authority
FY 2013-14
A N N U A L B U D G E T

BUILDING MAINTENANCE AND SERVICES
Section 603

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
Training Expense	45140	1,936	4,000	4,000	0%
Travel & Reimbursed Expense	45210	463	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		4,261	6,880	5,355	-22%
TOTAL EXPENSES BEFORE FIXED ASSETS		6,713,008	7,209,210	7,325,785	2%
FIXED ASSETS					
Fixed Asset Acquisition	48150	24,900	0	40,720	%
TOTAL SECTION EXPENSES		$6,737,908	$7,209,210	$7,366,505	2%

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET

Baggage Handling System
Section 604

	ACCOUNT NO.	2011-12 ACTUAL	2012-13 BUDGET	2013-14 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	41110	$40,122	$44,800	$45,300	1%
Vacation Pay	41130	3,078	0	0	0%
Sick Leave	41140	573	0	0	0%
Holiday Pay	41150	1,303	0	0	0%
Group Insurance	41340	3,801	4,300	5,800	35%
Retirement	41360	9,698	10,700	11,700	9%
Benefit Bank Deferred Comp	41430	601	0	0	0%
TOTAL PERSONNEL SERVICES		59,176	59,800	62,800	5%
UTILITIES AND COMMUNICATIONS					
Electricity	42110	381,290	600,000	450,000	-25%
Natural Gas	42120	18,776	33,000	23,000	-30%
TOTAL UTILITIES & COMMUNICATIONS		400,066	633,000	473,000	-25%
PURCHASED SERVICES					
Professional Services	43100	90,848	91,548	91,548	0%
Consultants - General	43140	5,200	4,000	5,500	38%
Other Professional Services	43190	32,335	32,980	29,630	-10%
Contracted Services	43340	945,170	980,000	1,002,000	2%
TOTAL PURCHASED SERVICES		1,073,554	1,108,528	1,128,678	2%
MATERIALS & SUPPLIES					
Baggage Conveyors	44331	29,022	35,000	35,000	0%
Electrical Supplies	44360	74	1,500	0	-100%
TOTAL MATERIALS & SUPPLIES		29,096	36,500	35,000	-4%
TOTAL SECTION EXPENSES		$1,561,892	$1,837,828	$1,699,478	-8%

Reno-Tahoe Airport Authority
FY 2013-14
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 total PP&E request for FY 2013-14 is $255,220. This is a decrease of $93,541, or 27% from the FY 2012-13 PP&E budget amount of $348,761. This decrease is due primarily to a reduction in one time purchases of information technology required last year being offset by the request for vehicle purchases that were deferred in prior fiscal years.

The major PP&E requests are primarily maintenance equipment and four vehicles. The vehicles requested consist of three Short Bed Trucks that will be used in Airfield Maintenance, Building Maintenance and Airside Operations and one electric utility truck. Of the three vehicles being replaced, one will be rotated back into the fleet replacing a vehicle that will be sent to surplus auction and two will be sent to surplus auction and not rotated back into the fleet. Also included is a generator for the Parking Plaza that was originally purchased in 1983. There are no requests related to information technology.

The Facilities Department's vehicle replacement plan maximizes the functionality, and minimizes the maintenance costs of the Airport Authority's fleet of vehicles. The plan provides for the retirement and rotation of vehicles and equipment. The evaluation criteria are listed below.

VEHICLE AND EQUIPMENT ACQUISITION AND ROTATION POLICY REPLACEMENT EVALUATION CRITERIA

Light Duty Vehicles

- Replacement evaluation after 6 years of service **or**
- Replacement evaluation when vehicle exceeds 80,000 miles **or**
- Replacement evaluation when maintenance cost to purchase ratio exceeds 35%

Heavy Duty Vehicles and Equipment

- Replacement evaluation after 10-20 years depending on type of vehicle/equipment **or**
- Replacement evaluation when vehicle/equipment exceeds 80,000 miles **or**
- Replacement evaluation every 25,000 hours on Hobbs hour meter **or**
- Replacement evaluation when maintenance cost to purchase ratio exceeds 30%

The schedules below summarize all vehicles and the major piece of equipment with a unit cost greater than $20,000. A detailed list of all the equipment follows this narrative.

Vehicles

Department	FY 2013-14 Request	Amount Budgeted	Current Equipment Being Replaced/Explanation
Airside Operation	Crew Cab Short Bed Truck	$36,680	This vehicle is to replace a 1998 GMC Yukon with 136,000 miles and qualifies under the replacement criteria.
Airfield Maintenance	Crew Cab Short Bed Truck	$36,680	This vehicle is to replace a 2004 Chevy Tahoe that will be rotated and replace a 1997 Chevy Tahoe with 131,000 miles and qualifies under the replacement criteria.
Airfield Maintenance	Xtreme Transport Utility Truck	$23,950	This vehicle is to efficiently transport materials and personnel within the Airfield Maintenance complex.
Building Maintenance	Standard Cab Short Bed Truck	$29,900	This vehicle is to replace a 1996 GMC Truck with over 91,000 miles and qualifies under the replacement criteria.

Equipment

Department	FY 2013-14 Request	Amount Budgeted	Current Equipment Being Replaced/Explanation
Landside Operations	100KW Generator Set and Bypass Transfer Switch	$56,700	This equipment will replace a 30 year-old generator.

Reno-Tahoe Airport Authority
FY 2013-14
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			-
254 Reno-Stead Airport			-
252 Human Resources			-
302 Accounting & Administration			-
303 Purchasing & Materials Management			-

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Property, Plant, and Equipment

Division	Description	Amount	Total
305 Finance & Budgeting			-
401 Vice-President of Operations & Public Safety			-
402 Airside Operations	2013 4X4 Crew Cab Short Bed Pickup Truck	$ 36,680	**36,680**
403 Landside Operations	100KW Generator Set and Bypass Transfer Switch	$ 56,700	**56,700**
404 Airport Rescue & Fire	Bullard Eclipse LD Thermal Imager	$ 8,290	**8,290**
405 Airport Police			-
407 Airport Security			-
502 Planning & Environmental Services			-
503 Engineering & Construction			-
601 Director of Facilities & Maintenance			-

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Property, Plant, and Equipment

Division	Description	Amount	Total
602 Airfield Maintenance			
	Multiquip LT-12D Light Tower Generator	$ 10,000	
	20 Water Filled Barrier Rails	10,700	
	EZLiner Airport Pro Series 2600 Striper	31,500	
	2013 Xtreme Transport Pro Utility Truck	23,950	
	2013 4X4 Crew Cab Short Bed Pickup Truck	36,680	
			112,830
603 Building Maintenance			
	Eight-Foot Bed Mounted Spreader Kit	$ 5,630	
	Eight-Foot Plow Kit	5,190	
	2013 Standard Cab Short Bed Pickup Truck	29,900	
			40,720
TOTAL			**$ 255,220**

Reno-Tahoe Airport Authority
FY 2013-14
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, and approve if costs exceed established limits, the capital projects or capital project's debt service that will be included in the Airfield, Terminal Building and Baggage Handling System (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, was 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 2013-14 Budget are below the amounts that require airline review or approval.

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Section 3 – Capital Projects

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.

FY 2013-14 Capital Project Budgets

Item		Project Administrator (Amortization Years)	Estimate	COST CENTER						Other Funding Sources		
				Airfield	Terminal Building	BHS	Landside	Other	Reno-Stead Airport	General Purpose Fund	Special Fund	AIP Grant, PFC, Fuel Tax, CFC or Other
	Reno-Tahoe International Airport											
1	1625 National Guard Way Roof Replacement	Economic Development	$ 168,750									168,750
2	1675 National Guard Parking Lot Light Replacement	Economic Development	10,560									10,560
3	2555 Aviation Way Condenser Replacement	Economic Development	8,365									8,365
4	1551 National Guard Way Parking Lot Pavement	Economic Development	202,500									202,500
5	1551 National Guard Way HVAC Replacement	Economic Development	56,675									56,675
6	QTA Infrared Heater Replacement	Economic Development	10,356									10,356
7	QTA Pump Replacement	Economic Development	522,774									522,774
8	Mini Warehouse Building Improvement	Economic Development	50,000					50,000				
9	Mini Warehouse Pavement Reconstruction	Economic Development	150,000					150,000				
10	Cargo Security Fence	Economic Development	15,000					15,000				
11	Airfield Pavement Management Program	Engineering (5)	500,000	100,000						400,000		
12	Landside Pavement Management Program	Engineering (5)	621,200				124,240			496,960		
13	Airfield Maintenance Shop Door Replacement	Facilities	10,500	10,500								
14	Concourse Elbow Drive Through Vehicle Barriers	Facilities	88,900		88,900							
15	ADA Upgrades	Facilities	20,000		20,000							
16	Thermoplastic Airfield Ground Markings	Facilities	-	-								
	Sub Total		**$ 2,435,580**	**$ 110,500**	**$ 108,900**	**$ -**	**$ 124,240**	**$ 215,000**	**$ -**	**$ 896,960**	**$ -**	**$ 979,980**
	Reno-Stead Airport											
17	M-Block Pavement Replacement	Reno-Stead (15)	$ 150,000						15,000		$ 135,000	
18	Hangar 6 HVAC Replacement	Reno-Stead	44,800						44,800			
	Sub Total		**$ 194,800**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 59,800**	**$ -**	**$ 135,000**	**$ -**
	Total		**$ 2,630,380**	**$ 110,500**	**$ 108,900**	**$ -**	**$ 124,240**	**$ 215,000**	**$ 59,800**	**$ 896,960**	**$ 135,000**	**$ 979,980**

Reno-Tahoe International Airport

1625 National Guard Way Roof Replacement

This project consists of removing and replacing 4,334 square feet of built up roofing with mechanically attached single ply roofing and replacing the existing sky light windows. The existing roof material is past its useful life expectancy and windows are a constant source of leaks. This project is being funded using Customer Facility Charge (CFC) revenues and is cost neutral to the Authority. CFC's were adopted effective 8/01/2012 and are collected in the amount of $1.25 per car rental transaction day. In addition, the rental car companies are responsible for the on-going, day-to-day maintenance costs associated with this project.

Project Cost	
Construction (includes materials, equipment, labor)	$ 168,750
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.00
Impact on Airline Cost per Enplaned Passenger	$0.00
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

1675 National Guard Way Parking Lot Light Replacement

This project consists of removing and replacing six (6) pole mount 400w High-Intensity Discharge fixtures. The current lights are deteriorated and past their useful life expectancy as identified in the rental car facility assessment completed April 2012. This project is being funded using Customer Facility Charge (CFC) revenues and is cost neutral for the Authority. CFC's were adopted effective 8/01/2012 and are collected in the amount of $1.25 per car rental per transaction day. In addition, the rental car companies

are responsible for the on-going, day-to-day maintenance costs associated with this project.

Project Cost	
Construction (includes materials, equipment, labor)	$ 10,560
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.00
Impact on Airline Cost per Enplaned Passenger	$0.00
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

2555 Aviation Way Condenser Replacement

This project consists of removing and replacing one (1) four to air cooled condenser. The condenser currently in use is past its useful life expectancy as identified in the rental car facility assessment completed April 2012. This project is being funded using Customer Facility Charge (CFC) revenues and is cost neutral for the Authority. CFC's were adopted effective 8/01/2012 and are collected in the amount of $1.25 per car rental per transaction day. In addition, the rental car companies are responsible for the on-going, day-to-day maintenance costs associated with this project.

Project Cost	
Construction (includes materials, equipment, labor)	$ 8,365
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.00
Impact on Airline Cost per Enplaned Passenger	$0.00
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

1551 National Guard Way Parking Lot Pavement

This project consists of removing and replacing 10,000 square feet of parking lot pavement, repairing drainage issues and restriping of the parking lot. The parking lot has a large low area in the driveway and as a result of this basin, during the rain or snow events the area ponds, resulting at times in an icing situation for vehicles exiting on to National Guard Way. This project is being funded using Customer Facility Charge (CFC) revenues and is cost neutral for the Authority. CFC's were adopted effective 8/01/2012 and are collected in the amount of $1.25 per car rental transaction day. In addition, the rental car companies are responsible for the on-going, day-to-day maintenance costs associated with this project.

Project Cost	
Construction (includes materials, equipment, labor)	$ 202,500
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.00
Impact on Airline Cost per Enplaned Passenger	$0.00

Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

1551 National Guard Way HVAC Replacement

This project consists of removing and replacing four (4) rooftop HVAC package units. The current rooftop HVAC units are deteriorated and past their useful life expectancy as identified in the rental car facility assessment completed April 2012. This project is being funded using Customer Facility Charge (CFC) revenues and is cost neutral to the Authority. CFC's were adopted effective 8/01/2012 and are collected in the amount of $1.25 per car rental transaction day. In addition, the rental car companies are responsible for the on-going, day-to-day maintenance costs associated with this project.

Project Cost	
Construction (includes materials, equipment, labor)	$ 56,675
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.00
Impact on Airline Cost per Enplaned Passenger	$0.00
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

Quick Turnaround (QTA) Facility Infrared Heater Replacement

This project consists of removing and replacing five (5) gas fired infrared heater in car wash bay. The current infrared heating units are deteriorated and past their useful life expectancy as identified in the rental car facilityassessment completed April 2012. This project is being funded using Customer Facility Charge (CFC) revenues and is cost neutral to the Authority. CFC's were adopted effective 8/01/2012 and are collected in the amount of $1.25 per car rental transaction day. The ongoing, day-to-day maintenance of this facility is handled under a property management agreement also funded by the CFCs

Project Cost	
Construction (includes materials, equipment, labor)	$ 10,356
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.00
Impact on Airline Cost per Enplaned Passenger	$0.00
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

Quick Turnaround (QTA) Facility Pump Replacement

This project consists of removing and replacing seventy - five (75) pumps of various horse power throughout the QTA building. The current pumps have excessive wear/deterioration and past their useful life expectancy as identified in the rental car facility assessment completed April 2012. This project is being funded using Customer Facility Charge (CFC) revenues and is cost neutral for the Authority. CFC's were adopted effective 8/01/2012 and are collected in the amount of $1.25 per car rental transaction day. The ongoing, day-to-day maintenance of this facility is handled under a property management agreement also funded by the CFCs

Project Cost	
Construction (includes materials, equipment, labor)	$ 522,774
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.00
Impact on Airline Cost per Enplaned Passenger	$0.00
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

Mini Warehouse Building Improvement

The scope of this project involves the reconstruction to "shell" condition of a 6,778 square foot commercial unit at the Airport Mini Warehouse. Major items include the demolition of existing interior (non load bearing) partition walls, electrical work to meet code compliance including new warehouse lighting, new HVAC system, ceiling insulation and roll up door repair/replacement.

