

Reno-Tahoe Airport Authority

Reno, NV



Annual Budget

Fiscal Year 2007-2008



2007-08
ANNUAL BUDGET
Table of Contents

SECTION 1 – Introduction and Summary

Introduction	1
Budget Document Structure.....	1-2
Background	2
At Your Service	2-3
Budget Objectives	3
Budget Summary.....	3-5
Budget Process	5-6
Revenue Bond Resolution.....	6
Airline Agreement.....	7
Competition Plans and Passenger Facility Charges.....	7-8
Planning for the Future	8-10
Acknowledgments.....	10-11
Distinguished Budget Presentation Award	12

SECTION 2 - Organization Guide

Board of Trustees	13
Additions or Changes.....	13-15
Organization Chart.....	16
Personnel Complement	17-21

SECTION 3 Financial Plan..... 22-26

Terminal Rental Rates Calculation	27
Landing Fee Rates Calculation	28
Allocation of Non Airline Revenues to Cost Centers	29
Budgeted Revenue Sharing.....	30
Summary of Sources and Uses of Funds.....	31
Revenues	32
Operating Revenue Pie Chart.....	33
Revenue Summary	34-40
Budgeted Revenues.....	41-43
Expenditures.....	44-53
O&M Expenditure Pie Chart.....	54
Summary of Budgeted Expenditures	55
Resources Applied by Organizational Unit	56

Board of Trustees Functions and Work Plans	57-58
Board of Trustees Department Summary.....	59
Board of Trustees	60
Internal Audit Division	61-62
General Counsel.....	63
Executive Director/CEO Department Functions and Work Plans	64-65
Executive Director/CEO Department Summary.....	66
Executive Director/CEO	67-68
Air Service Business Development.....	69-70
Marketing and Public Affairs.....	71-72
Deputy Executive Director Department Functions and Work Plans	73-75
Deputy Executive Director Department Summary	76
Deputy Executive Director.....	77-78
Technology and Information Systems	79-80
Reno-Stead Airport	81-83
Human Resources.....	84-85
Finance and Administration Department Functions and Work Plans	86-88
Finance and Administration Department Summary.....	89
Accounting and Administration	90-91
Finance and Budgeting.....	92-93
Purchasing and Materials Management	94-95
Property Administration.....	96-97
Non-Departmental.....	98
Operations and Public Safety Department Functions and Work Plans .	99-101
Operations and Public Safety Department Summary.....	102
Senior Director of Operations and Public Safety.....	103-104
Airfield Operations	105-106
Landside Operations	107-108
Airport Rescue and Fire	109-111
Airport Police.....	112-113
Airport Communications.....	114-115
Planning and Engineering Department Functions and Work Plans	116-117
Planning and Engineering Department Summary.....	118
Planning and Environmental Services	119-120
Engineering and Construction.....	121-122

Facilities and Maintenance Department Functions and Work Plans ...	123-124
Facilities and Maintenance Department Summary	125
Director of Facilities and Maintenance	126-127
Airfield Maintenance	128-130
Building Maintenance and Services.....	131-133

Capital Budget

Property Plant & Equipment Summary.....	134-136
Property Plant & Equipment by Department/Division	137-139
Capital Projects Summary.....	140
Capital Projects	141-142
Capital Projects Detail	143-153

Trust Funds Summary.....	154-156
Projected Trust Funds Balances.....	157-158

Debt Summary.....	159-162
Debt Service Allocation	163
Summary of Bonded Indebtedness.....	164
Schedule of Debt Service	165
Net Pledged Revenues Test.....	166

SECTION 4 - Supplemental Data

Supplemental Data and Graphs.....	167-186
-----------------------------------	---------

SECTION 5 - State of Nevada Budget Format 187-195

SECTION 6 - Glossary 196-198

**2007-08
Annual Budget
Section 1 – Introduction and Summary**



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

Introduction

Welcome to the 2007-08 budget of the Reno-Tahoe Airport Authority (RTAA) that operates Reno-Tahoe International Airport (RTIA) and Reno-Stead Airport.

This year's budget highlights an airport that is being recognized for its fiscal efficiency and strong financial performance, while featuring a very cautious approach to budgeting. Staff has created an austere budget in the face of an unpredictable airline industry. An increase in the airlines' use of regional jets versus full size commercial jets has decreased the number of passengers using the airport while the number of flights has actually increased slightly.

With RTIA competing with airports across the country to attract new flights, a key factor in that campaign is maintaining low landing fees and a low cost per enplaned passenger. Therefore, the staff has worked diligently to create a budget that minimizes airline costs and fees while striving to maintain the high levels of customer service that our passengers have come to expect.

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

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

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

Budget Document Structure

The budget document is composed of six sections:

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

- Section 2: Organization Guide - An operational guide detailing personnel and staff organizational structure
- Section 3: Financial Plan - Financial narratives as well as explanations of revenue and expense budgets
- Section 4: Supplemental Data - Narratives and charts of local economic activity, airport and airline activity and financial performance
- Section 5: State of Nevada budget form
- Section 6: Glossary of airport industry terms

Background

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

The RTAA owns, and operates the RTIA and Reno- Stead Airport. According to the latest available Federal Aviation Administration (FAA) statistics, RTIA is the 61st busiest airport in the nation. The Reno-Stead Airport is home to 225 based aircraft, and the famous Reno National Championship Air Races. Together, these airports have a \$3.25 billion annual economic impact on the local economy.

RTIA offers better air service than any other airport from a city of comparable size anywhere in the United States. Nine major/national, and four regional airlines serve RTIA offering 88 daily departures carrying 10,633 seats non-stop to 19 cities. RTIA is a medium hub airport projected to serve 5.1 million passengers in the 2006-07 fiscal-year, with passengers projected to grow 2.3 percent to 5.2 million in 2007-08.

Air cargo at RTIA increased 7.6 percent in 2005-06 compared to the previous fiscal year. Approximately 144 million pounds of cargo are projected to travel through RTIA in 2006-07 for a 25.2 percent increase. The growth in air cargo is an indication of the role RTIA plays for the increasing number of distribution centers in the Reno-Tahoe area.

At Your Service

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

RTIA has earned a reputation for integrity and professionalism when approaching airlines. Effectively using a combination of business analysis, tailored case studies and personal contacts has helped add non-stop flights to San Diego, Chicago and Bellingham in the past year.

While Cooperative advertising programs and incentives help establish new airlines and service in our market, a spirit of partnership exists between the RTAA and the airlines that helps maintain existing service while supporting the community. With the help of the

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

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

Budget Objectives

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

The RTAA's 2007-08 budget demonstrates a commitment to the financial goal of the lowest possible airline cost per enplanement despite the need to budget for modern security, service and maintenance in an aging terminal building.

The RTAA's cost per enplanement is driven by airline landing fees, rental rates, and the number of enplanements. Faced with an airline industry that is fraught with uncertainty, staff is presenting a budget with little growth in Operations and Maintenance (O&M) costs in order to limit the growth in airline rates and the resulting cost per enplanement. This budget reflects a dedicated effort to keep the cost per enplaned passenger low, while using staff innovation, technology, and carefully targeted maintenance outsourcing to uphold the RTAA's standard of customer service. The following budget highlights are key points that are further detailed in the budget document:

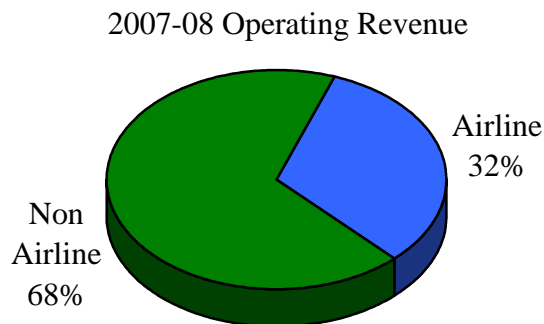
- Total 2007-08 Non-airline Revenues such as rental car concession fees and vehicle parking revenues are budgeted to increase 3.2 percent above the 2006-07 projected amounts due primarily to the 2.3 percent projected passenger increase.
- Airline rate stability to maintain RTIA's position as a low cost per enplanement airport for the airlines.
- Preparation of detailed work plans to implement the Board of Trustees' goals. These work plans form the basis of each department's budget.
- The Section 3 "Trust Funds Summary" details the trust funds available to offset any revenue shortfalls or unpredicted significant expenditures. Debt policies are also reviewed in Section 3.

Budget Summary

This budget is for the RTAA's 2007-08 fiscal-year, which begins on July 1, 2007, and ends June 30, 2008. A 2.3 percent increase in passenger enplanements (passengers boarding an

airline) is projected for the 2007-08 Budget. The projected 2.5 million enplanements for 2006-07 are projected to grow to 2.6 million enplanements for 2007-08.

The proposed Total Operating Revenue budget for 2007-08 is \$48,025,623. This represents a 4.2 percent increase from the 2006-07 budget. Of the total operating revenues, \$15,450,675 or 32 percent are revenues attributed to the airlines such as landing fees and terminal building rents and \$31,705,349 or 68 percent are non-airline revenues. Maintaining a high proportion of non-airline revenue to airline revenue assures that the airlines' costs to operate at RTIA remain low. The major non-airline revenues are Gaming Concession, Parking Revenue, Rental Car Concession, Food and Beverage and News and Gifts Concessions, and the terminal building Advertising Concession.



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

- Budgeted aircraft fees are increasing 12.0 percent from the prior year budget due to a 6.8 percent higher landing fee rate, and an 8.6 percent increase in budgeted aircraft landed weight.
- Concession Fee Revenues are decreasing 0.3 percent from the prior year budget as a result of less than budgeted increases in passenger activity for 2006-07 resulting in lower actual revenues, which is reducing passenger and revenue projections for 2007-08. Most of the concession revenues are budgeted to increase above the revenue projections for 2006-07.
- Auto Parking and Ground Transportation revenues are also decreasing 4.1 percent from the prior year budget as a result of less than budgeted increases in passenger activity for 2006-07 resulting in lower actual parking revenues. The Auto Parking revenues are budgeted to increase above the revenue projections for 2006-07. The vehicle parking component of a new revenue control system was installed in 2006-07. The next phase of this system is a new automated vehicle identification system which will better monitor the activity of the other ground transportation providers such as shuttle busses, limousines, and taxis.
- Total Space Rents are increasing 6.0 percent primarily because of a 19.3 percent increase in non terminal building rents caused by the RTAA staff taking over the management of a warehouse complex from a property management company. The expenses of this warehouse operation are also now included in the Operation & Maintenance Expense (O&M) budget.

In response to the airline's flight schedule consolidation, RTAA's operating expenses were limited in growth except for those items that required increases to maintain the facility such as insurance, utilities and security mandates. The 2007-08 Purchased Services, and

Administrative Expense category budgets were reduced below the 2006-07 Budget and projected amounts. Several current customer service initiatives, and maintenance items are being deferred to the future to limit the budget's impact on the airline rates, and cost per enplanement. The total 2007-08 O&M budget is \$33.7 million which is 4.4 percent above the 2006-07 budget and 9.6 percent above 2006-07 projected expenditures. Increases in O&M Expenses are caused by the following:

- Personnel Services are increasing by 7.9 percent over the prior year budget. This budget is also increasing for the security positions added at mid year in 2006-07 that will now be budgeted for an entire year. After allowing for new positions, and other benefit cost increases, the amount budgeted for merit salary increases, and negotiated wage increases is growing by 5.7 percent.
- Utilities and Communications is increasing 7.7 percent due to anticipated rate increases.
- Purchased Services are decreasing 10.8 percent. As mentioned previously, this portion of the budget has been reduced to limit the increase in airline operating costs collected by the RTAA.
- Materials and Supplies are increasing 4.6 percent due mainly to increased costs for items with prices that are affected by petroleum prices, such as trash can liners, pavement repair materials, and a major runway light replacement project.
- Administrative Expenses are declining 8.2 percent due mainly to significant reductions in travel, and off site professional and technical training.

Property Plant and Equipment budget for 2007-08 totals \$0.9 million. This is a 71.6 percent reduction from the 2006-07 Budget amount. The previous years' budgets included items deferred from even earlier years, mainly large pieces of snow removal equipment. The complement of snow removal equipment has been updated. A complete list of all the budgeted items is contained in the Property, Plant, and Equipment section of the budget.

Capital Projects for 2007-08 total \$81.9 million, including the 10-Year Development Plan projects. Details of the projects are contained in the Capital Projects section of the budget. The 10-Year Plan capital projects are also listed to show the total volume of projects being planned. Many of these 10-Year Plan projects are dependent on grant funding and will not be started until grants are received. The larger non-grant projects included in the budget are:

- Remediation of mold and asbestos in an office building to prepare it for occupancy.
- Reconstruction of airside pavement areas.
- Reconstruction of landside pavement areas, including sealing a portion of the top floor of the parking garage.
- Replacement of the terminal building roof.
- Construction of a vehicle maintenance shelter at the Reno-Stead Airport

Budget Process

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

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

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

Statutory Date	Calendar Date	Action
None	April 6, 2007, and May 8, 2007	Public Budget Workshops with the RTAA Board of Trustees
April 15 th	April 15, 2007	Tentative budget filed with the Nevada Department of Taxation
Seven to 14 days before the Third Thursday in May	May 8, 2007	Notice of Budget Public Hearing published
Third Thursday in May	May 17, 2007	Hold Public Hearing on the budget
On or Before June 1st	May 17, 2007	Adopt Budget.

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

Revenue Bond Resolution

The RTAA's revenue bond resolutions contain provisions that also affect the annual budget with regards to the calculation of airline landing fees and rents. Net pledged revenues, gross revenues less operating expenses, must exceed the revenue bond debt service requirement for the fiscal year by 25 percent. The 2007-08 budgeted net pledged revenues are 58.6 percent above the debt service requirements for the fiscal year, far exceeding the 25 percent minimum required. This is further explained in the Debt Service Summary section of this document.

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

Airline Agreement

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

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

The airline agreement requires that the RTAA review its operating budget with the airlines. The agreement does not provide for airline approval of the budget. The airlines may suggest changes to reduce their landing fee and rental rates. The agreement does specify a procedure for the airlines to review and deny capital projects or capital project's debt service in the airline cost centers that would be included in the airline rate calculations.

Fiscal year 2006-07 was the third and final year of a mutually agreed upon three-year extension of the previous airline agreement that expired June 30, 2004. The RTAA has discussed a further two year extension of the existing agreement. It is anticipated that the new agreement extension will be in place for the 2007-08 fiscal year. If not, the current agreement remains in effect until a new one is executed. Another agreement extension is preferred until the O&M budget impact of a new baggage handling system is known. This system should begin construction in 2007-08. The O&M costs of this new system will be passed on to the airlines.

Competition Plans and Passenger Facility Charges

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

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

before any FAA grants will be awarded for the following Federal fiscal year beginning each October.

A Passenger Facility Charge (PFC) is another source of funding for capital projects. PFC charges appear on an enplaning passenger's ticket for each airport at which the passenger enplanes up to a maximum of four PFC charges per ticket. The Federal legislation (AIR 21) also increased the maximum possible PFC collection rate from \$3.00 to \$4.50 for certain projects. The RTAA's current PFC 9 program collects at the \$4.50 level. Implementing a PFC requires consultation with the airlines and the FAA regarding a list of capital projects that meet the FAA's project eligibility guidelines:

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

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

The FAA also requires airports to develop an Airfield Pavement Maintenance Plan to maximize the effective life of the pavement constructed with FAA grant funding. Airfield Pavements are obviously a key element in the operation of an airport and receive more intense maintenance than roadway pavements. This Plan monitors the condition of the airfield's runway, taxiway, and aircraft parking apron pavements. The maintenance and replacement needs of the pavements are then monitored and planned. Pavement projects must be included in the Plan before the FAA will consider grant applications for the project.

Planning for the Future

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

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

An update of the RTIA TAMP is currently underway and includes alternative terminal building development plans. The alternatives were reviewed with the RTAA Board of Trustees at a retreat in September 2006. The advantages and disadvantages of each

alternative were reviewed, and one alternative was selected. That alternative will be further refined in an effort to minimize its disadvantages, and incorporate the advantages of the other alternatives. Based on the analysis thus far, a phased implementation plan is recommended to ensure terminal facilities are in balance with market demands. In phase 1, a new terminal concourse will be constructed, replacing the undersized existing Lear (south) concourse, and some minor expansions within the terminal building. As part of phase 2, a new two level replacement terminal building and a new third concourse to the north is also proposed.

The next step will be to prepare more detailed planning of the phase 1 improvements and estimate the costs to construct the proposed terminal facilities. While current passenger levels are below the existing terminal building's capacity, the programming, design, bidding, and construction of a terminal building could take as long as five years, and therefore it is not too early to start this process.

A Strategic Financial Plan will be developed using the costs from the TAMP update to determine the amount of the funding needed for construction. The construction could be funded by a revenue bond, PFCs, FAA grants, or some combination of these alternatives. The revenues of the facilities constructed, such as airline rents and concession fees, will be estimated to determine the RTAA's ability to service any new debt, and the impact on airline rates.

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

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

The airport is planning a major project for the benefit of customers and the enhancement of safety and security. The installation of what is called an In-Line Baggage Security System will improve passenger flow while modernizing baggage screening. After the events of September 11th, numerous baggage screening devices were installed by the Transportation Security Administration (TSA) in the ticketing lobby. These devices are in front of the ticket counters, and take up 33 percent of the ticketing lobby, severely limiting the passenger queuing area as well as passenger flow.

The RTAA has selected a consultant to design the In-Line Baggage Security System which will centralize the baggage security devices behind the ticket counter wall in space currently leased by the airlines. The In-Line Baggage Security System Project is funded by \$24 million of RTAA PFC revenue and \$7 million from the TSA. The TSA has also agreed to supply the security equipment needed for the reconfiguration.

To mitigate the impact of aircraft noise on the local community, the RTAA updated its Federal Aviation Regulation (FAR) Part 150 Noise Compatibility Study in 2004. The FAR Part 150 program refers to a section of Federal regulations dealing with aircraft noise and an airport's plan for noise mitigation. This updated program, approved by the FAA, replaces an original 1991 study, and reflects current and future levels of aircraft noise. Much has changed since 1991 in the way of aircraft engine technology, as well as the aircraft fleet mix at RTIA. Despite quieter aircraft arriving and departing at Reno-Tahoe International daily, the RTAA has remained committed to minimizing aircraft noise impacts on those surrounding areas most affected.