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 2013-14	$35,000
Fiscal Year 2014-15	$36,050
Fiscal Year 2015-16	$37,131

Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

This particular unit at the Airport Mini Warehouse comprises approximately 14% of the building total and is not leasable in its current condition. Further delay in rehabilitating this unit will result in persistent vacancy. This unit alone if leased, will reduce the property-wide commercial vacancy rate by approximately 5% and increase annual revenue by approximately $35,000.

Mini Warehouse Pavement Reconstruction

The scope of this project involves the removal and reconstruction of approximately 28,000 square feet of asphalt at the Airport Mini Warehouse. Many areas of asphalt parking lot and drive isles at the Airport Mini Warehouse have failed. A systematic approach to reconstruction began in 2012 with the reconstruction of two of the most critical areas.

Project Cost	
Construction (includes materials, equipment, labor)	$ 150,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.61
Impact on Airline Cost per Enplaned Passenger	$0.04
Additional Revenue	
Fiscal Year 2013-14	$15,000
Fiscal Year 2014-15	$16,000
Fiscal Year 2015-16	$17,000
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	($15,000)
Fiscal Year 2014-15	($10,000)
Fiscal Year 2015-16	($10,000)

This project is critical since the deteriorated parking lot creates a less desirable product from the leasing perspective. The new asphalt will improve the marketability of the property and may enable existing lease rates to be increased as they are renewed.

Cargo Security Fence

The scope of this project is a new vehicle gate at the FedEx air cargo facility near Air Cargo Way. Financing of the project comes from FedEx with the Authority contributing up to $15,000 for security fencing and/or pavement reconstruction. The existing security fence near the FedEx facility does not meet RTAA's current standard and the airside pavement in the vicinity has failed. This project will provide both increased safety and security.

Project Cost	
Construction (includes materials, equipment, labor)	$ 15,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.06
Impact on Airline Cost per Enplaned Passenger	$0.00
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

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. 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)	$ 500,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.41
Impact on Airline Cost per Enplaned Passenger	$0.03
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$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 2013-14 construction effort consists of Phase 2 of the multi-year rehabilitation of the south surface public parking lot.

Project Cost	
Construction (includes materials, equipment, labor)	$ 621,200
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.50
Impact on Airline Cost per Enplaned Passenger	$0.03

Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$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.

Airfield Maintenance Shop Door Replacement
This project consists of removing and replacing the existing 12 foot high panel style roll up shop door with a new 15 foot high barrel style motor activated door. With the Airfield Maintenance facility being constructed in 1978, the design did not anticipate that much of the more modern equipment fleet in service would be over 13 feet tall. This limitation reduces the capacity to work on high profile equipment as the Airfield equipment shop has ten doors but only one that allows large snow removal and fire vehicles into the shop at a time. This project will realize an estimated savings of 30 minutes a day in labor productivity gains.

Project Cost	
Construction (includes materials, equipment, labor)	$ 10,500
Rate Impact	
Impact on Landing Fee Rate	$0.01
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.06
Impact on Airline Cost per Enplaned Passenger	$0.00
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	($7,800)
Fiscal Year 2014-15	($8,034)
Fiscal Year 2015-16	($8,275)

Concourse Elbow Drive Through Vehicle Barriers
This project will install traffic barriers to protect the terminal building from vehicle damage. Several times a year vehicles over nine feet tall or vehicles carrying products of a total height of nine feet or more damage the building as they drive under the building at the concourse elbows. Although large red reflective signs have been installed, damage still occurs. In addition, there are large electrical conduits in this area that carry 4,160 volts.

Project Cost	
Construction (includes materials, equipment, labor)	$ 88,900
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate	$0.54
Impact on Airline Cost per Enplaned Passenger	$0.04
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

With the concourse replacement project not anticipated to be completed in the planned for the foreseeable future, this project is designed to prevent building damage that occurs typically twice a year to the Concourse "C". In addition, Concourse "B" is also vulnerable though drive-through occurrences are less frequent. While building damage is typically funded by the company or tenant that causes the damage, the possible disruption to

operation and safety concerns will be mitigated by this project. The project should require minimal maintenance costs upon completetion.

Americans with Disability Act (ADA) Upgrades

This project will relocate existing Automated External Defibrillators (AEDs), fire extinguisher cabinets, and communication devices. The Facilities department has identified several building components that require relocation to bring the RTIA in compliance with ADA guidelines. All eight AED's need to be lowered, twelve fire extinguisher cabinets need to be lowered, and seventeen phones need to be relocated or similar phones installed to meet the no protrusion more than 4" guideline.

Project Cost	
Construction (includes materials, equipment, labor)	$ 20,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate	$0.12
Impact on Airline Cost per Enplaned Passenger	$0.01
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

The relocation of this equipment will result in not incremental maintenance costs as compared to current requirements.

Reno-Stead Airport

M-Block Pavement Rehabilitation

The pavement in the taxilanes that provide access to general aviation hangars, known as M-Block, has extensive alligator cracking with approximately 50% of the pavement in severe condition. This project would involve removal of the pavement to a depth of 3 inches and reconstruction with 3 inches of asphalt concrete. This project will be reimbursed by tenants if a 10-year lease extension is approved by the Board.

Project Cost	
Construction (includes materials, equipment, labor)	$ 150,000
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.00
Impact on Airline Cost per Enplaned Passenger	$0.00
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00

The Authority is responsible for pavement maintenance and repairs associated with this project. Since this is a continuation of the Authority's maintenance responsibility, no incremental costs have been associated with this project. In fact, the rehabilitation should reduce the amount of patching and repairs necessary to keep the pavement in usable condition.

Hangar 6 HVAC Replacement

This project will remove and replace the HVAC system in Hangar 6, which has been identified as a potential anchor site for economic development at Reno-Stead. The HVAC system needs to be improved and modernized with energy efficient, reliable units to better

serve potential tenants. The RTAA is currently responsible for over 50% of the utility cost and the system replacement would bring savings in energy usage.

Project Cost	
Construction (includes materials, equipment, labor)	$ 44,800
Rate Impact	
Impact on Landing Fee Rate	$0.00
Impact on Terminal Rental Rate – Lower Profit Sharing	$0.00
Impact on Airline Cost per Enplaned Passenger	$0.00
Additional Revenue	
Fiscal Year 2013-14	$0.00
Fiscal Year 2014-15	$0.00
Fiscal Year 2015-16	$0.00
Additional O&M Expense/(Savings)	
Fiscal Year 2013-14	($1,100)
Fiscal Year 2014-15	($800)
Fiscal Year 2015-16	($450)

CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program, as updated during the FY 2013-14 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 2012 ending September 30, 2012, the Authority received $13.666 million of AIP grants for Reno-Tahoe International Airport. No AIP grants were awarded to the Reno-Stead Airport in FAA Fiscal Year 2012.

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 accessed to the passenger, it is administratively retained by the airport, and it 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 June 30, 2013, the Authority has received collection authority to impose and use $146,066,889 on five open FAA approved PFC applications. The Authority has collected $126,014,661 of PFCs on these open applications, including interest earned thereon. In Fiscal Year 2012-13, the Authority collected $6.81 million of PFC revenue and is forecasting revenues of $6.39 million in FY 2013-14.

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

	Prior Years Actual	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast	Total FY11-19 Forecast
USES OF FUNDS									
Airside	25,034,461	22,728,024	21,729,058	13,815,003	10,251,417	7,775,000	15,730,000	8,872,500	125,935,462
Terminal	7,300,102	20,714,113	2,030,799	-	10,860,540	24,068,535	50,484,525	-	115,458,613
Baggage Handling System	-	92,993	-	-	-	-	-	-	92,993
Landside	34,171	1,187,721	1,601,180	1,322,986	1,134,747	1,083,257	1,083,257	1,314,960	8,762,277
Other	315,547	1,167,562	265,000	563,200	1,330,000	2,660,000	4,800,000	600,000	11,701,309
Administrative	750,582	296,162	901,982	901,982	-	-	-	-	2,850,709
Stead	1,524,773	4,091,845	3,204,020	3,874,000	1,090,000	1,130,000	1,630,000	5,230,000	21,774,638
	34,959,635	50,278,420	29,732,039	20,477,171	24,666,704	36,716,792	73,727,782	16,017,460	286,576,002
SOURCES OF FUNDS									
Federal Grants -Entitlement	1,379,169	1,352,703	1,334,577	1,325,062	1,333,431	1,341,969	1,350,677	1,359,560	10,777,149
Federal Grants -Discretionary	16,265,229	19,455,587	18,565,239	12,799,632	8,751,381	6,277,406	12,380,573	9,786,065	104,281,112
Passenger Facility Charges	9,927,542	9,774,194	1,876,708	2,862,417	4,311,417	4,506,250	6,645,000	1,661,250	41,564,777
Operating Funds	-	50,000	-	-	-	-	-	-	50,000
General Purpose	1,920,589	4,735,121	2,984,215	2,254,875	1,598,750	1,728,750	1,983,750	1,915,625	19,121,676
Customer Facility Charge	5,288	159,504	979,980	822,986	634,747	583,257	583,257	814,960	4,583,977
Fuel Tax Fund	-	-	-	-	-	-	-	-	-
Special Fund	291,897	85,000	1,753,389	182,200	43,000	45,000	70,000	250,000	2,720,487
RTAA Grant Fund	-	-	-	-	-	-	-	-	-
RTAA Flood Fund	-	-	-	-	-	-	-	-	-
RTAA Conduit Fund	529,177	39,532	-	-	-	-	-	-	568,709
Acquisition Fund	-	-	-	-	-	-	-	-	-
Consent Degree Fund	882,875	256,174	230,000	230,000	230,000	230,000	230,000	230,000	2,519,049
Subordinate Lien Revenue Notes	3,757,868	14,370,605	2,007,929	-	-	-	-	-	20,136,403
Senior Lien Bonds	-	-	-	-	7,763,978	22,004,160	50,484,525	-	80,252,663
	34,959,635	50,278,420	29,732,039	20,477,171	24,666,704	36,716,792	73,727,782	16,017,460	286,576,002

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

AIRSIDE	Priority No.	Prior Years Actual	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast	Total FY11-18 Forecast
Airfield Maintenance Shop Door Replacement		-	-	10,500	-	-	-	-	-	10,500
Airfield Pavement Maintenance Program (2011-12)		90,693	49,307	-	-	-	-	-	-	140,000
Airfield Pavement Maintenance Program (2012-13)		-	654,000	-	-	-	-	-	-	654,000
Airfield Pavement Maintenance Program (2013-14)		-	-	500,000	-	-	-	-	-	500,000
Airfield Pavement Maintenance Program (2014-19)		-	-	-	500,000	500,000	500,000	500,000	500,000	2,500,000
ARFF Vehicle #2		-	-	-	205,000	615,000	-	-	-	820,000
ARFF Vehicle #4		-	-	-	405,000	1,215,000	-	-	-	1,620,000
Central Disposal Facility Upgrades		-	375,000	562,500	562,500	-	-	-	-	1,500,000
De-Icing Glycol Recovery System		-	-	-	320,000	1,280,000	-	-	-	1,600,000
FAR Part 150 Noise Insulation Program, Phase 19		4,602,276	1,113,381	-	-	-	-	-	-	5,715,658
FAR Part 150 Noise Insulation Program, Phase 20		3,294,023	3,105,977	-	-	-	-	-	-	6,400,000
FAR Part 150 Noise Insulation Program, Phase 21		1,472,246	2,997,210	2,997,210	-	-	-	-	-	7,466,667
FAR Part 150 Noise Insulation Program, Phase 22		2,036	2,240,000	2,986,667	2,237,964	-	-	-	-	7,466,667
FAR Part 150 Noise Insulation Program, Phase 23		-	-	1,493,333	2,986,667	2,986,667	-	-	-	7,466,667
Rehab of Runway 16L/34R Touchdown Areas, Phase I		-	818,000	3,272,000	-	-	-	-	-	4,090,000
Rehab of Runway 16L/34R Touchdown Areas, Phase II		-	-	462,000	1,848,000	-	-	-	-	2,310,000
Replacement Snow Removal Equipment, Ph 1		-	525,000	400,000	-	-	-	-	-	925,000
Replacement Snow Removal Equipment, Ph II		-	-	-	581,250	1,743,750	1,550,000	-	-	3,875,000
Radio Replacment Program (800 Mz)		-	-	-	187,500	375,000	187,500	-	-	750,000
Roof Replacement- Airfield Maintenance Annex (Old ARFF #1)		5,584	125,416	-	-	-	-	-	-	131,000
Runway Shoulder and Overrun Reconstruction, Phase I		-	-	-	-	-	-	1,940,000	5,050,000	6,990,000
Sand Storage Building		-	93,000	217,000	-	-	-	-	-	310,000
SIDA Access Control		8,266,470	1,921,584	-	-	-	-	-	-	10,188,054
Snow Removal Equipment Building		6,490,826	310,791	-	-	-	-	-	-	6,801,617
Southwest Air Cargo Ramp (Design)		-	-	-	384,000	1,536,000	-	-	-	1,920,000
Southwest Air Cargo Ramp (Construction)		-	-	-	-	-	5,537,500	13,290,000	3,322,500	22,150,000
Taxiway "C" Extension		240,041	3,185,969	-	-	-	-	-	-	3,426,010
Taxiway "Q" Reconstruction (Construction)		-	1,630,649	1,630,649	-	-	-	-	-	3,261,298
Taxiway "Q" Reconstruction (Design)		244,512	16,813	-	-	-	-	-	-	261,325
Terminal Apron Reconstruction Phase 16		322,749	2,410,275	1,032,975	-	-	-	-	-	3,766,000
Terminal Apron Reconstruction Phase 17		1,751	1,155,650	4,622,599	-	-	-	-	-	5,780,000
Terminal Apron Reconstruction Phase 18		1,253	-	1,541,624	3,597,123	-	-	-	-	5,140,000
Thermoplastic Airfield Ground Markings		-	-	-	-	-	-	-	-	-
		$ 25,034,461	$ 22,728,024	$ 21,729,058	$ 13,815,003	$ 10,251,417	$ 7,775,000	$ 15,730,000	$ 8,872,500	$ 125,935,462