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

The completion of Phase 15, which is currently wrapping-up construction, will bring the total number of homes sound insulated by the RTAA to more than 1,600. Eligible homes in neighborhoods north and south of the airport, in Sparks and Reno respectively, will be insulated next. In fiscal year 2006-07, the FAA committed \$5 million in grants to the RTAA for phase 16 of the Airport's sound insulation program; the RTAA's 6.25 percent financial share of the project is \$333,333. The Phase 16 project has been broken down into two groups for construction; group 16A consisting of 88 homes slated for construction in the fall of 2007 and groups 16C consisting of approximately 110 homes slated for construction in the spring and summer of 2007.

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

Acknowledgments

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

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

The RTAA Board of Trustees adopted this budget on May 17, 2007. The production of this budget document then began. The preparation of this document would not be possible without the work, dedication to detail, and accuracy of the Finance and Budget Section staff.

Respectfully submitted,

Krys T. Bart, A.A.E.
Executive Director/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Reno-Tahoe International Airport
Nevada**

For the Fiscal Year Beginning

July 1, 2006

President

Executive Director

2007-2008

Annual Budget

Section 2 – Organization Guide

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

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

2007-08 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

EXECUTIVE DIRECTOR/CEO

Executive Director/CEO

The complement shows the addition of a Manager of Airline Business position. This position is a transfer from the office of the Deputy Executive Director to more accurately reflect the reporting relationship of the position.

Air Service Business Development

The Director of Marketing and Air Service Development position has been reclassified as a Director of Air Service Development to more accurately reflect the duties and responsibilities of the position.

Marketing and Public Affairs

The Public Affairs Manager position has been reclassified as the Director of Marketing and Public Affairs, the Public Affairs and Customer Service Coordinator positions have been reclassified as a Customer Service Supervisor and Public Affairs Coordinator to more accurately reflect the duties and responsibilities of the respective positions. Also, a Marketing Coordinator position is a transfer and reclassification from the Director of Facilities and Maintenance.

DEPUTY EXECUTIVE DIRECTOR

Deputy Executive Director

The position Manager of Airport Airline Affairs has been transferred to the Deputy Executive Director and reclassified to Manager of Airline Business as mentioned previously. Also, a Senior Program Manager was been added to the complement to oversee and coordinate security sensitive projects.

Technology and Information Systems

The Computer Support Technician position has been reclassified to the position of Network Specialist II to more accurately reflect the duties and responsibilities of the positions necessary to operate the department.

Reno-Stead Airport

The Office Specialist position has been reclassified as a Program Technician to more accurately reflect the duties and responsibilities of the position.

Human Resources

The Manager of Human Resources position has been reclassified as a Director of Human Resources to more accurately reflect the duties and responsibilities of the position.

FINANCE AND ADMINISTRATION

Property Administration

A Property Administrator I/II position and two Property Specialists have been added to the complement. These positions are necessary due to changing the operation, and administration activity of the terminal mini-warehouse from an out sourced contract to an internal Property Administration function.

OPERATIONS AND PUBLIC SAFETY

Landside Operations

The complement shows the deletion of a Parking Lot Attendant position. This position has been eliminated as a result of the installation of the Parking Revenue Control System and the resulting increase in efficiency in the department.

Airport Police

An Airport Security Manager and four Airport Security Specialists have been added to the complement to more effectively administer the changing demands and duties required of the department.

PLANNING AND ENGINEERING

Planning and Environmental Services

The Director of Planning and Environmental Services position has been reclassified to a Senior Director of Planning and Engineering and the Airport Planner I/II has been reclassified as a Senior Planner to more accurately reflect the duties and responsibilities of the positions. Also, an Administrative Assistant I/II has been transferred from Engineering and Construction and reclassified along with the Office Specialist position to the Program Technician positions to more accurately reflect the duties and responsibilities of the positions.

Engineering and Construction

The position Administrative Assistant I/II has been transferred to Planning and Environmental Services and reclassified to Program Technician as mentioned previously.

FACILITIES AND MAINTENANCE

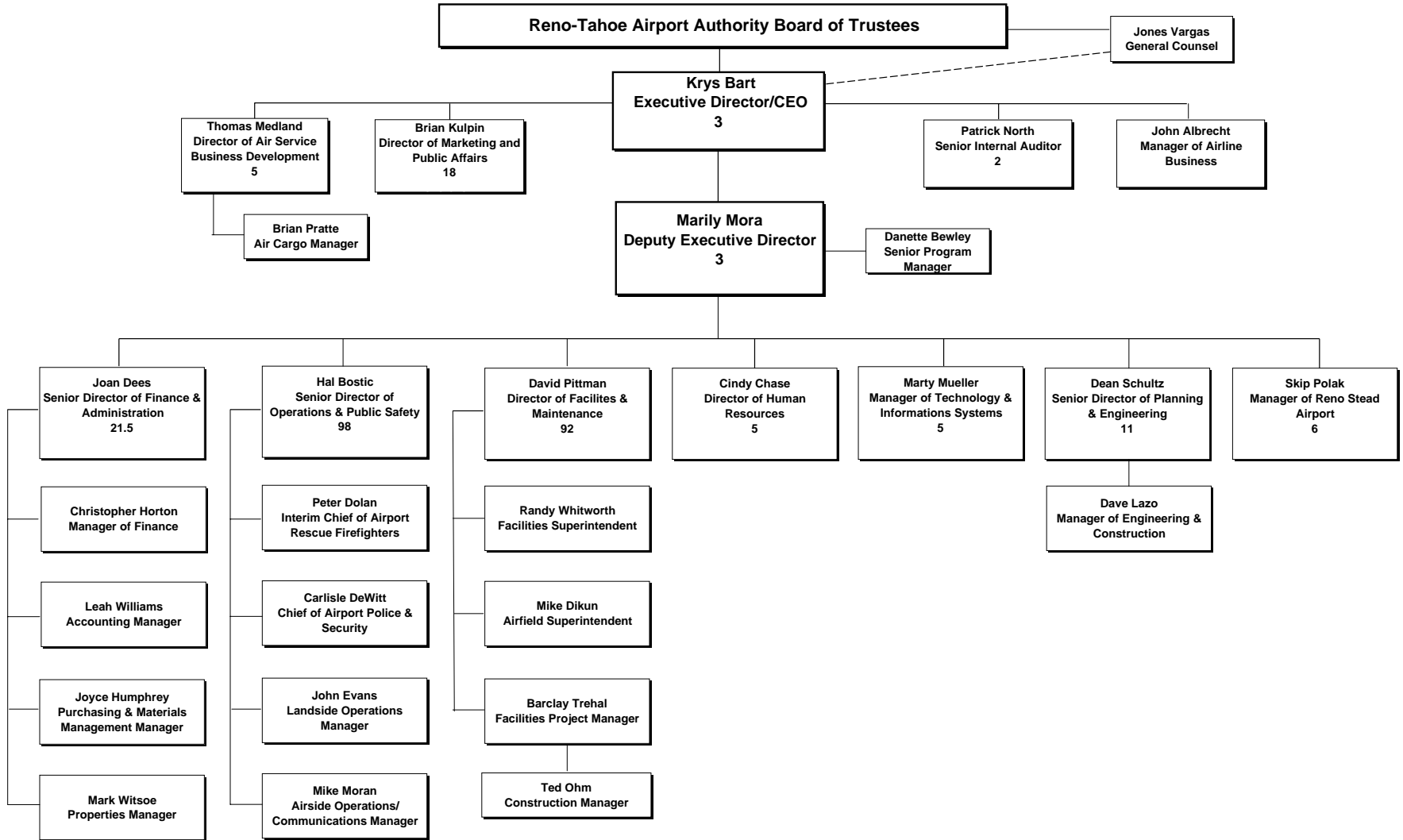
Director of Facilities and Maintenance

The Senior Director of Facilities and Engineering position has been transferred to Marketing and Public Affairs and reclassified as a Marketing Coordinator as mentioned previously. Also, the Office Specialist position has been reclassified as a Project Technician to more accurately reflect the duties and responsibilities of the position.

Airfield Maintenance

An Equipment Operator position has been reclassified to an Airfield Maintenance Worker I/I to more accurately reflect the duties and responsibilities of the positions necessary to operate the department.