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

TERMINAL	Priority No.	Prior Years Actual	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast	Total FY11-19 Forecast
ADA Upgrades		-	-	41,400	-	-	-	-	-	41,400
"A" Feed Electric Rehab FY12		11,105	-	-	-	-	-	-	-	11,105
Concourse "A" Apron (Design)		-	-	-	-	3,303,000	2,202,000	-	-	5,505,000
Concourse "A" Structure (Design)		-	-	-	-	7,557,540	5,038,360	-	-	12,595,900
Concourse "A" (Construction)		-	-	-	-	-	16,828,175	50,484,525	-	67,312,700
Concourse "B" and "C" Roof Repair		-	68,750	-	-	-	-	-	-	68,750
Concourse Elbow Drive Through Vehicle Barriers		-	-	88,900	-	-	-	-	-	88,900
Consolidated Security Checkpoint of the Future		3,421,713	17,104,488	1,900,499	-	-	-	-	-	22,426,700
Terminal Canopy Gutter		-	98,450	-	-	-	-	-	-	98,450
Terminal Lighting Retrofit Phase 2		109,416	121,193	-	-	-	-	-	-	230,609
Terminal Refurbishment Project		3,757,868	3,143,732	-	-	-	-	-	-	6,901,600
Terminal Roof Replacement, Area #12A		-	177,500	-	-	-	-	-	-	177,500
		$ 7,300,102	$ 20,714,113	$ 2,030,799	$ -	$ 10,860,540	$ 24,068,535	$ 50,484,525	$ -	$ 115,458,613

BAGGAGE HANDLING	Priority No.	Prior Years Actual	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast	Total FY11-19 Forecast
Integrated In-Line Explosive Detection (ABC)		-	92,993	-	-	-	-	-	-	92,993
		$ -	$ 92,993	$ -	$ -	$ -	$ -	$ -	$ -	$ 92,993

LANDSIDE	Priority No.	Prior Years Actual	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast	Total FY11-19 Forecast
Avis/Budget Water Meter/ Backflow Replacement		-	10,006	-	-	-	-	-	-	10,006
Landside Pavement Maintenance Program (2011-12)		28,883	91,117	-	-	-	-	-	-	120,000
Landside Pavement Maintenance Program (2012-13)		-	515,000	-	-	-	-	-	-	515,000
Landside Pavement Maintenance Program (2013-14)		-	-	621,200	-	-	-	-	-	621,200
Landside Pavement Maintenance Program (2014-19)		-	-	-	500,000	500,000	500,000	500,000	500,000	2,500,000
Parking System Hardware/Software Upgrade		-	277,100	-	-	-	-	-	-	277,100
Rental Car Renewal and Replacement Program		-	90,615	979,980	822,986	634,747	583,257	583,257	814,960	4,509,801
Roof Replacement- 1675 National Guard Way (Dollar)		5,288	58,883	-	-	-	-	-	-	64,170
South Employee Lot Access Control		-	145,000	-	-	-	-	-	-	145,000
		$ 34,171	$ 1,187,721	$ 1,601,180	$ 1,322,986	$ 1,134,747	$ 1,083,257	$ 1,083,257	$ 1,314,960	$ 8,762,277

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

OTHER	Priority No.	Prior Years Actual	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast	Total FY10-18 Forecast
Capital Project Allowance		-	-	-	400,000	450,000	500,000	500,000	500,000	2,350,000
Fence and Gate- Airport Warehouse Complex		-	35,000	-	-	-	-	-	-	35,000
FIS Building Renovation and Expansion (Design)		-	-	-	-	780,000	260,000	-	-	1,040,000
FIS Building Renovation and Expansion (Construction)		-	-	-	-	-	1,800,000	4,200,000	-	6,000,000
GA Aircraft Apron, Phase I		186,234	-	-	-	-	-	-	-	186,234
GA West Landside Access		-	113,000	-	-	-	-	-	-	113,000
GA West Taxiway Pavement Rehab		-	103,600	-	63,200	-	-	-	-	166,800
Mini Warehouse Building Improvements		-	-	50,000	-	-	-	-	-	50,000
Mini Warehouse Pavement Reconstruction		-	-	200,000	-	-	-	-	-	200,000
Cargo Security Fence		-	-	15,000	-	-	-	-	-	15,000
NANG Water Meter		-	27,575	-	-	-	-	-	-	27,575
Outside Properties Renewal Program		-	-	-	100,000	100,000	100,000	100,000	100,000	500,000
Parking Lot Pavement - 1200 & 1250 Terminal Way		-	100,000	-	-	-	-	-	-	100,000
Pave Portion of Airport Warehouse Complex		-	180,000	-	-	-	-	-	-	180,000
RFCC Building Demolition- Expansion Premises		-	200,000	-	-	-	-	-	-	200,000
Roof Replacement -1280 Terminal Way		97,014	78,686	-	-	-	-	-	-	175,700
Sewer and Storm Water System Reconstruction - 1880 Gentry		32,299	219,701	-	-	-	-	-	-	252,000
Underground Storage Tank Remediation (National Car Rental)		-	110,000	-	-	-	-	-	-	110,000
		$ 315,547	$ 1,167,562	$ 265,000	$ 563,200	$ 1,330,000	$ 2,660,000	$ 4,800,000	$ 600,000	$ 11,701,309

ADMINISTRATION	Priority No.	Prior Years Actual	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast	Total FY11-18 Forecast
Geographical Information System (GIS)		46,035	150,000	901,982	901,982	-	-	-	-	2,000,000
Police Office Remodel		175,370	74,630	-	-	-	-	-	-	250,000
Storage and Work Area Expansion		-	32,000	-	-	-	-	-	-	32,000
Telephone System Replacement- Ph I & Ph II		529,177	39,532	-	-	-	-	-	-	568,709
		$ 750,582	$ 296,162	$ 901,982	$ 901,982	$ -	$ -	$ -	$ -	$ 2,850,709

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

RENO STEAD	Priority No.	Prior Years Actual	FY 2012-13 Forecast	FY 2013-14 Forecast	FY 2014-15 Forecast	FY 2015-16 Forecast	FY 2016-17 Forecast	FY 2017-18 Forecast	FY 2018-19 Forecast	Total FY11-19 Forecast
Airfield Pavement Program- RTS (2012-13)		-	-	-	-	-	-	-	-	-
Airfield Pavement Program- RTS (2013-18)		-	-	-	-	-	-	-	-	-
Air Traffic Control Tower (Design and Construction)		-	-	-	-	-	-	450,000	5,000,000	5,450,000
Computer Managed Gate Access Controllers		-	40,000	-	-	-	-	-	-	40,000
Concrete Apron (Design and Construction)		-	-	-	220,000	860,000	900,000	950,000	-	2,930,000
Hangar 6 HVAC Replacement		-	-	44,800	-	-	-	-	-	44,800
Landside Pavement Program- RTS (2012-13)		-	45,000	-	-	-	-	-	-	45,000
Landside Pavement Program- RTS (2013-18)		-	-	-	-	-	-	-	-	-
M-Block Pavement Reconstruction		-	-	150,000	-	-	-	-	-	150,000
Snow Removal Equipment		-	-	315,789	-	-	-	-	-	315,789
Stead Solvent Site		882,875	256,174	230,000	230,000	230,000	230,000	230,000	230,000	2,519,049
Terminal/ Emergency Operations Command Center		641,897	3,750,672	1,607,431	-	-	-	-	-	6,000,000
Taxiway C Reconstruction & Edge Lighting		-	-	856,000	3,424,000	-	-	-	-	4,280,000
		$ 1,524,773	$ 4,091,845	$ 3,204,020	$ 3,874,000	$ 1,090,000	$ 1,130,000	$ 1,630,000	$ 5,230,000	$ 21,774,638
Checkfigure		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Grand Total		$ 34,959,635	$ 50,278,420	$ 29,732,039	$ 20,477,171	$ 24,666,704	$ 36,716,792	$ 73,727,782	$ 16,017,460	$ 286,576,002

Reno-Tahoe Airport Authority
FY 2013-14
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, 2014 and the transfers out are for debt service due July 1, 2013. 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 2013-14
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, 2013 is $6,118,577. 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, 2014 of $6,189,946.

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, 2013.

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 estimated balance of this fund at June 30, 2013 is $10,619,437.

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 estimated balance of this fund at June 30, 2013 is $15,255,371. The expenditures from this fund are for equipment and capital projects being purchased in the FY 2013-14, 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 2013-14
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, 2014

	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, 2013 (Unaudited)	$ 10,619,437	$ -	$ 606,948	$ 1,310,004	$ 174,144	$ 2,447,585
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	545,300					
Operation and maintenance expenses		37,139,676				
Debt service requirements			1,161,500	1,355,000	396,302	3,745,000
Replenish fund for expenditures						
Maintain reserve requirement						
Equipment and capital projects in airline rates	-	255,220				
Disbursements:						
Operation and maintenance expenses		(37,139,676)				
Equipment and capital outlay		(255,220)				
Payment of revenue bond interest and principal			(1,187,700)	(1,310,000)	(400,800)	(2,400,000)
Other capital improvement expenditures	(1,753,389)					
Projected Balance at June 30, 2014	$ 9,411,348	$ -	$ 580,748	$ 1,355,004	$ 169,646	$ 3,792,585

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, 2014

Trustee's Cash and Investment Accounts						
Operations & Maintenance Reserve Fund	Renewal & Replacement Fund	General Purpose Fund	Construction Fund	PFC Fund	Revenue Fund	Totals
$ 6,118,577	$ 780,000	$ 15,255,371	$ 2,007,929	$ 546,316	$ 3,000,000	$ 42,866,311
						-
					50,671,189	50,671,189
					129,900	129,900
				6,385,800	1,876,708	8,262,508
			2,500			2,500
					19,899,816	19,899,816
					(545,300)	-
					(37,139,676)	-
				(1,852,647)	(4,805,155)	-
		284,960			(8,276,779)	(7,991,819)
71,369.27					-	71,369
		(2,984,215)	(2,007,929)	(1,876,708)	8,176,555	1,307,702
					(255,220)	-
						(37,139,676)
						-
						(255,220)
						(5,298,500)
					(29,732,039)	(31,485,428)
$ 6,189,946	$ 780,000	$ 12,556,115	$ 2,500	$ 3,202,761	$ 3,000,000	$ 41,040,652

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Section 3 – Debt Summary

FY 2013-14 DEBT SERVICE

Senior Lien Airport System Revenue Bonds

As of July 1, 2013, the only senior lien bonds outstanding are the Series 2005 Airport Revenue Refunding bonds in the amount of $23,715,000. Senior lien debt represents borrowing that has a priority claim on 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), which were issued to construct a three story, 2,400 space parking garage, a new terminal access roadway system to accommodate the parking garage, and a passenger skyway to connect the parking garage to the terminal.

In FY 2013-14, senior lien debt service will be $2,516,500 and remain stable 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 FY 2011-12 going forward.

Net Revenue derived from the public parking operation, after related operating expenses, is available and more than sufficient to meet this debt obligation.

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 with the issuance of Subordinate Lien Airport Revenue Notes with a maximum principal amount of $30 million with repayment over a term of six years. Funding of the Notes was obtained from Banc of America Public Capital Corporation (BAPCC) after a request for proposal process.

The proceeds of the Notes, along with Passenger Facility Charges ("PFC"), federal grants, and Authority internal funds are being used to finance the costs of capital improvement projects (the "Projects") at the Reno-Tahoe International Airport (RTIA) and Reno-Stead Airport (RTS).

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 the 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 was designed 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 and deposited $15 million of notes, as a fixed rate loan with a final maturity of July 1, 2017. As of July 1, 2013, the outstanding amount of this note will be $10,265,000. Principal payments are 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. The negotiated fixed rate interest for the six year term is 2.75% payable semiannually starting on January 1, 2012.

- 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. The Authority secured funding of $4.0 million on March 1, 2013 and $1.35 million on May 1, 2013 prior to the May 31, 2013 deadline available under this funding commitment. The Authority's total borrowing under the 2011B Notes is $5.35 million out of the available $15.0 million available.

  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. The effective rate for the 2011B Notes as of July 1, 2013 is 1.848%, which reflects a LIBOR rate of 0.411%.

The Consolidated Security Checkpoint portion of the Airport Gateway Project, funded from the proceeds of the Notes, is eligible for the associated debt service to be repaid from future Passenger Facility Charges ("PFCs") revenue. The Authority submitted on March 9, 2011 an application to the Federal Aviation Administration ("FAA") for approval to apply PFCs toward

the costs of these projects which was approved on August 29, 2011. An amendment for this PFC application to increase the amount collected for these projects in line with the actual bid costs was submitted on March 27, 2012. The formal record of decision was received from the FAA on April 3, 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 $6.44 million of PFC revenue in FY 2012-13 and it is estimated that PFC revenue collections will be in the range of $6.3 to $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 $2.29 million in the FY 2013-14 Budget. Based on the interest rate of 2.75% on the 2011A Note and a conservative 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:

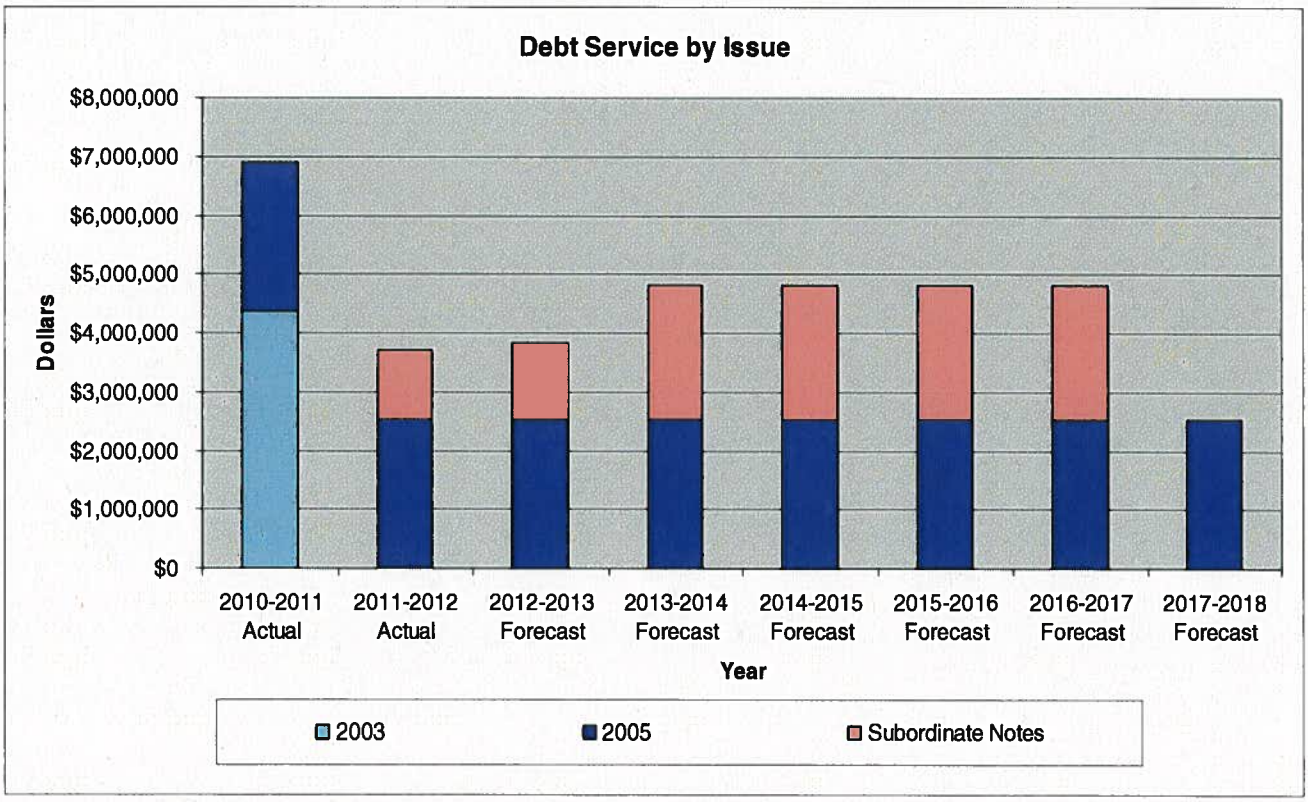
		FY 2013-14 Budget	FY 2014-15 Forecast	FY 2015-16 Forecast
Subordinate Notes (Series 2011A)	Interest	282,288	214,500	144,925
	Principal	2,465,000	2,530,000	2,600,000
	PFCs Applied	(1,482,268)	(1,480,693)	(1,483,155)
		1,265,020	1,263,808	1,261,770
Subordinate Notes (Series 2011B)	Interest	114,015	86,495	58,330
	Principal	1,280,000	1,310,000	1,340,000
	PFCs Applied	(370,380)	(373,070)	(370,545)
		1,023,635	1,023,425	1,027,785
Total	Interest	396,302	300,995	203,255
	Principal	3,745,000	3,840,000	3,940,000
	PFCs Applied	(1,852,647)	(1,853,762)	(1,853,700)
		2,288,655	2,287,233	2,289,555

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Section 3 – Debt Summary

Total Debt Service Impact

The debt service reflected in the FY 2013-14 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 2013-14 is budgeted at $4,805,155, an increase of $260,182 or 5.7% above the FY 2012-13 Budget.

As of July 1, 2013, the Authority will have approximately $23.715 million of senior lien debt outstanding. This equates to $13.50 per enplaned passenger, well below the median ratio from the 2012 ACI-NA Benchmarking Survey of $72.02 for medium hub airports. With the addition of the outstanding 2011A Subordinate Lien Notes – Fixed Rate portion of $10.265 million as of July 1, 2013 ($15.0 million less two years of principle repayment of $4.755 million) and the recent borrowing of $5.35 million of 2011B Subordinate Lien Notes – Variable Rate portion, the Authority's outstanding debt is $39.33 million, or $23.52 per enplaned passenger based on forecasted fiscal year 2013-14 enplanements, which still remains well below half of the medium hub airport 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.

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 has continually had its "A" credit rating confirmed by Fitch Ratings, a national recognized credit rating agency. The latest review was on May 3, 2013 with Fitch confirming the "A" rating with the outlook as "stable".

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

- Low Airline Cost per Enplaned Passenger: The airport's cost per enplaned passenger (CPE) remains low relative to peer airports at $6.81 for FY 2011-12 with an increase to the $7.00 range estimated for FY 2012-13. The Reno-Tahoe Airport Authority (RTAA) current airline use and lease agreement provides the airport with a larger cost recovery base, providing more cushion to volume declines.

- Stable Debt Structure: All of RTAA's senior debt is fixed rate with debt service payments flat at approximately $2.5 million through maturity in 2026. The subordinate lien revenue notes mature in 2017 and are strengthened with Passenger Facility Charge revenue support and no refinance risk. Fitch Ratings noted that the Authority does face risk from interest rate increases on the Series 2011B Subordinate Lien Notes (up to $15 million authorized) that are in a variable rate mode. The FY 2013-14 Budget estimates that the Authority's total draw under the 2011B Notes will be approximately $5.3 million of the $15.0 million available.

- Low Leverage and Strong Liquidity: In FY 2011-12, the airport's senior lien debt service coverage ratio increased to 4.06 from 1.66 in FY 2010-11. 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 approximately $39.0 million in unrestricted cash, equivalent to 420 days cash on hand, as well as $30.9 million in restricted cash as of June 30, 2012.

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

- Moderate Infrastructure Plan: The three-year capital improvement plan (CIP) is modest at $97 million and will be funded through federal grants, the existing Series 2011 subordinate notes, passenger facility charge (PFC) monies, and minimal internal funds.

The RTAA's remaining senior lien bond issue also has bond insurance from Assured Guaranty Municipal Corporation (AGM) (formerly Financial Security Assurance Inc. ("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, on the original issue date, carried 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 rating has been downgraded to AA- by Standard and Poor's 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.

On January 17, 2013, the rating of AGM was further downgraded by Moody's Investor Services from Aa3 to A2. As a result, the Insured Rating on the Bonds is now A2. Moody's does not maintain any underlying rating for the Reno-Tahoe Airport Authority.

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, 2013 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

In the past, RTAA has periodically evaluated 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.

Internal Revenue Code and Income Tax Regulations Section 149(d)(3)(A)(i) limits the number of times an issuer may advance refund an original bond issue. If the original bond issue was issued before 1986, two advance refundings are permitted. If the original bond issue was issued after 1985, only one advance refunding is permitted.

The Series 2005 Airport Revenue Refunding bonds refunded the Series 1996A Airport Revenue Bonds (1996A Bonds); therefore, the Authority does not have the ability to refund this outstanding bond issue a second time.

FY 2013-14 Debt Service Allocation to Airport Cost Centers

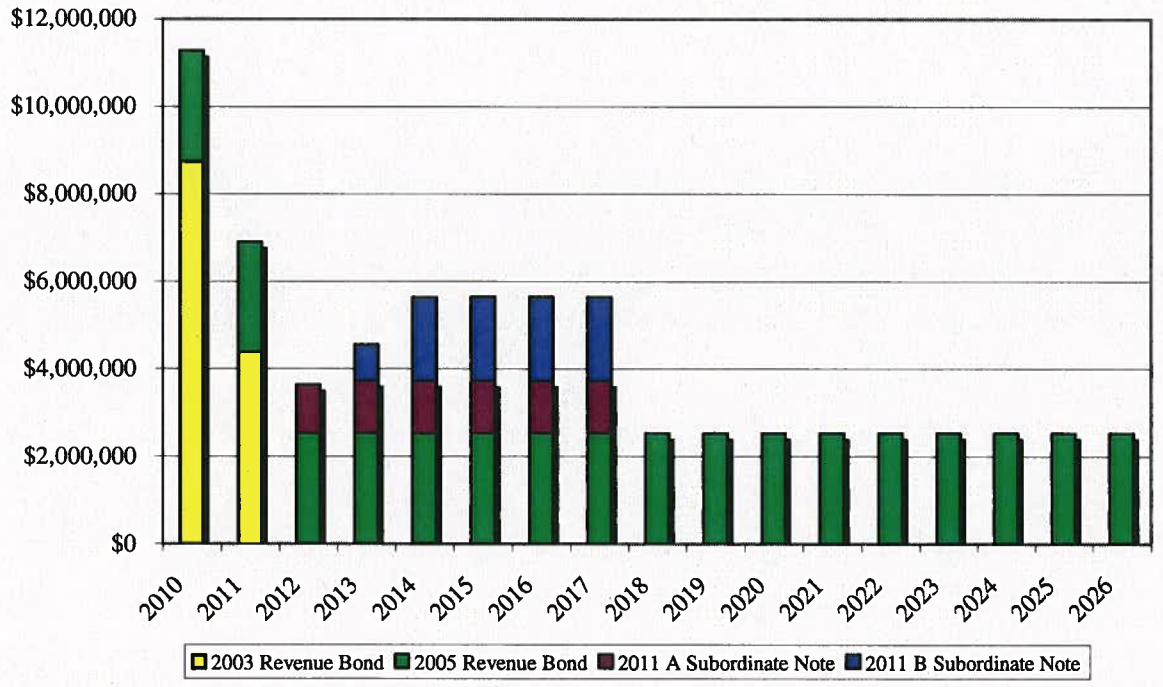
	Principal	Interest	Paid by PFC	Total
1996A/2005	1,355,000	1,161,500		2,516,500
2011 Subordinate Notes				
Series A	2,465,000	282,288	(1,482,268)	1,265,020
Series B	1,280,000	114,015	(370,380)	1,023,635
TOTAL				4,805,155

	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%	0%	100%	100%
Debt Service							
1996A/2005	-	-	-	2,516,500	-	-	2,516,500
2011 Subordinate Notes							
Series A	-	-	-	-	1,265,020	-	1,265,020
Series B	-	-	-	-	-	1,023,635	1,023,635
TOTAL	-	-	-	2,516,500	1,265,020	1,023,635	4,805,155

Reno-Tahoe Airport Authority
FY 2013-14
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	$ 5,303,000	$ 50,078,000
Bonds / Notes retired	6,060,000	4,735,000		10,795,000
Bonds / Notes Outstanding July 1, 2013	$ 23,715,000	$ 10,265,000	$ 5,303,000	$ 39,283,000
FY 2013-14 Debt service requirement				
Principal payment due	$ 1,355,000	$ 2,465,000	$ 1,280,000	$ 5,100,000
Interest payment due	1,161,500	282,288	114,015	1,557,802
PFCs applied		(1,482,268)	(370,380)	(1,852,647)
Total FY 2013-14 Debt Service	$ 2,516,500	$ 1,265,020	$ 1,023,635	$ 4,805,155

Annual Debt Service



Reno-Tahoe Airport Authority
FY 2013-14
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
2014	1,355,000	1,161,500	2,465,000	282,288	1,280,000	114,015	6,657,803
2015	1,420,000	1,101,300	2,530,000	214,500	1,310,000	86,495	6,662,295
2016	1,475,000	1,044,500	2,600,000	144,925	1,340,000	58,330	6,662,755
2017	1,550,000	970,750	2,670,000	73,425	1,373,000	29,520	6,666,695
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
	$ 23,715,000	$ 9,048,050	$ 10,265,000	$ 715,138	$ 5,303,000	$ 288,360	$ 49,334,548

Reno-Tahoe Airport Authority
FY 2013-14
ANNUAL BUDGET
Net Pledged Revenues Test

	FY 2011-12 Actual	FY 2012-13 Budget	FY 2013-14 Budget
Airport System Revenues			
Airline fees and rentals			
Landing fees	$6,906,411	$6,851,366	$6,555,845
Terminal building space rental	6,348,227	7,509,000	7,573,800
TOTAL Airline fees and rentals	13,254,638	14,360,366	14,129,645
Non-Airline Revenues			
Other Aircraft Fees	833,750	874,800	847,200
Concession fees	10,649,435	10,844,900	10,653,300
Parking and Ground Transportation	8,742,196	8,584,000	8,186,200
Other Rentals	6,142,308	6,272,900	6,378,000
Reimbursents for Services (BHS)	2,407,854	2,566,340	2,573,544
Other operating revenues	68,099	12,000	25,400
	28,843,641	29,154,940	28,663,644
Total Operating Revenue	42,098,279	43,515,306	42,793,289
Non-Operating Revenue			
Trust Fund Investment Income	225,637	131,000	130,700
Other Non-Operating Income	382,825	327,100	1,498,700
Gross pledged revenues	42,706,741	43,973,406	44,422,689
Airport system operation and maintenance expenses	(33,845,018)	(36,378,241)	(37,139,676)
Transfers - General Purpose Fund for			
LOI Bond debt service	-	-	-
Airline revenue share	1,864,292	972,600	564,300
Transfers - Special Fund for			
35% of gaming revenue	(626,665)	(672,070)	(545,300)
Pledged PFC Revenues (Senior Bonds)	-	-	-
Net pledged revenues	$10,099,350	$7,895,695	$7,302,013
Debt Service - Senior Lien Bonds	2,521,150	2,523,900	2,516,500
Debt Service Coverage Ratio - Senior Lien Bonds	4.01	3.13	2.90
Net Pledged revenue available for Subordinate Notes	7,578,200	5,371,795	4,785,513
Pledged PFC Revenues	1,383,654	2,191,351	1,852,647
Pledged revenue available for Subordinate Notes	8,961,854	7,563,146	6,638,160
Debt Service - Subordinate Notes (Series 2011A)	2,564,455	2,748,288	2,747,288
Debt Service - Subordinate Notes (Series 2011B)	-	1,464,136	1,394,015
Total Subordinate Notes	2,564,455	4,212,423	4,141,302
Debt Service Coverage Ratio - Subordinate Lien Notes	3.49	1.80	1.60

Air Service Development

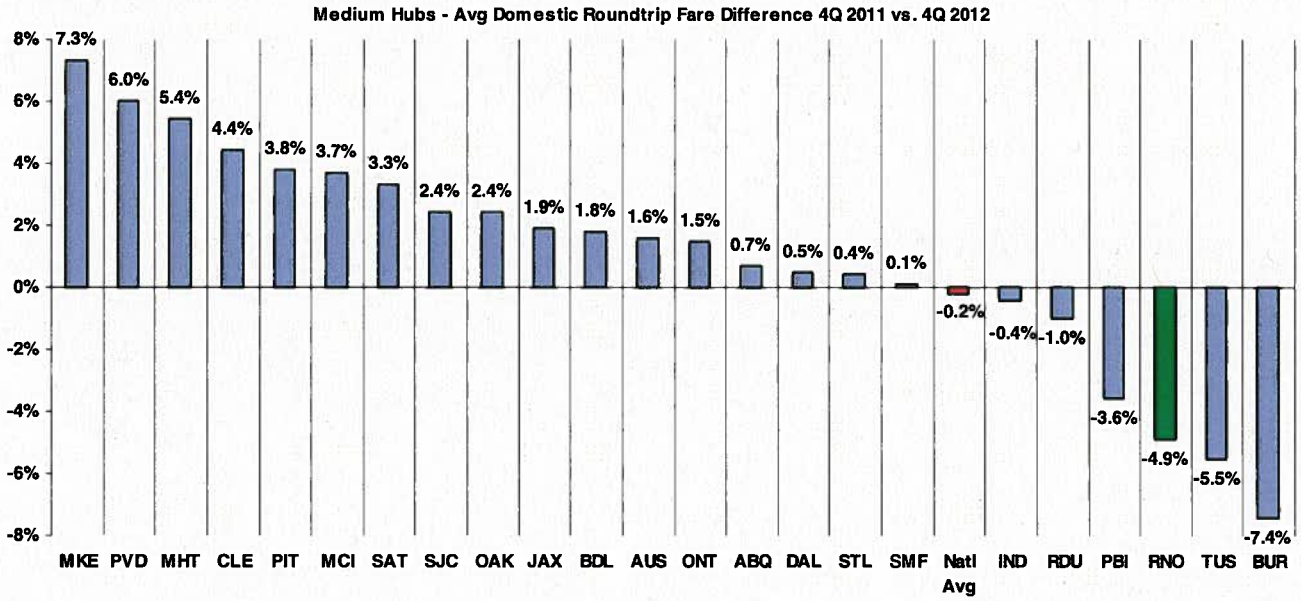
In Calendar Year 2012, the number of flights and passengers at RTIA declined at the rate of approximately seven percent (-7%) over the course of the year. The decrease reflects an overall shift in the airline industry as carriers continue to reduce capacity in order to better align it with demand. In addition, carriers nationwide have eliminated many short haul flights due to higher costs. Business and leisure passenger demand continue to show limited growth and airlines continue to limit capacity expansion in 2013, impacting airports across the nation.