2007-08



**2007 - 2008
ANNUAL BUDGET**

Personnel Complement

	Budgeted and Authorized 2005-06	Budgeted and Authorized 2006-07	Budgeted and Authorized 2007-08
Board of Trustees Department			
Board of Trustees *	9.0	9.0	9.0
Internal Audit Section			
Senior Internal Auditor	1.0	1.0	1.0
Internal Auditor	1.0	1.0	1.0
Total Internal Audit Section	2.0	2.0	2.0
Total Board of Trustees Department	2.0	2.0	2.0
Executive Director/CEO Department			
Executive Director/CEO	1.0	1.0	1.0
Manager of Airline Business	0.0	0.0	1.0
Executive Assistant	1.0	1.0	1.0
Total Executive Director	2.0	2.0	3.0
Air Service Business Development Section			
Director of Air Service Business Development	0.0	0.0	1.0
Director of Marketing and Air Service Development	1.0	1.0	0.0
Air Cargo Manager	1.0	1.0	1.0
Marketing Coordinator	2.0	2.0	2.0
Executive Assistant	1.0	1.0	1.0
Total Air Service Business Development Section	5.0	5.0	5.0
Marketing and Public Affairs Section			
Director of Marketing and Public Affairs	0.0	0.0	1.0
Public Affairs Manager	1.0	1.0	0.0
Customer Service Supervisor	0.0	0.0	1.0
Marketing Coordinator	0.0	0.0	1.0
Public Affairs and Customer Service Coordinator	2.0	2.0	0.0
Public Affairs Coordinator	0.0	0.0	1.0
Lead Passenger Aide	0.0	1.0	1.0
Passenger Aide	6.0	11.0	11.0
Administrative Assistant I/II	0.0	1.0	1.0
Administrative Clerk	1.0	1.0	1.0
Airport Ambassador	9.0	0.0	0.0
Total Marketing and Public Affairs Section	19.0	17.0	18.0
Total Executive Director Department	26.0	24.0	26.0
Deputy Executive Director Department			
Deputy Executive Director	1.0	1.0	1.0
Manager of Airline Airport Affairs	0.0	1.0	0.0
Senior Program Manager	0.0	0.0	1.0
Executive/Board Assistant	1.0	1.0	1.0
Total Deputy Executive Director	2.0	3.0	3.0

**2007 - 2008
ANNUAL BUDGET**

Personnel Complement

	Budgeted and Authorized 2005-06	Budgeted and Authorized 2006-07	Budgeted and Authorized 2007-08
Technology and Information Systems Section			
Manager of Technology and Information Systems	1.0	1.0	1.0
Telecommunications Technician	1.0	1.0	1.0
Network Administrator II	0.0	0.0	1.0
Network Administrator I	1.0	1.0	1.0
Database Administrator	1.0	1.0	1.0
Computer Support Technician	0.0	1.0	0.0
Total Technology and Information Systems Section	4.0	5.0	5.0
Reno-Stead Airport Section			
Manager of Reno-Stead Airport	1.0	1.0	1.0
Program Technician	0.0	0.0	1.0
Office Specialist	0.0	1.0	0.0
Administrative Assistant I/II	1.0	0.0	0.0
Airfield Maintenance Worker I/II	2.0	1.0	1.0
Equipment Mechanic	1.0	1.0	1.0
Airfield Maintenance Technician	1.0	2.0	2.0
Total Reno Stead Airport Section	6.0	6.0	6.0
Human Resources Section			
Director of Human Resources	1.0	0.0	1.0
Manager of Human Resources	0.0	1.0	0.0
Employee Relations & Recruitment Specialist	1.0	1.0	1.0
Benefits Coordinator	1.0	1.0	1.0
Training Coordinator	1.0	1.0	1.0
HR Administrative Assistant	1.0	1.0	1.0
Total Human Resources Section	5.0	5.0	5.0
Total Deputy Executive Director Department	17.0	19.0	19.0
Finance and Administration Department			
Accounting and Administration Section			
Senior Director of Finance and Administration	1.0	1.0	1.0
Accounting Manager	1.0	1.0	1.0
Payroll Administrator	1.0	1.0	1.0
Accounting Specialist I/II	2.0	2.0	2.0
Administrative Assistant I/II	1.0	1.0	1.0
Total Accounting and Administration Section	6.0	6.0	6.0
Finance and Budgeting Section			
Manager of Finance and Budgeting	1.0	1.0	1.0
Senior Financial Analyst	1.0	1.0	1.0
Total Finance and Budgeting Section	2.0	2.0	2.0

**2007 - 2008
ANNUAL BUDGET**

Personnel Complement

	Budgeted and Authorized 2005-06	Budgeted and Authorized 2006-07	Budgeted and Authorized 2007-08
Purchasing & Materials Management Section			
Purchasing & Materials Management Manager	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	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
Property Administration Section			
Properties Manager	1.0	1.0	1.0
Property Administrator I/II	4.0	3.0	4.0
Property Specialists	0.0	0.0	2.0
Administrative Assistant I/II	1.0	1.5	1.5
Total Property Administration Section	<u>6.0</u>	<u>5.5</u>	<u>8.5</u>
Total Finance and Administration Department	<u>19.0</u>	<u>18.5</u>	<u>21.5</u>
Operations and Public Safety Department			
Senior Director of Operations & Public Safety	1.0	1.0	1.0
Administrative Assistant I/II	1.0	1.0	1.0
Total Senior Director of Operations and Public Safety	<u>2.0</u>	<u>2.0</u>	<u>2.0</u>
Airfield Operations Section			
Airside Operations/Communications Manager	1.0	1.0	1.0
Airport Operations Officer	7.0	7.0	7.0
Total Airfield Operations Section	<u>8.0</u>	<u>8.0</u>	<u>8.0</u>
Landside Operations Section			
Landside Operations Manager	1.0	1.0	1.0
Administrative Assistant I/II	1.0	1.0	1.0
Parking Lot Attendant	9.0	10.0	9.0
Parking Shift Leader	4.0	4.0	4.0
Total Landside Operations Section	<u>15.0</u>	<u>16.0</u>	<u>15.0</u>
Airport Rescue and Fire Section			
Chief of Airport Firefighters	1.0	1.0	1.0
Deputy Chief of Airport Firefighters	1.0	1.0	1.0
Fire Captain	3.0	3.0	3.0
Driver/Operator	7.0	7.0	7.0
Fire Fighter	8.0	8.0	8.0
Total Airport Rescue and Fire Section	<u>20.0</u>	<u>20.0</u>	<u>20.0</u>

**2007 - 2008
ANNUAL BUDGET**

Personnel Complement

	Budgeted and Authorized 2005-06	Budgeted and Authorized 2006-07	Budgeted and Authorized 2007-08
Airport Police Section			
Chief of Airport Police and Security	1.0	1.0	1.0
Police Captain	2.0	1.0	1.0
Police Sergeant	3.0	4.0	4.0
Police Officer	17.0	17.0	17.0
Administrative Assistant I/II	2.0	2.0	2.0
Airport Security Manager	0.0	0.0	1.0
Airport Security Supervisor	1.0	1.0	1.0
Airport Security Specialist	12.0	12.0	16.0
Total Airport Police Section	38.0	38.0	43.0
Airport Communications Section			
Senior Communications Specialist	1.0	1.0	1.0
Airport Communications Specialist I/II	9.0	9.0	9.0
Total Airport Communications Section	10.0	10.0	10.0
Total Operations and Public Safety Department	93.0	94.0	98.0
Planning and Engineering Department			
Planning and Environmental Services Section			
Senior Director of Planning and Engineering	0.0	0.0	1.0
Director of Planning and Environmental Services	1.0	1.0	0.0
Environmental Compliance Coordinator	1.0	1.0	1.0
Noise Abatement Coordinator	1.0	1.0	1.0
Senior Planner	0.0	0.0	1.0
Airport Planner I/II	1.0	1.0	0.0
Noise Analyst	0.0	1.0	1.0
Program Technician	0.0	0.0	2.0
Office Specialist	0.0	1.0	0.0
Administrative Assistant I/II	1.0	0.0	0.0
Total Planning and Environmental Services Section	5.0	6.0	7.0
Engineering and Construction Section			
Manager of Engineering & Construction	1.0	1.0	1.0
Project Manager	2.0	2.0	2.0
Capital Improvements & Grant Coordinator	1.0	1.0	1.0
Administrative Assistant I/II	1.0	1.0	0.0
Total Engineering and Construction	5.0	5.0	4.0
Total Planning and Engineering Department	10.0	11.0	11.0

**2007 - 2008
ANNUAL BUDGET**

Personnel Complement

	Budgeted and Authorized 2005-06	Budgeted and Authorized 2006-07	Budgeted and Authorized 2007-08
Facilities and Maintenance Department			
Director of Facilities and Maintenance Section			
Senior Director of Facilities & Engineering	1.0	1.0	0.0
Director of Facilities and Maintenance	1.0	1.0	1.0
Facilities Project Manager	1.0	1.0	1.0
Construction Manager	1.0	1.0	1.0
Project Technician	0.0	0.0	1.0
Office Specialist	0.0	1.0	0.0
Administrative Assistant I/II	1.0	0.0	0.0
Total Director of Facilities and Maintenance Section	5.0	5.0	4.0
Airfield Maintenance Section			
Airfield Maintenance Superintendent	1.0	1.0	1.0
Airfield Maintenance Supervisor	2.0	2.0	2.0
Airfield Maintenance Technician	3.0	3.0	3.0
Equipment Mechanic	3.0	3.0	3.0
Equipment Operator	3.0	3.0	2.0
Senior Grounds Maintenance Worker	1.0	1.0	1.0
Grounds Maintenance Worker	1.0	1.0	1.0
Airfield Maintenance Electrician	3.0	3.0	3.0
Airfield Maintenance Worker I/II	7.0	7.0	8.0
Administrative Assistant I/II	1.0	1.0	1.0
Total Airfield Maintenance Section	25.0	25.0	25.0
Building Maintenance and Services Section			
Facilities Superintendent	1.0	1.0	1.0
Facilities Supervisor	6.0	6.0	6.0
Building Maintenance Technician	7.0	7.0	7.0
Building Maintenance Worker I/II	6.0	6.0	6.0
HVAC Technician	5.0	5.0	5.0
Building Maintenance Electrician	3.0	3.0	3.0
Maintenance Scheduler	1.0	1.0	1.0
Facilities & Maintenance Planner	1.0	1.0	1.0
Senior Airport Facilities Custodian	3.0	3.0	3.0
Airport Facilities Custodian	30.0	30.0	30.0
Total Building Maintenance and Services Section	63.0	63.0	63.0
Total Facilities and Maintenance Department	93.0	93.0	92.0
TOTAL AIRPORT (Does not include the appointed Board of Trustees)	260.0	261.5	269.5

* Appointed positions

2007-08
ANNUAL BUDGET
Section 3 – Financial Plan

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

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

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

The debt policies of the RTAA are reviewed in *Section 3 Debt Summary*. This policy is fairly narrow since the RTAA has used primarily revenue bond debt to finance airport capital projects, and the debt limit is established by the revenue bond resolutions. The RTAA's bond resolutions establish various bond funds. The flow of revenues and expenses through these funds, and the maintenance of the balances in the funds, can affect the rate setting process, and budget. The bond funds are described in the Trust Funds Summary section of the budget.

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

Impact of Mandated Increased Airport Security

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

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

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

Airline Agreement

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

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

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

It is difficult to compare landing fees and rental rates at airports because of the variations in rate setting mechanisms contained in airline agreements. One financial indicator used to compare airports is *cost per enplanement*. This is the sum of the airline's costs to operate at RTIA (landing fees and rent) divided by the number of enplaning or departing passengers. A cost per enplanement survey of similar size airport authority operated airports is conducted each year by the RTAA. The average cost per enplanement from this 2006-07 survey is \$5.39. This is above the 2006-07 Budget cost per enplanement of \$4.80. Due to lower than expected passenger numbers, the projected 2006-07 cost per enplanement is \$5.31. RTIA is slightly above this average cost per enplanement for 2007-08 at a budgeted \$5.57. Cost per enplanement is equivalent to a municipal or county government cost per capita as a means of comparing different governments' cost of operation. This average airline cost per enplanement survey is further discussed in the Supplemental Data section of the budget.

Budget Process

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

Another component of airline rates is the debt service included in the airline landing fee and rental rates. Debt service determines when the RTAA's budget is "balanced." Operating Revenues less Operating Expenses, or Net Revenues, must equal or exceed 125 percent of annual revenue bond debt service. The budget is balanced when revenues not only equal expenses, but net revenues must be at least 125 percent of debt service.

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

The Executive Director/CEO instructed the management staff to prepare departmental work plans to implement the Board of Trustees' goals as the basis for their budgets. Summaries of the Board goals, and department work plans are in *Section 3 – Expenditures*. The RTAA staff will continue to maintain an aging terminal building facility with increases to the overall operation and maintenance expense budget. Additional staff positions have also been included in the 2007-08 Budget to bring "in house" a previously outsourced property management function. Additional security positions, added at the 2006-07 mid year budget review for a portion of that fiscal year, are also included for the full 2007-08 fiscal year budget. All RTAA departments continue to look for ways to reduce or maintain the amount of the operating budget without sacrificing safety, security, or customer service.

Several studies were included in the previous fiscal years' budgets to evaluate the RTAA's buildings, and roadways to determine the necessary future repairs or maintenance. Several of the 2007-08 Capital Projects are a result of these studies. The uncertainty of changing airport security regulations continues to affect RTAA capital projects, and plans for future facilities.

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

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

Section 3 is the financial details for the RTAA budget for the fiscal year beginning July 1, 2007. This section contains the following schedules:

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

More detailed revenue schedules and narratives follow this section.

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

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

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

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

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

Calculation of Fiscal Year 2007-08 Terminal Rental Rates

Airline Agreement Exhibit G Paragraph .06	Terminal Building Cost Center	
Section		
A	O&M Expense	\$17,560,252
B	Capital Charges	
	Debt Service	2,623,898
	Fixed Assets	358,633
C	Capital Charge Coverage	655,974
D	Prebond Loan	149,833
E	O&M Reserve Requirement	92,220
F	R&R Fund Requirement	-
G	Capital Expenditures	141,505
H	Amortization Requirements	847,296
I	Special Fund Requirement	1,251,250
J	TOTAL REQUIREMENT (A THROUGH I)	<u>\$23,680,861</u>
LESS		
K	Reimbursements	155,000
L	NET REQUIREMENT (J LESS K)	<u>\$23,525,861</u>
M	Useable Terminal Space	375,581
N	Average Terminal Rental Rate (L divided by M)	\$ 62.64
O	Signatory Airline Leased Terminal Space	115,222
P	Signatory Airline Share of Net Requirement (N times O)	7,217,506
Q	Airline Transfers	-
R	Adjusted Signatory Airline Net Requirement (P less Q)	<u>7,217,506</u>
S	Signatory Airline Average Terminal Rental Rate (R divided by O)	\$ 62.64

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

Calculation of Fiscal Year 2007-08 Landing Fee Rates

Airline Agreement Exhibit G Paragraph .07	Airfield Cost Center	
Section		
A	O&M Expense	\$ 6,520,956
B	Capital Charges	
	Debt Service	2,560,037
	Fixed Assets	234,390
C	Capital Charge Coverage	640,009
D	Prebond Loan	206,892
E	O&M Reserve Requirement	34,246
F	R&R Fund Requirement	-
G	Capital Expenditures	161,250
H	Amortization Requirements	156,118
I	TOTAL REQUIREMENT (A THROUGH I)	<u>\$10,513,898</u>
LESS		
J	LOI Proceeds Applied	641,856
K	NET REQUIREMENT (I LESS J)	<u>\$ 9,872,042</u>
L	Landed Weight (000 lbs)	4,026,570
M	Landing Fee Rate - Non Signatory (K divided by L)	\$ 2.45
N	Signatory Airline Landed Weight (000 lbs)	3,884,661
O	Signatory Airline Share of Net Requirement (M times N)	\$ 9,517,419
P	Airline Transfers / Revenue Sharing	\$ 1,300,000
Q	Non Signatory Landing Fees (L less N times M)	347,677
R	Adjusted Signatory Airline Net Requirement (O less P and Q)	<u>7,869,742</u>
S	Signatory Airline Landing Fee Rate (R divided by N)	\$ 2.03

2007-08
ANNUAL BUDGET
Non-Airline Revenues

	2005-06	2006-07	2006-07	2007-08	% Change 2008 Budget to		Airfield	Terminal	Ground Trans	Other	Reno Stead	Total
	Actual	Budget	Projected	Budget	07 Budget	07 Projected						
Aircraft Fees - Reno	\$877,764	\$920,000	\$879,992	\$895,000	-2.7%	1.7%	\$895,000					\$895,000
Aircraft Fees - Stead	24,955	20,000	28,664	25,000	25.0%	-12.8%					25,000	\$25,000
Gaming Concession	3,425,940	3,300,000	3,500,000	3,575,000	8.3%	2.1%		3,575,000				\$3,575,000
Food & Beverage	1,019,313	1,067,500	964,500	1,000,000	-6.3%	3.7%		1,000,000				\$1,000,000
Merchandising Revenue	1,070,924	1,288,000	1,298,210	1,323,000	2.7%	1.9%		1,323,000				1,323,000
Auto Rental	7,176,936	7,430,411	7,287,194	7,755,020	4.4%	6.4%			7,755,020			7,755,020
Ground Transportation	264,625	284,800	261,456	269,000	-5.5%	2.9%			269,000			269,000
Auto Parking	9,990,703	10,517,000	9,890,371	10,094,300	-4.0%	2.1%			10,094,300			10,094,300
FBO/Ground Handling	547,625	540,000	514,868	519,000	-3.9%	0.8%				497,000	22,000	519,000
Advertising	866,313	910,000	959,762	970,000	6.6%	1.1%		970,000				970,000
Other Concessions	278,542	260,500	251,056	216,500	-16.9%	-13.8%		191,500			25,000	216,500
Other Terminal Rents	554,772	607,013	626,041	643,428	6.0%	2.8%		643,428				643,428
Reno/Tahoe Rents	3,190,552	3,170,300	3,620,600	3,781,300	19.3%	4.4%			1,096,700	2,684,600		3,781,300
Reno Stead Rents	505,284	547,000	519,740	535,500	-2.1%	3.0%					535,500	535,500
Reimbursed Services	836,877	842,825	963,354	972,900	15.4%	1.0%		972,500			400	972,900
Total Operating Revenues	\$ 30,631,125	\$ 31,705,349	\$ 31,565,808	\$ 32,574,948	2.7%	3.2%	895,000	8,675,428	19,215,020	3,181,600	607,900	32,574,948
Non Operating Revenue	1,768,493	1,900,000	1,798,416	1,860,000	-2.1%	3.4%	51,104	495,359	1,097,160	181,666	34,711	1,860,000
TOTAL REVENUES	\$ 32,399,618	\$ 33,605,349	\$ 33,364,224	\$ 34,434,948	2.5%	3.2%	946,104	9,170,787	20,312,180	3,363,266	642,611	34,434,948