The price of oil, while down from the 2008 peak, remains high and somewhat volatile, adding further pricing difficulty to the airlines. Enplanement levels across the nation are growing at very slow rates. While passenger activity at RTIA decreased by 1.3 percent in the fiscal year 2012-13, activity increased during the last six consecutive months.

Fortunately, fares at RTIA actually declined (4.9%) in the fourth quarter of 2012, compared to (0.2%) for the national average. In addition, out of the top 100 airports in the U.S., RTIA ranked 82nd in average roundtrip fare, behind many west coast and medium hub airports, including Sacramento.

Domestic National Average	4Q2012 $374	4Q2011 $375	% Diff -0.2%	Rank Among Top 100 Airports
Huntsville	$544	$482	12.9%	1st
Sacramento	$351	$351	0.1%	73rd
San Jose	$334	$342	2.4%	76th
Las Vegas	$268	$272	-1.4%	97th
Reno	$327	$344	-4.9%	82nd

In addition, with respect to medium hubs, RTIA experienced the third largest reduction in roundtrip airfare, with an average decrease of (4.9%).



Southwest Airlines, one of the nation's financially healthy airlines, continues to serve RTIA as its largest air carrier, with approximately 52% of the total market share. RTIA offers better air service than any other airport for a city of comparable population size anywhere in the United States. Seven major/national airlines serve RTIA offering non-stop service to 15 cities, and make one-stop connections to virtually any major metropolitan city in the world. These 15 cities represent a decrease of one non-stop market versus the same period last year.

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 2012, shows that airline yields at RTIA are 15.4¢ with an average stage length of 1,159 miles. This represents an increase of three and a half percent in the average yield with relatively flat average stage length. This is very comparable to the domestic average, which averaged a 15.7¢ yield with a shorter stage length of 1,122 miles.

The RTAA staff continues to actively pursue new air service. The President/CEO, Director of Air Service and Cargo Development, Air Service Development (ASD) staff, key individuals from the Board of Trustees and Air Service Task Force continue to visit corporate executives of airlines currently serving RTIA, as well as airlines that do not. A business case is specifically tailored to the airline that includes an airline route analysis identifying the number of passengers flying between RTIA and target cities, forecasts profitability and how such a route would fit in an airline's current route and rate structures.

The process of gaining or maintaining air service takes a great amount of time and effort. Air

service development is competitive, with over 400 airports in the U.S. calling on airlines to solicit new air service. In order to better understand RTIA's current and potential markets, as well as to lower costs, the ASD 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 of over $150,000 per year. In calendar year 2012, the ASD staff attended over 65 individual airline and cargo 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 airline itself and through the community's Regional Marketing Committee (RMC). RTAA is committed to seeing that an airline is successful in new air service at RTIA. The airline's success is an RTAA success.

Three major air cargo carriers, FedEx, United Parcel Service (UPS), and DHL serve RTIA. Air cargo activity grew 4.0 percent from FY 2011-12 to FY 2012-13, which is directly attributable to the improvement in the economy as well as the growing business diversification in Northern Nevada. Even though the economy continues to fluctuate globally, air cargo has grown for three consecutive years at RTIA. This is due to the major warehousing, pharmaceutical, e-commerce and distribution facilities in the region. Growth in industrial development areas such as the Tahoe/Reno Industrial Center has continued to help spur cargo growth and economic diversity.

Warehousing and distribution companies not only affect the air cargo activity at the airport, but also accomplish the community's goal of further diversifying the local economy. Passenger surveys indicate that RTIA is serving a significant number of business passengers, as opposed to tourism travelers, with the growing economic diversity in the region.

The air transportation industry is a major factor in northern Nevada's economy. An economic impact study completed in 2012 shows approximately $2.0 billion in economic impact per year on the local economy from the RTAA airports and its passengers and tenants. This sector of the local economy accounts for more than 22,000 jobs.

Local Community and the Airports

The Reno-Tahoe International Airport (RTIA) is truly a regional airport with a catchment area of 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 agency offices 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 important 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

With over 5 million annual visitors, Reno, Sparks and Lake Tahoe feature a wide range of fun-filled events that offer something for everyone. 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 a five-month long bowling competitions including the United States Bowling Congress (USBC) Open Championship and the Women's Championship. In spring 2013 and again in 2014, both events are estimated to bring 150,000 visitors to town with an estimated economic impact of nearly $360 million.

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 starts with the Reno Rodeo, a ten-day event in its 92nd 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 the local community, across the country, and around the world, 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, 60's and 70'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.

Barrett-Jackson, the World's Greatest Collector Car Auctions™, is launching a new auction event, in conjunction with the annual Hot August Nights collector-car festival, for the first time in the Reno Tahoe area. The Barrett-Jackson auction scheduled for August 8-10, 2013 will feature hundreds of rare classics, exotics, muscle cars, hot rods, and contemporary collectibles on its famous auction block at no reserve. Under a three year contract, thousands of additional spectators and collectors from around the world are expected to participate in the historic automotive lifestyle event. This auction event will not only be a boon to attract thousand of additional participants to the Hot August Nights event, but should benefit the entire region, including additional passenger traffic at RTIA.

During the last week of August each year, the Burning Man Art Festival, with its focus on community, art, self-expression, and self-reliance, creates Black Rock City a few miles north of the town of Gerlach, NV, on the playa of the Black Rock Desert. Burning Man isn't your usual festival, with big acts booked to play on massive stages. In fact, the event is more the creation of a city than a festival, wherein almost everything that happens is created entirely by its citizens, who are active participants in the event. While this event is over 100 miles north of Reno, a significant number of the 60,000 participants travel by air through RTIA, including a host of international visitors. During Burning Man, Black Rock City, through careful planning, emerges from the playa dust to become one of Nevada's largest cities for a week.

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.

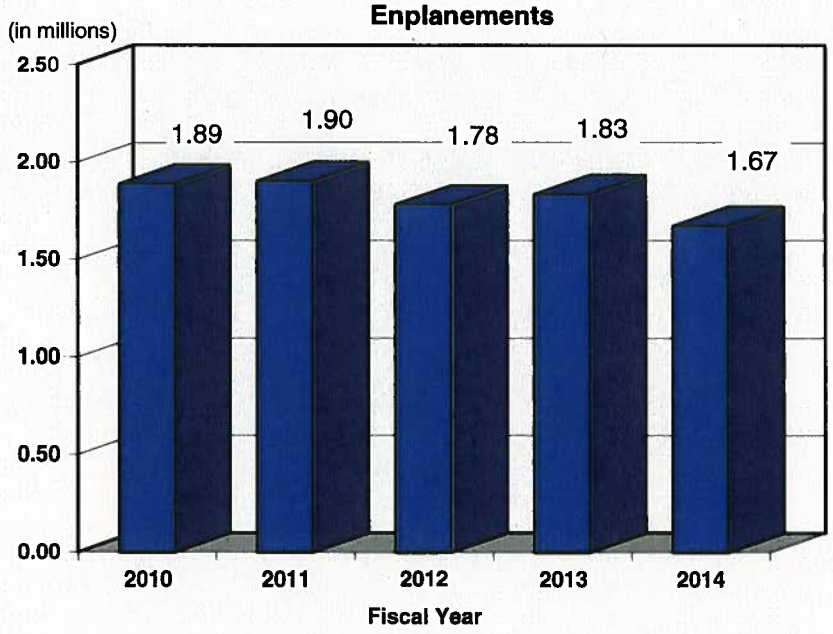
The blue September skies of Reno are also the home of the National Championship Air Races (NCAR). The NCAR and Air Show have run at the Reno-Stead Airport since 1964. The National Championship Air Races bring together hundreds of aviation and sports enthusiasts from around the world, including many residents 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 2013 and FY 2014) are the budgeted amounts.

In addition, tables and charts that detail local demographic, employment, and economic information are provided.

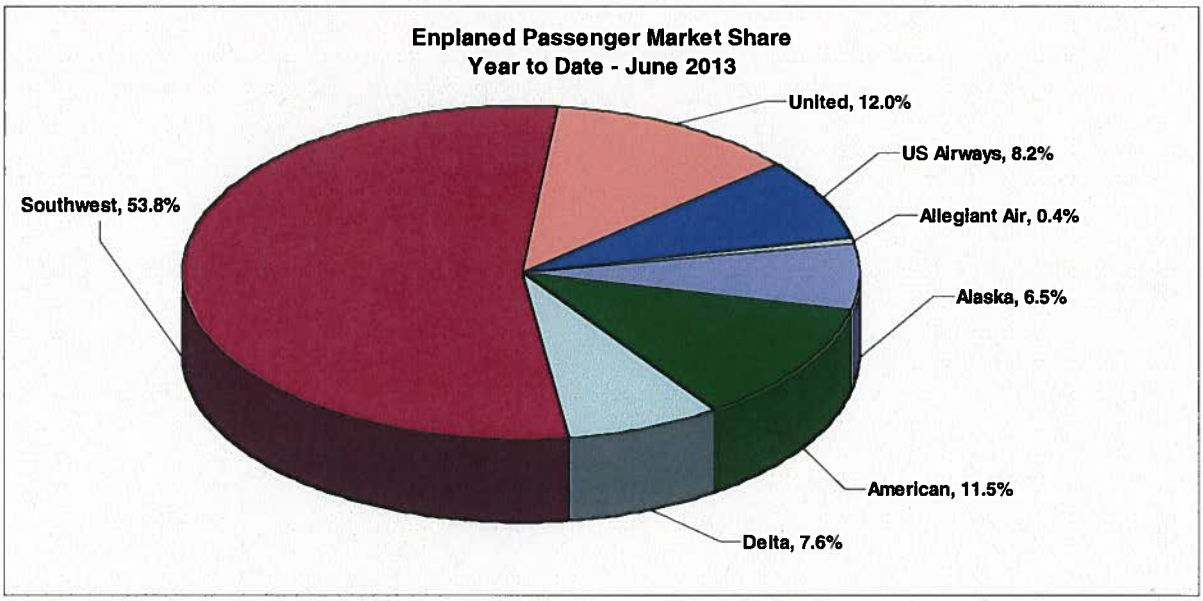


Enplaned Passengers

Fiscal year 2013-14 enplaned passengers at Reno-Tahoe International Airport are projected to be 1.67 million, a decrease of 8.9% as compared to the prior year budget of 1,834,444 and a 4.9% decrease compared to the FY 2012-13 actual results.

For FY 2012-13, the Authority's total enplaned passenger traffic registered 1,756,282, a decrease of 1.4% as compared to the same period last year.

The average load factor for scheduled air service in fiscal year 2012-13 was around 78% and is projected to modestly increase above this level for the 2013-14 fiscal year. In June 2013, the average enplaned load factor at RTIA was 85%, an increase of 6.5 load factor points versus last year.



Airline Passenger Market Share – FY 2012-13 Actual Results

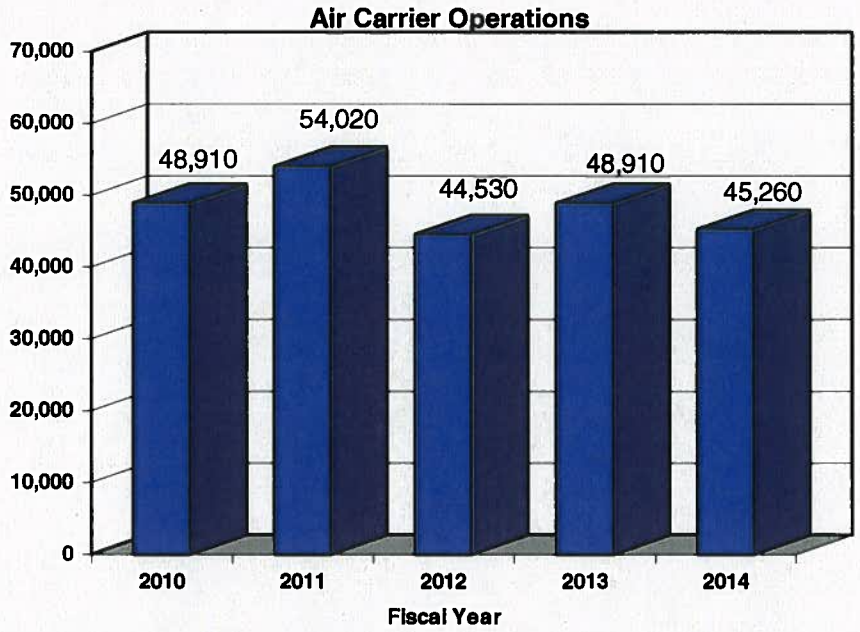
Southwest	945,143	53.8%
United	210,530	12.0%
American	201,472	11.5%
US Airways	143,559	8.2%
Delta	133,014	7.6%
Horizon	113,819	6.5%
Others	8,745	0.4%
Total	1,756,282	100.0%

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 chart shows that the RTIA has six main carriers providing 99.6% of the passenger flights with another five carriers making up the balance. This table is based on the actual enplaned passenger numbers for the period July 1, 2012 through June 30, 2013.

In the previous FY 2011-12 chart, Southwest had 54.3% of the passengers, United had 12.4%, American had 10.4%, US Airways had 8.0%, Delta had 9.3%, and Horizon had 4.4%. While one airline having such a large share of the passenger traffic might be a concern, Southwest is one of the most stable and financially strong airlines in today's challenging air travel market.

The growth in market share in FY 2012-13 for American is primarily due to addition of the Los Angeles market. Horizon added service to San Jose, CA increasing their market share at RTIA.

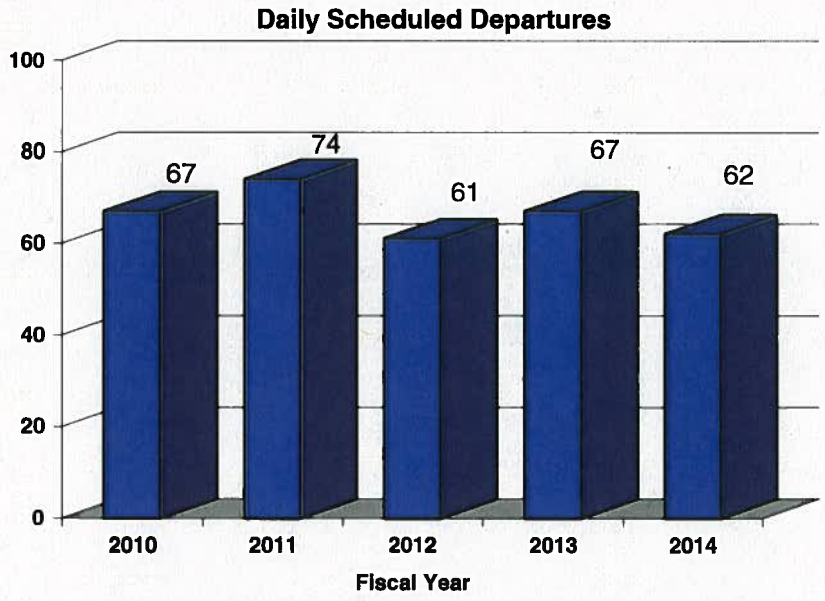


Annual Air Carrier Operations

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 45,300 operations, a 7.5% decrease in the Fiscal Year 2014 Budget as compared to the adopted Budget for Fiscal Year 2013.

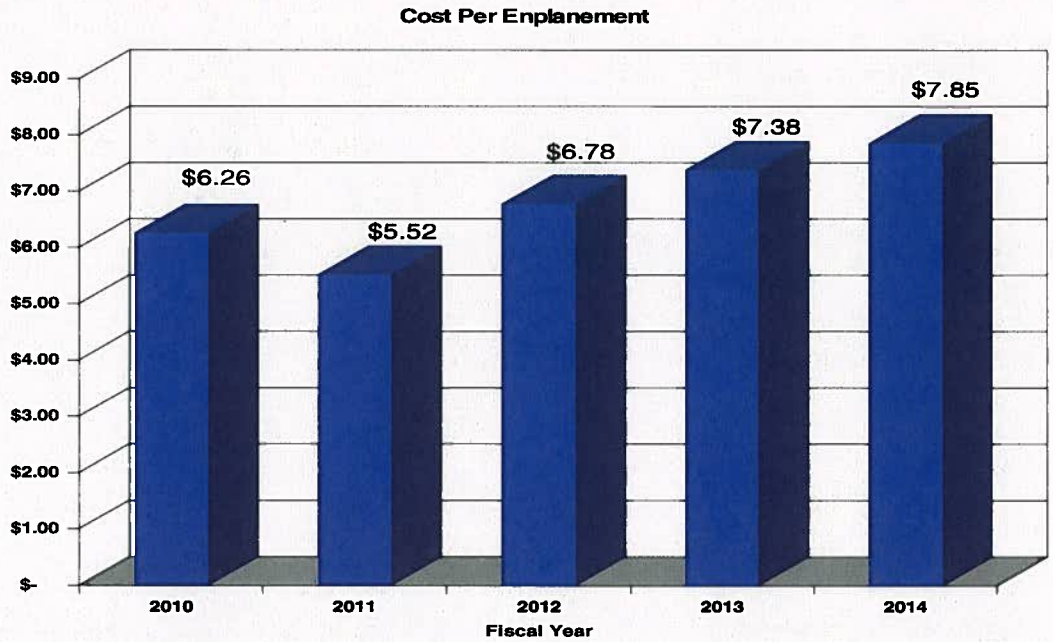
This decrease is due to reductions, primarily by Southwest Airlines, in the number of flights to short-haul markets within a day's drive of the Reno-Sparks-Tahoe market. These reductions reflect a focus by Southwest on improving their return on investment and profitability in the face of higher fuel costs and a slowly improving national economy.

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 graph shows the average number of flights departing the RTIA each day in the month of June. For FY 2013-14, the announced daily flights have decreased to 62 due to the reductions announced by the airlines to enhance profitability.



Cost Per Enplaned Passenger

The cost per enplaned passenger ratio measures 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 the airline's operating costs when compared to labor, fuel, and debt service, RTAA works hard to minimize the cost per enplanement to encourage airlines to serve the Northern Nevada market.

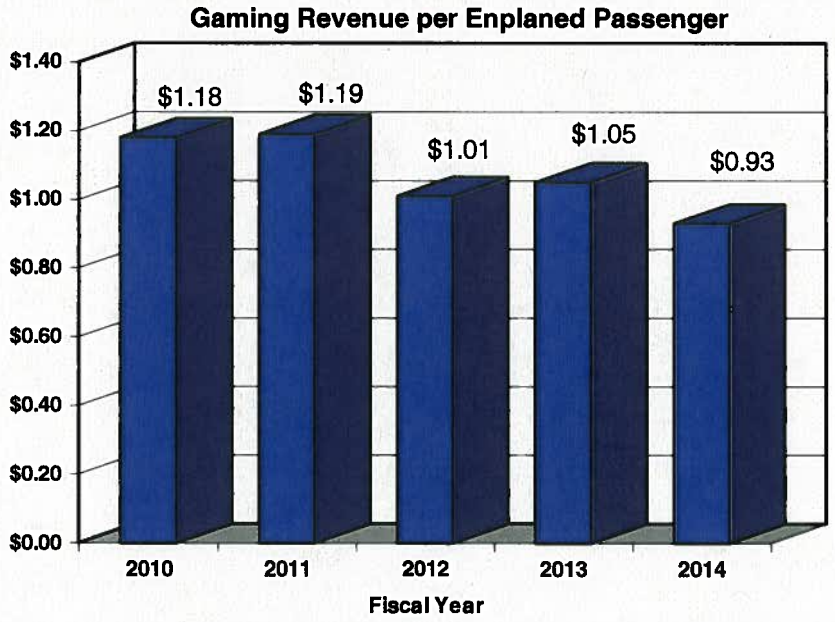
The RTAA has been successful keeping this cost relatively stable despite the increasing costs of operating the airport and lower traffic levels. A new airline agreement took effect on July 1, 2010. As part of the negotiations, the Authority took significant steps in FY 2011 to mitigate the combination 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.

With the decline in projected air carrier operations and in an effort to maintain the Authority's low cost environment for both passenger and cargo carriers, the Authority has provided an incentive credit in FY 2013-14 of up to $330,000 to the Airfield Cost Center.

Concession Revenue Per Enplaned Passenger

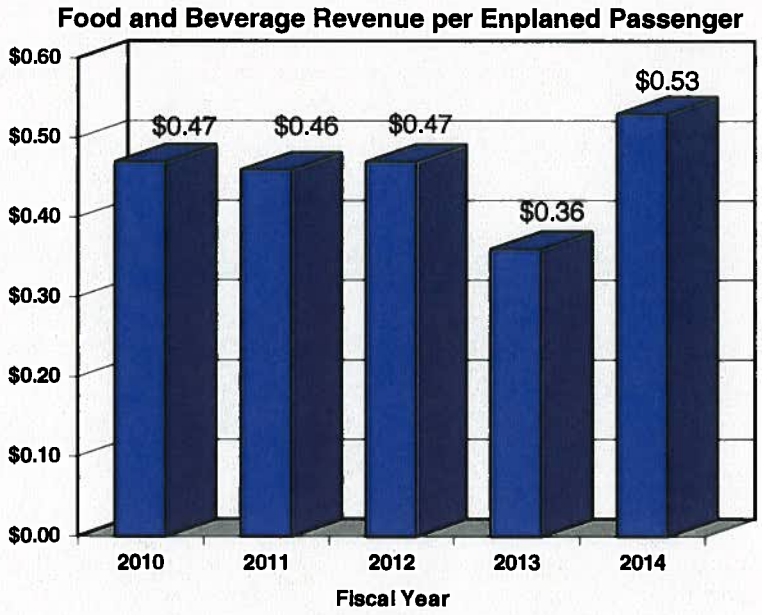
Concession revenue per enplaned passenger is a measure of concessionaire's ability to generate revenue from passengers using RTIA's terminal facilities. This ratio allows staff to compare the performance from year to year and between airports. The following discussions outline the main concession revenues 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 $1.56 million for FY 2013-14 and are projected to be $1.68 million for the current year, FY 2012-13. 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 primarily due to an increase in business travelers, who typically are not heavy users of gaming, and the continuing impact of the economic downturn on leisure passenger's disposable income.

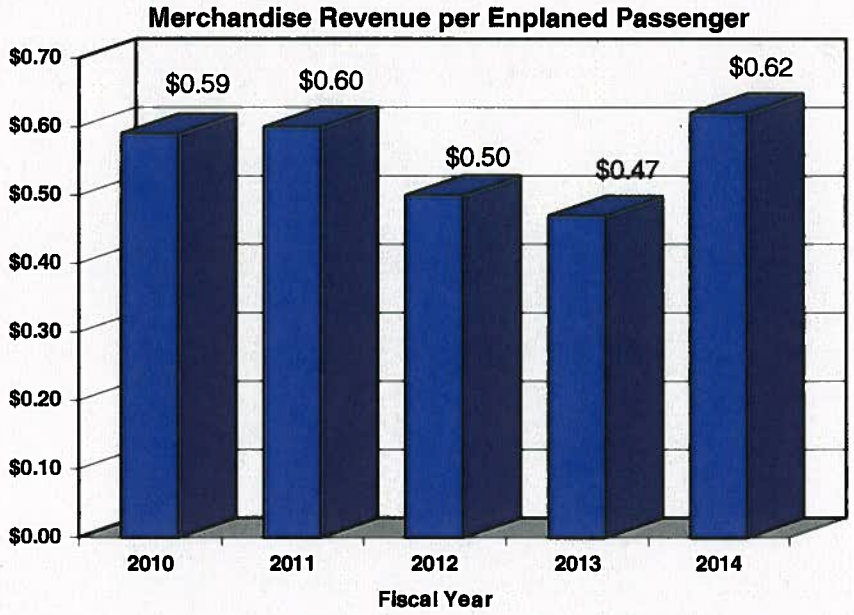


Food and Beverage Concession Revenue per Enplaned Passenger

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 SSP America, the minimum annual guarantee amount is set annually at 85% of prior year's payments, or $885,800, whichever is greater.

With the completion of the Airport Gateway Program and all the concessionaires being fully operational, a 35.6% increase in revenues is expected from the food and beverage concession as compared to the FY 2012-13 Budget and an 18.7% increase as compared to the updated FY2012-13 forecast.

This increase reflects higher revenue per enplaned passenger due to the expanded variety of dining options available and the anticipated usage increase with the addition of new restaurants post security, such as McDonalds, Timber Ridge and Wild Garlic Pizza.



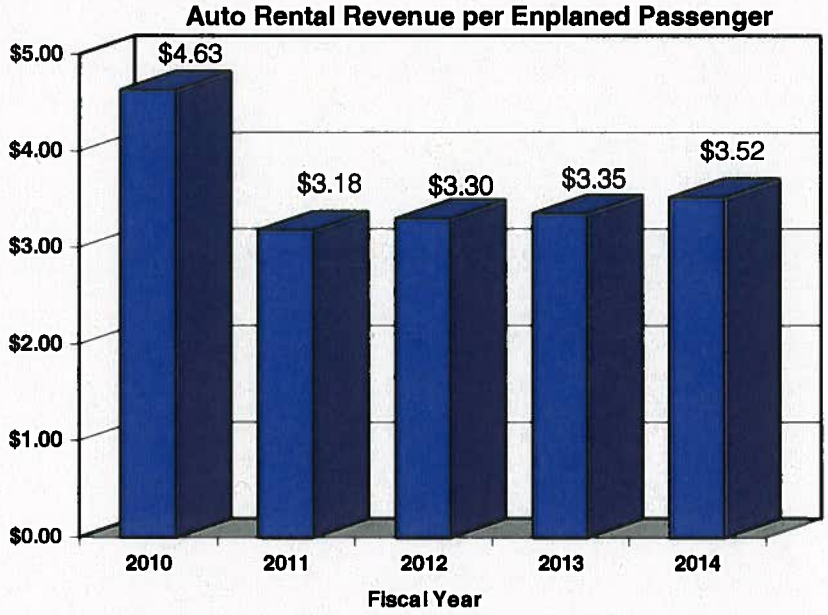
Merchandise Concession Revenue per Enplaned Passenger

The merchandise concession stores have furnishings that would fit in any upscale shopping mall. There are four new post security stores, branded as the High Mountain Market, include Brighton Collectibles, No Boundaries (an outdoor apparel store), In Motion (a high tech electronics shop), and CNBC (news and gifts).

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 previous year's payments but not less than $901,000, whichever is greater.

For the new fiscal year, revenues are expected to be $1,042,200. This is an increase of 21.1% as compared to the FY 2012-13 Budget and 25.1% above the FY 2012-13 projected revenues. The revenue increase is mainly due to the addition of new retail stores owned and operated by Paradies.