2007-08
ANNUAL BUDGET
Budgeted Revenue Sharing

	Cost Centers					
	<u>Airfield</u>	<u>Terminal</u>	<u>Ground Trans</u>	<u>Other</u>	<u>Reno Stead</u>	<u>Total</u>
O&M Expense	\$ 6,520,956	\$ 17,560,252	\$ 4,547,400	\$ 3,468,697	\$ 1,167,981	\$ 33,265,286
Debt Service	2,560,037	2,623,898	2,128,506	3,407,688	50,347	10,770,476
Pre Bond Loan	206,892	149,833	82,731	134,805	41,960	616,221
O&M Reserve	34,246	92,220	23,881	18,216	6,134	174,697
Fixed Asset	234,390	358,633	120,451	118,977	44,066	876,517
Capital Project	161,250	141,505	469,000	583,878	331,271	1,686,904
Amort of Capital Items	156,118	1,116,064		259,756	27,143	1,559,081
Special Fund		1,251,250				1,251,250
LOI Transfer	(641,856)					(641,856)
Total Requirement	\$ 9,232,033	\$ 23,293,655	\$ 7,371,970	\$ 7,992,017	\$ 1,668,902	\$ 49,558,576
Revenue Sharing	1,300,000					1,300,000
Non Sig. Revenue	347,677					347,677
Signatory Revenue	7,885,863	7,217,135				15,102,998
Non Airline Revenue	946,104	9,170,787	20,312,180	3,363,266	642,611	34,434,948
Total Revenue	10,479,644	16,387,922	20,312,180	3,363,266	642,611	51,185,622
Net Revenues	\$ 1,247,611	\$ (6,905,733)	\$ 12,940,210	\$ (4,628,751)	\$ (1,026,291)	\$ 1,627,046
Airport Share						\$ 813,523
Airline Share						\$ 813,523

**2007-08
ANNUAL BUDGET
Summary of Sources and Uses of Funds**

	Actual 2005-06	Budget 2006-07	Budget 2007-08
SOURCES OF FUNDS			
Revenue Fund			
Landing and Aircraft Fees	\$7,545,676	\$ 8,171,137	\$ 9,153,540
Gaming Concession Fees	3,425,940	3,300,000	3,575,000
Auto Rental Concession Fees	7,176,936	7,430,411	7,755,020
Other Concession Fees	3,782,717	4,066,000	4,028,500
Auto Parking and Ground Transportation	10,255,328	10,801,800	10,363,300
Terminal Rents	6,798,495	7,168,798	7,217,135
Other Rents	4,250,608	4,324,313	4,960,228
Reimbursed Services & Miscellaneous	861,512	842,825	972,900
Non-Operating Pledged Revenue	1,768,493	1,900,000	1,860,000
Total Revenue Fund	<u>\$ 45,865,705</u>	<u>\$ 48,005,284</u>	<u>\$ 49,885,623</u>
Non Rate Base Revenue			
Fuel Tax Revenue	414,874	425,000	400,000
Prebond Fund Interest	11,542	10,000	17,000
Consent Decree Interest	-	10,000	-
Fifth Interim Agreement Interest	902	-	-
Flood Grant Interest	167,551	130,000	200,000
Acquisition Fund Interest	17,531	14,000	28,000
Flood Proceeds Interest	378,778	350,000	450,000
Fuel Tax Interest	167,059	10,000	40,000
PFC Interest	825,571	700,000	1,400,000
PFC Revenue	10,203,647	10,986,000	9,768,000
Other Revenue	(288,617)	-	-
Total Non Rate Base Revenue	<u>11,898,838</u>	<u>12,635,000</u>	<u>12,303,000</u>
TOTAL SOURCES OF FUNDS	<u>\$ 57,764,543</u>	<u>\$ 60,640,284</u>	<u>\$ 62,188,623</u>
USES OF FUNDS			
Operation and Maintenance Fund			
Personnel Services	\$ 19,929,336	\$ 21,876,592	\$ 23,612,300
Utilities	2,457,762	2,776,870	2,990,213
Purchased Services	3,268,192	3,519,900	3,144,893
Materials and Supplies	1,676,612	1,473,335	1,540,536
Administrative Expenses	2,246,612	2,337,954	1,977,344
Total Operation and Maintenance Fund	<u>\$ 29,578,514</u>	<u>\$ 31,984,651</u>	<u>\$ 33,265,286</u>
Bond Fund			
Interest Account	3,626,116	3,400,468	3,005,476
Principal Account	6,145,000	7,365,000	7,765,000
Total Bond Fund	<u>\$ 9,771,116</u>	<u>\$ 10,765,468</u>	<u>\$ 10,770,476</u>
Operation and Maintenance Reserve Fund			
To maintain reserve level at 2 months of the annual budget of operation and maintenance expenses of the airport system	\$ 481,501	\$ 352,705	\$ 174,697
Short Term Financing			
Prebond Loan	\$ 371,829	\$ 396,292	\$ 616,221
Property, Plant & Equipment			
Capital Projects	\$ 825,763	\$ 925,190	\$ 876,517
Current Year	(163,666)	1,356,305	1,686,904
Prior year project reimbursement	1,462,685	1,510,710	1,559,081
Total Capital Projects	<u>\$ 1,299,019</u>	<u>\$ 2,867,015</u>	<u>\$ 3,245,985</u>
Special Fund			
35 % of projected gaming revenue to Special Fund	\$ 1,199,079	\$ 1,155,000	\$ 1,251,250
General Purpose Fund			
Current Year Revenue Sharing Total	4,526,240	1,898,336	1,627,047
Prior Year Revenue Sharing Airline Share	(1,537,929)	(1,700,000)	(1,300,000)
LOI Transfer	(649,427)	(639,373)	(641,856)
Total General Purpose Fund	<u>\$ 2,338,884</u>	<u>\$ (441,037)</u>	<u>\$ (314,809)</u>
Fuel Tax Revenue	414,874	425,000	400,000
Prebond Fund Interest	11,542	10,000	17,000
Consent Decree Interest	-	10,000	-
Fifth Interim Agreement Interest	902	-	-
Flood Grant Interest	167,551	130,000	200,000
Acquisition Fund Interest	17,531	14,000	28,000
Flood Proceeds Interest	378,778	350,000	450,000
Fuel Tax Interest	167,059	10,000	40,000
PFC Interest	825,571	700,000	1,400,000
PFC Revenue	10,203,647	10,986,000	9,768,000
Other Revenue	(288,617)	-	-
	<u>\$ 11,898,838</u>	<u>\$ 12,635,000</u>	<u>\$ 12,303,000</u>
TOTAL USES OF FUNDS	<u>\$ 57,764,543</u>	<u>\$ 60,640,284</u>	<u>\$ 62,188,623</u>

2007-08
ANNUAL BUDGET
Section 3 – Revenues

The Total Operating Revenue budget for 2007-08 is \$48,025,623. This is a 4% increase from the 2006-07 budget amount. Budgeted airline revenues are \$15,450,675 or 31% of total operating revenues. The total non-airline operating revenue budget is \$32,574,948 or 69% of the total operating revenue budget. A pie chart later in this section shows the relative size of general categories of airport revenue.

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

Late in fiscal year 2002-03, passenger numbers began to recover from the events of September 11, 2001, and this trend continued through the fiscal year 2006-07 and is anticipated to continue with the additional air service and conventions expected in the next fiscal year. Passenger growth is estimated to be 2.3% for 2007-08. This relatively low level of passenger growth is the product of airlines reducing their flights nationwide to regain profitability. The flight reductions result in fewer empty airline seats and also reduce the airlines' fuel bill in the face of higher oil prices. The affects on the finances of the RTAA are lower passenger airline landed weights, which affect the landing fee calculation and revenue. Lower passenger growth also affects the RTIA concession revenues. The reduction in passenger airline landed weights is being offset by the growth in air cargo related landed weight.

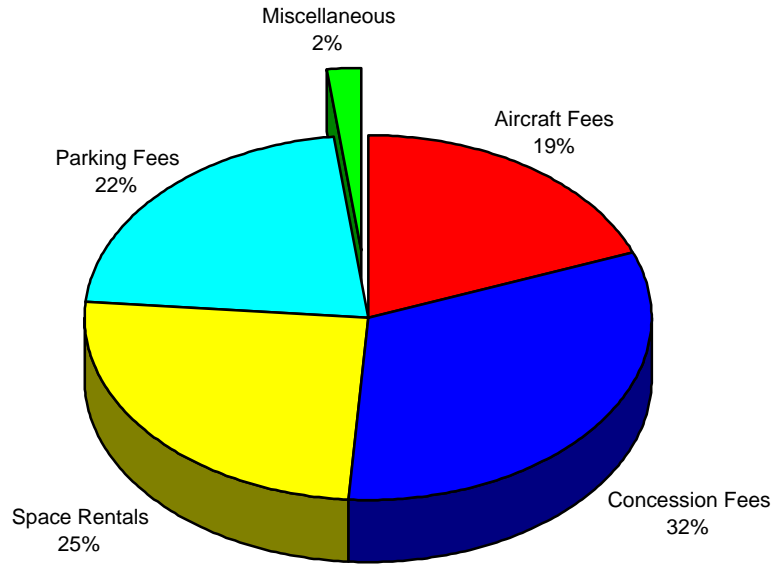
The estimated 2007-08 passenger enplanement amount of 2.6 million passenger enplanements for the fiscal year was used as the basis for the 2007-08 revenue projections. The historical revenue per enplaned passenger for each revenue area is applied to the estimate of passenger enplanements as well as evaluating changes in concession agreements, or construction schedules that might affect revenues to help estimate fiscal year revenue budgets. Non-airline operating revenues are expected to increase 3% above the 2006-07 budget, due primarily to an increase in auto rental, gaming revenues and land rents.

Food and beverage, merchandise, and auto parking revenue budgets are projected to increase slightly above the 2006-07 projected amounts, due primarily to the continued growth in passenger activity as mentioned above, and new concession agreements with increased Minimum Annual Guarantees (MAG). The RTIA Non Terminal Building Rents are increasing due to building and land rentals on property recently purchased by the RTAA as well as annual Consumer Price Index adjustments to rental rates. A more detailed discussion of these revenue categories follows in this section.

**2007-08
ANNUAL BUDGET**

Operating Revenues

2007-08 Operating Revenues

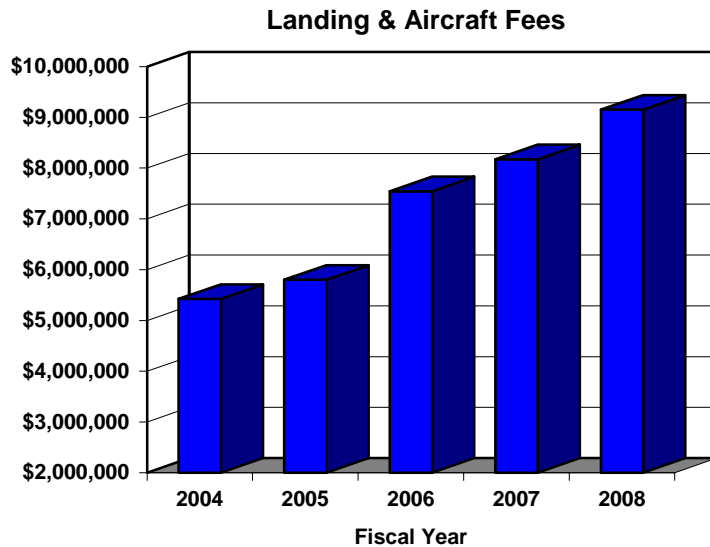


REVENUES	
Aircraft Fees	\$9,153,540
Concession Fees	15,358,520
Space Rentals	12,177,363
Parking Fees	10,363,300
Miscellaneous	972,900
Total	\$48,025,623

**2007-08
ANNUAL BUDGET
Section 3 – Revenues**

There are seven major sources of revenue received by the RTAA: landing and aircraft fees, concession revenue, auto parking and ground transportation revenue, space rentals, reimbursed services, non-operating revenues and non-rate base revenues. Overall, the RTAA is projecting a 4% increase in operating revenues for 2007-08 as compared to the 2006-07 budget amount. Basic assumptions that go into the budget process for revenues are the CPI (Consumer Price Index), the projected change in passenger and aircraft traffic, and economic indicators for the area. The charts presented in this section depict actual revenues for the first 3 years followed by 2 years of budgeted revenues.

LANDING AND AIRCRAFT FEES



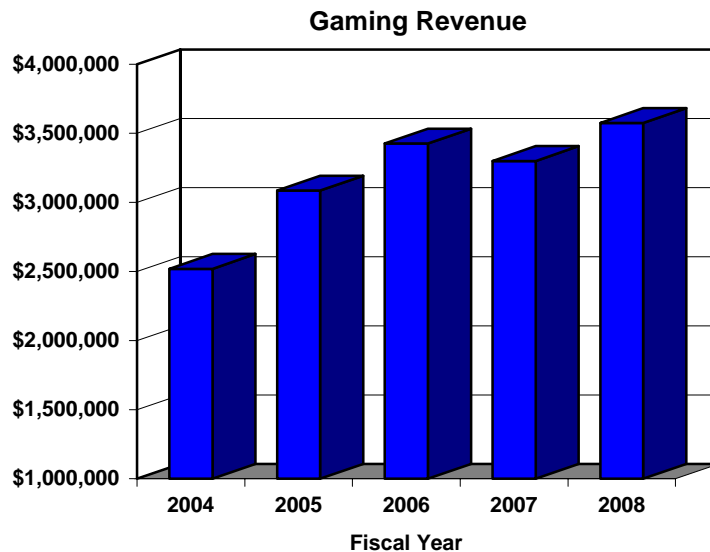
Landing and aircraft fees are anticipated to increase 12 percent as compared to the 2006-07 budget. The RTAA's five-year agreement with the airlines was executed October 1996 and extended for an additional three years effective July 1, 2001 with an additional three year extension effective July 1, 2004. Discussions are ongoing concerning extending the agreement for an additional two years effective July 1, 2007. The agreement is a hybrid compensatory/revenue sharing agreement with landing fees calculated based on the airfield cost center expenditures, and airline rents calculated based on the terminal building cost center expenditures. The non-airline cost centers are Ground Transportation, Reno Stead Airport, and Other. All revenues and expenses are assigned to a cost center with expenses netted against revenues for each cost center. At year-end, net revenues received from all cost centers are shared 50 percent with the Signatory Airlines to reduce the following year's landing fee rate and 50 percent to the RTAA. The 2006-07 landing fee rate was budgeted at \$1.90, while the 2007-08 landing fee rate will be \$2.03. The \$2.03 rate will be charged to all signatory airlines. The non-signatory airline rate was budgeted at \$2.60 for 2006-07, while the 2007-08 non-signatory

landing fee rate will be \$2.45. Detailed landing fee and rental rate calculations were shown earlier in this section.

It would be an administrative burden to charge a landing fee to all the small private aircraft (general aviation) using the airports. Revenues are collected from the general aviation aircraft in the form of fuel flowage fees. This ensures that general aviation pays a share of the expenses of maintaining and developing the airfield area. These amounts appear in the aircraft fees' section of the revenue budget and are expected to decrease 3 percent as compared to the 2006-07 budget. The fuel farm rental amounts are also in this section of the budget. The RTAA owns the fuel facilities and leases them to operators. The fuel farm rental rates are based on the debt service to construct the facilities. The Landing Fees shown for the Reno Stead Airport are for the fire fighting aircraft based there.

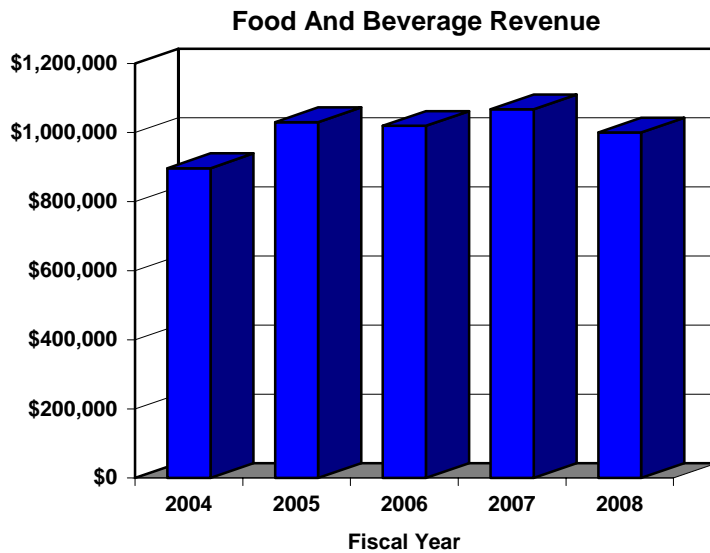
CONCESSION REVENUE

Concession revenues are predicted to increase 4 percent for fiscal 2008. Concession revenue consists of the following: food and beverage, merchandise, gaming, rental cars, advertising, aircraft ground service providers and fixed base operators. There are also smaller concessions such as telephones, luggage carts and newspaper vending machines that contribute a percentage of their gross revenues to the RTAA. The concession agreements are usually based on the greater of a minimum annual guarantee (MAG) or percentage of gross revenues being paid to the RTAA.

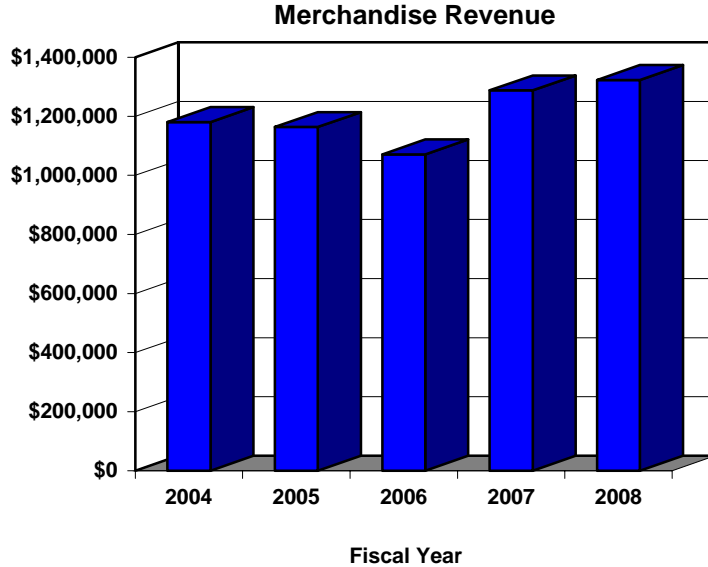


Gaming revenue is a unique source of revenue for Nevada airports. International Game Technology (IGT) operates the gaming concession and their agreement expires November 30, 2008. The contract states that IGT must pay the RTAA a concession fee of 57 percent of Net Win the first year, 57.5 percent the second year, and 58 percent the third year or the MAG of \$2,400,000, whichever is greater. The fiscal 2007-08 budget is 8 percent more than the prior year budget. This increase is due to the continuing increase in passenger activity being experienced by RTAA, and actual 2006-07 revenues exceeding the budget amount. The graph

depicts actual gaming concession revenues for 3 years and the budgeted amounts for 2006-07 and 2007-08.