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

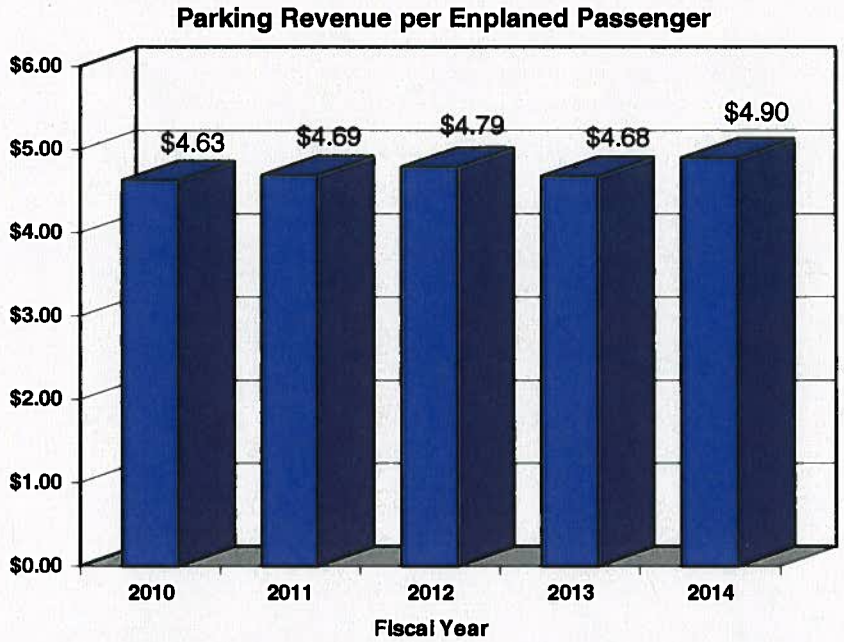


Rental Car Concession Revenue per Enplaned Passenger

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. The significant drop in FY 2010-11 reflects the transition to the terms and 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 under a new agreement. Authority revenues are the greater of the minimum annual guarantee or 10% of gross receipts earned by companies. The new agreement established a substantially lower minimum annual guarantee (MAG) than the previous agreement due to the decrease in passenger traffic levels from forecasts established by the companies at the time of the last bid in 2005.

With the FY 2013-14 budgeted passenger traffic reflecting a decrease over last year's budget, rental car revenues are also forecasted to decrease 4.3% or $261,900 below the FY 2012-13 budgeted revenue and 0.3% or $15,400 below the FY 2012-13 updated forecast. This decrease is proportionately less than the budgeted decrease in passenger traffic due to anticipated higher gross revenue per rental car contract than forecasted in the prior year budget. Revenues per enplaned passenger are going from $3.35 to $3.52.



Parking Revenue per Enplaned Passenger

Total auto parking and ground transportation revenues are budgeted to decrease 4.6% 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 8.9%. 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 27.8% of the RTAA's total budgeted non-airline operating revenues.

RENO-TAHOE AIRPORT AUTHORITY
POPULATION IN AIR TRADE AREA
FOR THE CALENDAR YEARS 2002-2011
(unaudited)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Nevada										
County										
Churchill	24,248	24,241	24,289	24,556	25,036	24,891	24,896	24,897	24,877	24,637
Douglas	43,230	44,170	45,933	47,017	45,909	45,406	45,180	45,464	46,997	46,886
Humboldt	16,143	16,562	16,863	17,129	17,446	17,523	17,763	18,260	16,528	16,735
Lyon	38,019	40,290	43,336	47,515	51,231	52,479	53,022	52,641	51,980	51,871
Pershing	6,566	6,446	6,396	6,360	6,414	6,376	6,291	6,286	6,753	6,734
Storey	3,421	3,541	3,731	4,074	4,132	4,193	4,341	4,441	4,010	3,896
Washoe	361,640	371,062	380,612	389,872	396,428	406,079	410,443	414,820	421,407	425,710
Carson City	54,547	55,269	55,926	56,062	55,289	54,939	54,867	55,176	55,274	55,439
Subtotal	547,814	561,581	577,086	592,585	601,885	611,886	616,803	621,985	627,826	631,908
California										
County										
Alpine	1,217	1,188	1,197	1,159	1,180	1,145	1,061	1,041	1,175	1,102
El Dorado	165,711	169,119	172,723	176,841	178,066	175,689	176,075	178,447	181,058	180,938
Lassen	33,569	34,114	34,606	34,751	34,715	35,031	34,574	34,473	34,895	34,200
Mono	12,993	12,832	12,687	12,509	12,754	12,801	12,774	12,927	14,202	14,309
Nevada	95,071	96,235	97,447	98,394	98,764	97,027	97,118	97,751	98,764	98,612
Placer	278,911	293,457	306,305	317,028	326,242	332,920	341,945	348,552	348,432	357,138
Plumas	21,006	21,185	21,328	21,477	21,263	20,615	20,275	20,122	20,007	19,765
Sierra	3,497	3,542	3,486	3,434	3,455	3,328	3,263	3,174	3,240	3,113
Subtotal	611,975	631,672	649,779	665,593	676,439	678,556	687,085	696,487	701,773	709,177
Total	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	1,341,085
Percentage increase	2.98%	2.89%	2.82%	2.55%	1.60%	0.95%	1.04%	1.12%	0.84%	0.86%
Unemployment rate										
Washoe County	5.1%	4.7%	4.2%	3.9%	4.0%	4.4%	11.8%	13.6%	13.0%	13.0%

Source: U.S. Department of Commerce, Bureau of the Census and Economagic.com.

Nevada Statewide

2013 Industrial Employment

Estimates in thousands	June 2013	June 2012	Change	% Change
Total All Industries	**1165.7**	**1147.6**	**18.10**	**1.6%**
Goods Producing	*110.2*	*107.5*	*2.7*	*2.5%*
Natural Resources & Mining	16.9	15.8	1.1	7.0%
Construction	53.4	52.2	1.2	2.3%
Manufacturing	39.9	39.5	0.4	1.0%
Services Producing	*1055.5*	*1040.1*	*15.4*	*1.5%*
Private Service Providing	***905.1***	***892.6***	***12.5***	***1.4%***
Trade, Transportation & Utilities	221.9	217.0	4.9	2.3%
Information	12.6	12.6	0.0	0.0%
Financial Activities	55.5	54.6	0.9	1.6%
Professional & Business Services	144.7	145.3	-0.6	-0.4%
Education and Health Services	110.3	106.6	3.7	3.5%
Leisure and Hospitality	326.2	322.6	3.6	1.1%
Other Services	33.9	33.9	0.0	0.0%
Government	150.4	147.5	2.9	2.0%

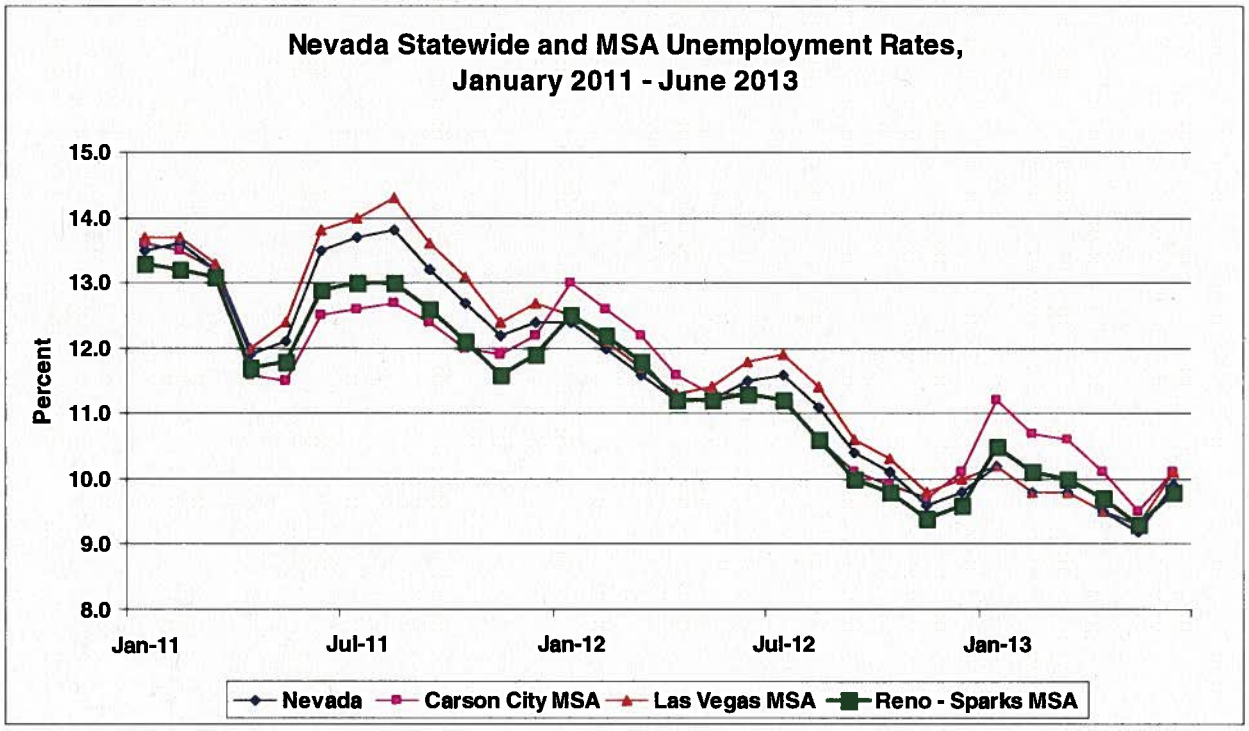
Detail may not add due to rounding. This report reflects non-ag employment by place of work. It does not necessarily coincide with labor force concept. Includes multiple jobholders.

Information compiled by DETR's Reseach & Analysis Bureau

Employment Statistics

The table 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 1.1% increase in employment in June 2013 as compared to June 2012.

In addition, natural resources and mining, construction, manufacturing, government, education and health services, and financial services also registered employment increases. The information, professional and business services and other services sectors continue to reflect the impact of the recent recession and have been slower to recover.

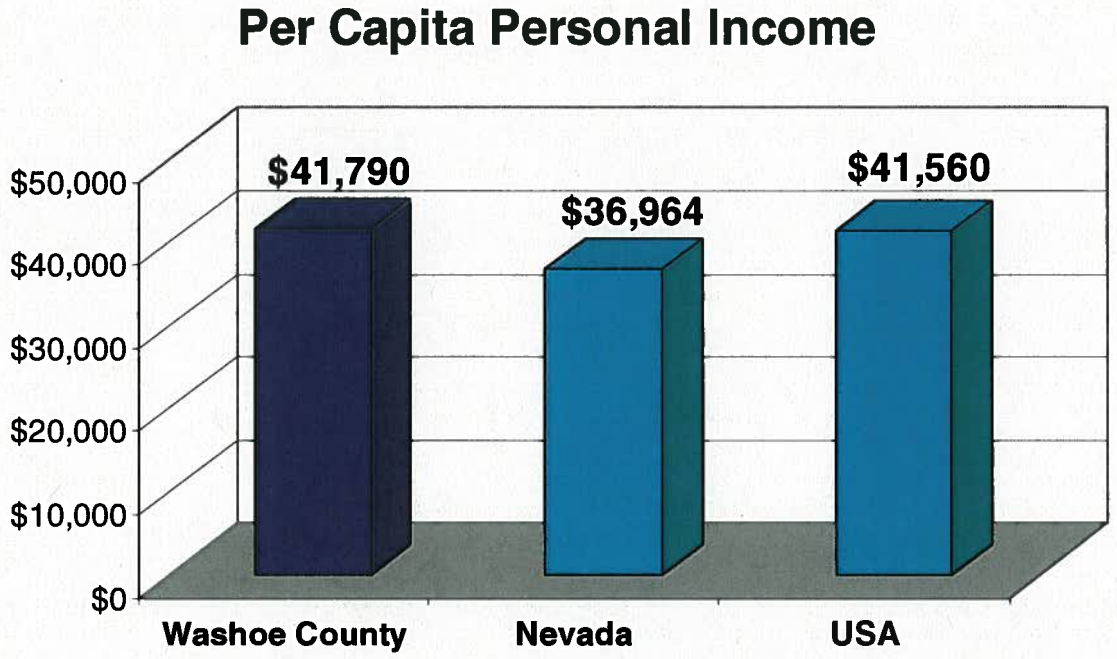


Source: Nevada Department of Employment, Training and Rehabilitation

Unemployment Statistics

This graph shows the Reno-Tahoe area unemployment rate of 9.8% in June 2013 as compared to the rest of the state. The Reno and Carson 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 2013 registered 7.8% 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 2011 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
FOR THE CALENDAR YEARS ENDED 2012 AND 2003
(unaudited)

	Calendar year 2012		Calendar year 2003	
Employer	Rank	Employees	Rank	Employees
Washoe County School District	1	8,000-8,499	1	6,500-7,000
University of Nevada-Reno	2	4,000-4,499	2	2,500-2,999
Renown Regional Medical Center	3	2,500-2,999	6	2,000-2,499
Washoe County	4	2,000-2,499	4	2,500-2,999
Peppermill Hotel Casino-Reno	5	2,000-2,499		
International Game Technology	6	2,000-2,499		
Silver Legacy Resort Casino	7	1,500-1,999	5	2,500-2,999
Atlantis Casino Resort	8	1,500-1,999		
City of Reno	9	1,000-1,499		
Grand Sierra Resort & Casino	10	1,000-1,499	3	2,500-2,999
Eldorado Hotel & Casino	11	1,000-1,499	7	2,000-2,499
St. Mary's Hospital	12	1,500-1,999		
Sierra Nevada HealthCare	13	1,000-1,499		
Integrity Staffing Solutions	14	1,000-1,499		
United Parcel Service	15	1,000-1,499		

Each of the years reflect respective 4th quarter (December) information. Nevada Revised Statute Chapter 612 stipulates that actual employment for individual employers may not be published.

Source: Nevada Department of Employment, Training and Rehabilitation, Division of Labor Marketing. nevadaworkforce.com

RENO-TAHOE AIRPORT AUTHORITY
FORTUNE 100 COMPANIES WITHIN AIR TRADE AREA
FISCAL YEAR ENDED 2012
(unaudited)

Ranking	Company	Ranking	Company
1	Wal-Mart Stores	50	Pepsico
4	General Electric	51	MetLife
5	Bank of America	52	Safeway
7	AT&T	55	Sysco
12	Citigroup	56	Apple
13	Verizon Communications	58	Cisco Systems
15	General Motors	60	FedEx
17	Cardinal Health	64	New York Life Insurance
18	CVS Caremark	66	Caterpillar
19	Wells Fargo	67	Sprint Nextel
21	IBM	68	Allstate
24	AmerisourceBergen	70	Morgan Stanley
25	Costco	71	Liberty Mutual
29	Home Depot	72	Coca Cola
32	Walgreen	74	Honeywell
34	Microsoft	83	Johnson Controls
40	Pfizer	85	Merck
42	Lowe's	88	American Express
43	United Parcel Service	89	Rite Aid
44	Lockheed Martin	97	Hartford Financial Services
45	Best Buy	100	Amazon

Forty-two Fortune 100 companies have a significant presence in northern Nevada. These companies represent a range of top multi-national brands that have chosen to do business in Reno/Sparks/Lake Tahoe.

Source: Economic Development Authority of Western Nevada.

Domestic A+9irline Passengers

Table 2. Total System (Domestic and International) Scheduled Enplanements on U.S. Carriers

Passenger numbers in millions (000,000)

	2011	2012	2011-2012 Pct. Change	2013	2012-2013 Pct. Change
January	53.7	54.4	1.4	55.3	1.7
February	50.1	53.1	6.1	52.5	-1.2
March	63.6	64.5	1.4	65.1	1.0
April	**60.5**	**61.5**	**1.6**	**61.0**	**-0.9**
May	63.9	63.7	-0.3		
June	66.2	66.6	0.6		
July	69.9	69.2	-1.0		
August	66.3	67.8	2.2		
September	58.1	57.4	-1.1		
October	61.2	60.8	-0.6		
November	58.3	58.7	0.8		
December	59.1	58.9	-0.3		
4 Mo. Total	**227.9**	**233.5**	**2.5**	**233.9**	**0.2**
Yr. Total	**730.8**	**736.6**	**0.8**		

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 table 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

Large Airline System (Domestic + International) Quarterly Operating Profit/Loss Margin (In Percent)
Ranked by 1Q 2013 System Passengers
(Operating Profit/Loss as Percent of Total Operating Revenue)

1Q 2013 Passenger Rank	Airline	1Q 2012 (%)	2Q 2012 (%)	3Q 2012 (%)	4Q 2012 (%)	1Q 2013 (%)	1st Quarter 2013 Operating Profit/Loss $(Millions)
1	Delta	4.6	3.8	14.6	5.4	3.8	323
2	Southwest*	0.9	10.0	1.2	2.2	1.7	70
3	United	-3.3	5.9	2.1	-5.1	-3.0	-260
4	American	-1.7	1.9	0.4	-0.1	0.8	47
5	US Airways	1.7	10.3	7.3	3.3	3.0	102
6	ExpressJet	-0.7	0.9	1.1	0.0	-5.7	-20
7	JetBlue	6.8	9.4	8.6	3.8	4.5	59
8	SkyWest	4.5	8.2	10.3	9.4	7.7	35
9	Alaska	4.3	15.8	18.7	7.8	7.3	82
N/A	AirTran*	-1.0	N/A	N/A	N/A	N/A	N/A
	10-Carrier Total	**0.7**	**6.0**	**6.4**	**1.2**	**1.3**	**438**

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

* Southwest Airlines and AirTran Airways began reporting jointly in 2Q 2012.

This table lists the latest quarterly operating profit percentages for the Largest Scheduled Passenger Airlines for the most recent five quarters ending with the 1st Quarter of 2013.

The top 10 airlines reported a 1.3 percent operating profit margin in the first quarter of 2013, up from a 0.7 percent profit margin in the first quarter of 2012. In addition, this group has achieved an operating profit margin in each of the last eight quarters. Together, they posted a pre-tax profit of $438 million in the first quarter. According to the Bureau of Transportation Statistics, total revenue for all passenger airlines in the first-quarter of 2013 was $34.1 billion. All U.S. passenger airlines collected a total of $800 million in baggage fees and $685 million from reservation change fees from January through March 2013. These fees are included for calculations of Net Income, Operating Revenue and Operating Profit or Loss.

Total operating expenses for all passenger airlines in the first-quarter of 2013 were $33.6 billion, of which $9.6 billion, or 28.6 percent, was used for fuel costs.

RTAA's largest carrier, Southwest Airlines, has recorded an operating profit in each of the past five quarters.

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

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Henderson, Nevada 89074
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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, 2014

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 $ 76,572,478

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: 5/16/2013

APPROVED BY THE GOVERNING BOARD

Randi Thompson
Neil Murdock
Cedar R. Maughan
[illegible]
[illegible]
Steven E. [illegible]

SCHEDULED PUBLIC HEARING:

Date and Time 5/16/13 - 9 AM

Publication Date 5/6/2013

Place: Reno Tahoe Airport Authority - Board Room

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/12	ESTIMATED CURRENT YEAR ENDING 06/30/13	BUDGET YEAR ENDING 06/30/14
General Government			
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support			
TOTAL GENERAL GOVERNMENT			
Utilities			
Hospitals			
Transit Systems			
Airports	239.0	267.5	268.5
Other			
TOTAL	239.0	267.5	268.5

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 6/30/2012	(2) ESTIMATED CURRENT YEAR ENDING 6/31/2013	(3) BUDGET YEAR ENDING 06/30/14 TENTATIVE APPROVED	(4) BUDGET YEAR ENDING 06/30/14 FINAL APPROVED
OPERATING REVENUE				
Landing and Aircraft Fees	$ 7,793,050	$ 7,341,362	$ 7,403,045	$ 7,403,045
Gaming Concession	1,790,472	1,675,000	1,558,000	1,558,000
Food & Beverage Concession	831,549	746,200	885,800	885,800
Merchandise Concession	886,128	832,800	1,042,200	1,042,200
Auto Rental Concession	5,871,788	5,890,800	5,875,400	5,875,400
Parking/Traffic Control	8,742,195	8,359,300	8,186,200	8,186,200
Rents	12,499,901	13,127,100	13,951,800	13,951,800
Other Concessions/Misc.	3,745,451	3,812,764	3,890,633	3,890,844
Total Operating Revenue	$ 42,160,534	$ 41,785,326	$ 42,793,078	$ 42,793,289
OPERATING EXPENSE				
Personnel Services	$ 23,094,222	$ 23,339,194	$ 24,983,395	$ 24,983,395
Utilities and Communications	$ 2,626,376	2,956,303	2,849,635	2,849,635
Purchased Services	$ 4,019,245	4,507,268	5,144,666	5,144,666
Materials and Supplies	$ 1,871,019	1,761,625	1,794,195	1,794,195
Administrative Expenses	$ 2,234,156	2,403,240	2,367,785	2,367,785
Depreciation/Amortization	30,253,602	34,393,400	37,875,000	37,875,000
Total Operating Expense	$ 64,098,620	$ 69,361,030	$ 75,014,676	$ 75,014,676
Operating Income or (Loss)	(21,938,086)	(27,575,704)	(32,221,598)	(32,221,387)
NONOPERATING REVENUES				
Interest Earned	210,110	167,700	159,900	166,500
Jet Fuel Tax Revenue	304,048	308,600	308,600	308,600
PFC Revenues (Passenger Facility Chg.)	6,806,898	6,537,100	6,391,800	6,385,800
Gain (Loss) on sale of capital assets	78,651	-	-	-
Miscellaneous	-	1,042,200	1,190,100	1,190,100
Total Nonoperating Revenues	7,399,707	8,055,600	8,050,400	8,051,000
NONOPERATING EXPENSES				
Interest Expense	1,315,921	1,619,195	1,557,802	1,557,802
Reclamation Expense	474,912			
Total Nonoperating Expenses	1,790,833	1,619,195	1,557,802	1,557,802
Net Income before Operating Transfers	(16,329,212)	(21,139,298)	(25,729,000)	(25,728,189)
Operating Transfers (Schedule T)				
In				
Out				
Net Operating Transfers	0	0	0	0
NET INCOME	(16,329,212)	(21,139,298)	(25,729,000)	(25,728,189)

RENO-TAHOE AIRPORT AUTHORITY
(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES AND NET INCOME

FUND **AIRPORTS**

Page: 3
Form 19
12/8/2011

PROPRIETARY FUND	(1) ACTUAL PRIOR YEAR ENDING 6/30/2012	(2) ESTIMATED CURRENT YEAR ENDING 6/30/2013	(3) BUDGET YEAR ENDING 06/30/14 TENTATIVE APPROVED	(4) BUDGET YEAR ENDING 06/30/14 FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating Income (Loss)	$ (21,938,086)	$ (27,575,704)	$ (32,221,598)	$ (32,221,387)
Depreciation/Amortization	30,253,602	34,393,400	37,875,000	37,875,000
Provision for Bad Debt	-	-	-	-
Loss on Sale of Property and Equipment	-	-	-	-
Changes in Current Assets and Liabilities	(1,972,121)	500,000	500,000	500,000
a. Net cash provided by operating activities	6,343,395	7,317,696	6,153,402	6,153,613
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Jet Fuel Tax Revenue	304,048	308,600	308,600	308,600
b. Net cash provided by non capital financing activities	304,048	308,600	308,600	308,600
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Federal Grant Proceeds	12,212,830	20,808,290	19,899,816	19,899,816
Proceeds from sale of Capital Assets	78,651	-	-	-
Acq. & Const. of Capital Assets	(30,605,902)	(50,278,420)	(29,717,039)	(29,732,039)
Principal/Interest Payments	(6,999,417)	(5,329,195)	(6,657,802)	(6,657,802)
Receipts of PFC Revenue	6,806,898	6,537,100	6,391,800	6,385,800
Subordinate Revenue Notes	-	5,303,000	-	
c. Net cash used for capital and related financing activities	(18,506,940)	(22,959,224)	(10,083,224)	(10,104,224)
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Receipt of Interest	274,636	167,700	159,900	$166,500
Purchase/Sale of Investments	2,650,548	9,700,000	3,500,000	3,500,000
d. Net cash used in investing activities	2,925,184	9,867,700	3,659,900	3,666,500
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	(8,934,313)	(5,465,227)	38,677	24,488
CASH AND CASH EQUIVALENTS AT JULY 1, 20XX	30,982,087	22,047,774	16,582,547	16,582,547
CASH AND CASH EQUIVALENTS AT AT JUNE 30, 20XX	$ 22,047,774	$ 16,582,547	$ 16,621,224	$ 16,607,035

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 7/1/2013	(9) REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/14 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	23,715,000	1,161,500	1,355,000	2,516,500
RTAA, AIRPORT REVENUE SUBORDINATE NOTES SERIES 2011 A	4	6	15,000,000	06/01/1 t	06/30/17	2.75%	10,265,000	282,288	2,465,000	2,747,288
RTAA, AIRPORT REVENUE SUBORDINATE NOTES SERIES 2011 B	4	6	5,303,000	06/01/11	06/30/17	VARIOUS	5,303,000	114,015	1,280,000	1,394,015
TOTAL ALL DEBT SERVICE			$ 50,078,000				$ 39,283,000	$ 1,557,803	$ 5,100,000	$ 6,657,803

SCHEDULE C-1 INDEBTEDNESS

RENO-TAHOE AIRPORT AUTHORITY Budget Fiscal Year 2013-14

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.

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.

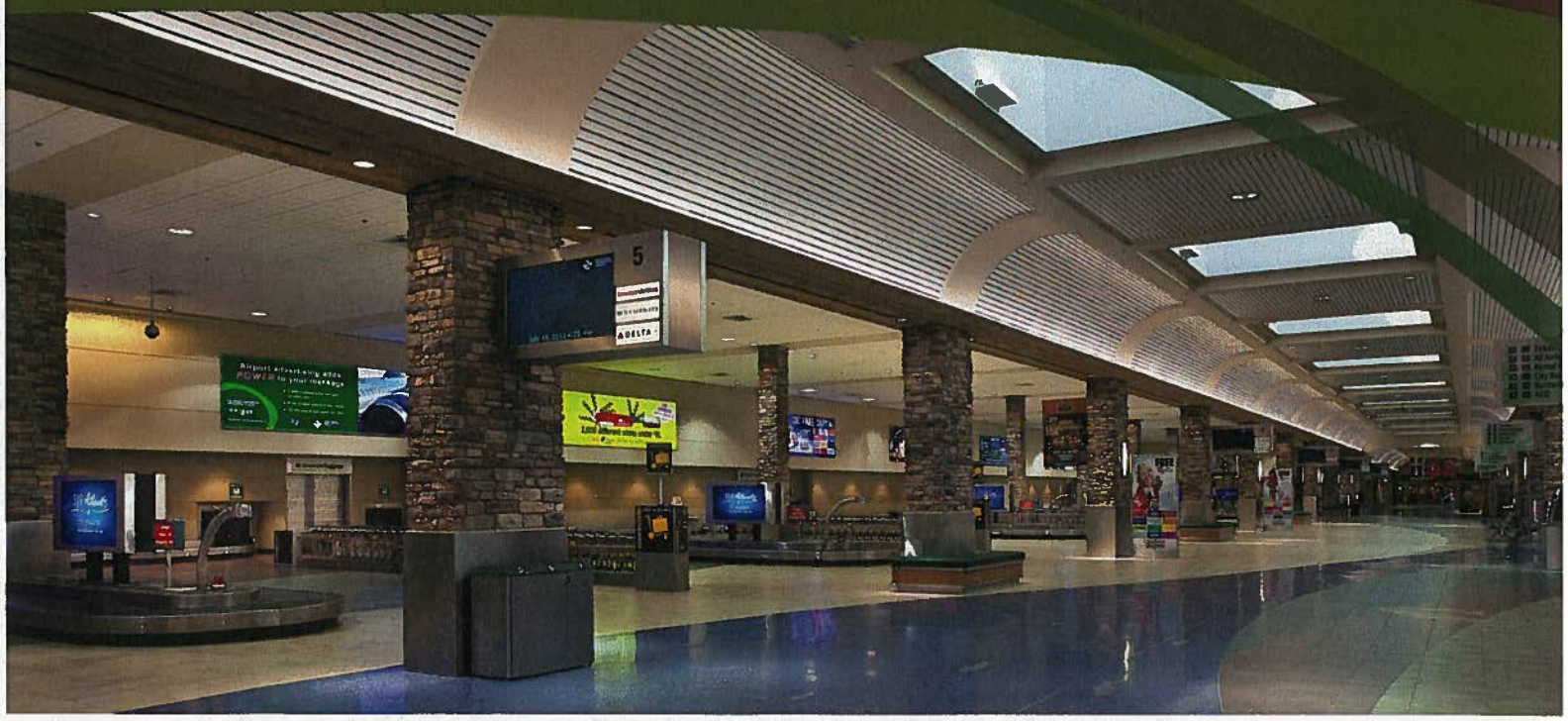
Security Identification Area (SIDA) – Secure areas of the airport in which identification badges are required to be displayed.

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

P.O. Box 12490

Reno, NV 89510-2490