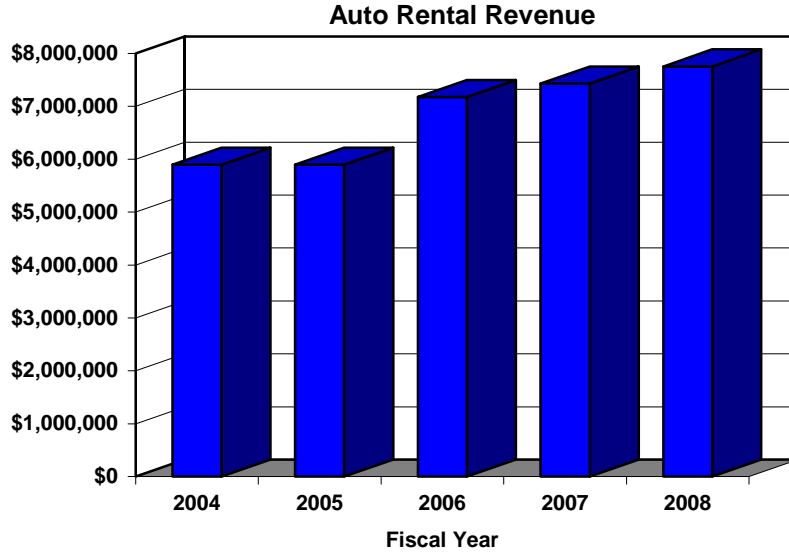


Creative Host Services (CHS) was awarded the food and beverage concessions effective October 2001. The concession agreement calls for CHS to pay the RTAA a percentage of revenues ranging from 8 percent to 18 percent depending on product type, or a MAG which is 85 percent of previous year's payments but not less than \$800,000, whichever is greater. With the passenger growth, revenues are budgeted to increase 4 percent over 2006-07 projected revenues. This percentage increase is in conjunction with the percentage increase anticipated in enplanements. The concessionaire offers branded foods, such as McDonald's in the lobby food court and Peet's specialty coffee in the main lobby, and local favorites such as The Brew Brothers restaurant and pub. They also operate the bars, snack bars, and coffee shops on the concourses. CHS completed the addition of Quiznos Subs sandwich shops on each concourse during the first quarter of fiscal year 2006-07.



A 3 percent increase is projected over prior year budget and a 2 percent increase as compared to 2006-07 projected revenues in merchandising concessions. The concession agreement calls for Paradies to pay the RTAA a percentage of revenues ranging from 12 percent to 23 percent depending on product type, or a MAG which is 85 percent of previous years payments but not less than \$901,000, whichever is greater. Their stores include the Ponderosa Pines, which promotes the outdoor theme of the area, a PGA Golf Shop, Explore Reno/Tahoe, which promotes the activities that take place in the area and news and gift shops located in the main lobby and on the B and C concourses. Paradies completed a major renovation of their Adventure News store in the main lobby in June 2006 with a \$600,000 investment. Northwest Duty Free Shops has operated another merchandise alternative on the concourses for passengers since 1996.

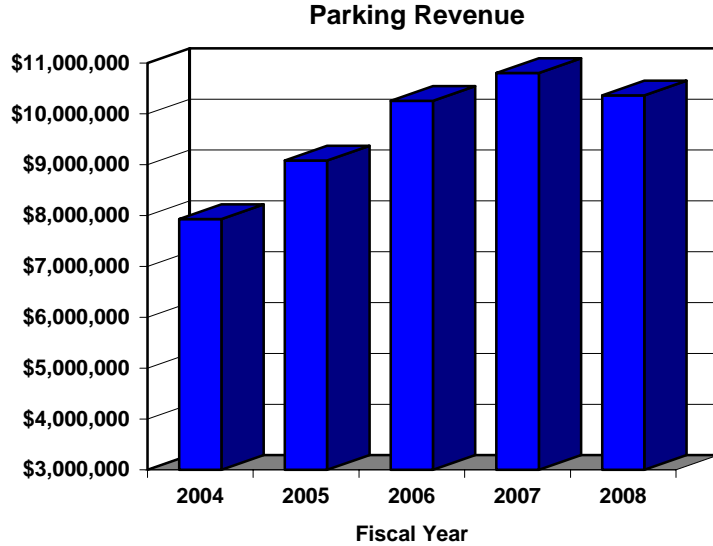
Advertising revenues are budgeted to increase 7 percent from the 2006-07 budget amount and 1 percent from the 2006-07 projected amount. The increase as compared to the 2006-07 budget is due to advertising performing above the 2006-07 budget amount and a slight increase anticipated in 2007-08. A three-year agreement was entered into with the Elizabeth Younger Agency that expires December 31, 2008 with one 2-year extension option.



Effective May 1, 2002 all of the auto rental concessionaires servicing the airport are located on the airport. “On airport” rental car companies have a check in counter on the airport versus “off airport” rental car companies that have only a shuttle bus on the airport to take their customers to an off airport site for the rental and return of their vehicles. Revenues are budgeted at \$7,755,020 for 2007-08. This amount is based on the concessionaires’ current year performance as well as the Minimum Annual Guarantees (MAG) of the various rental car companies and represents a 6 percent growth in projected revenues. This concession represents 24 percent of the Airport’s total budgeted non-airline operating revenues.

There are seven (7) on airport car rental agencies, Advantage, Cendant doing business as Avis and Budget, Dollar, Enterprise, Hertz, Thrifty, and Vanguard doing business as Alamo and National. This budget amount is 4 percent, or \$324,609 above the 2006-07 budget and 6 percent, or \$467,826 above the 2006-07 projected amount. This increase is primarily due to the rental car concessionaires entering into new 5-year agreements with the RTAA effective July 1, 2005 with increased MAG amounts. The agreements have an abatement clause which waives the MAG if certain criteria are met.

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



Total auto parking and ground transportation revenues are budgeted to decrease 4 percent from the prior year budget and increase 2 percent from the 2006-07 projected revenues. This increase as compared to the projected revenue is due primarily to the anticipated increase in passenger traffic. It is also assumed that more patrons will use the parking garage as a result of the continuing Transportation Security Administration restrictions regarding parking in front of the terminal building. Auto parking represents 31 percent of the Airport’s total budgeted non-airline operating revenues

Ground transportation fees are paid by transportation operators such as limousines, shuttle buses, and taxicabs. It is projected this revenue budget will decrease 6 percent as compared to the prior year’s budget but will increase 3 percent compared to the 2006-07 projected revenues.

SPACE RENTALS

Space rents are budgeted to increase 6 percent for fiscal 2008. As mentioned previously, the airlines pay for their space based on the airline agreement’s rental rate calculation. For fiscal year 2007-08, the average rental rate is \$62.64 per square foot per annum. In comparison, the 2006-07 average rental rate was \$62.22.

RTIA non-terminal building rents and Reno Stead rents are from aviation related tenants at the airports. These rental rates are set based on market or appraised values. Many of these rental agreements specify annual rate increases based on the consumer price index or periodic reappraisals. The Reno-Tahoe non-terminal building rents will increase 19 percent for fiscal year 2007-08. The increase is primarily a result of mini-warehouses being managed internally as opposed to being handled by an outside contract as was done in previous years. The facility’s gross revenue has been included in the budget, unlike the previous years with only the net revenue amount received from the outside contractor included in the budget. The increase is also due to building and land rents on property recently purchased by the RTAA having a history on

which to base budget estimates, and the anticipated development of existing vacant airport property.

REIMBURSED SERVICES

Reimbursed services are budgeted to increase 15 percent or \$130,075 for fiscal 2008. The security service reimbursement includes the anticipated amounts to be received from the Transportation Security Administration as a result of using RTAA police officers at the concourse checkpoints as well as for participation in the National Explosives Detection Canine Team Program. This category includes waste disposal services, and reimbursement for utilities. The disposal services fees are based on prior year actual numbers while the utilities are billed at actual costs.

NON-OPERATING REVENUE

Non-operating revenue consists of interest earnings on the surplus funds the RTAA has invested. An increase is predicted for investment earnings for fiscal 2007-08 as compared to the 2006-07 projection. This is due to an increase in the investment rate on the RTAA's investments. The RTAA's bond resolution and state laws limit the types of investments the RTAA can use. The investments are typically very conservative federal government backed securities.

NON-RATE BASE REVENUE

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

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

**2007-08
ANNUAL BUDGET**

Summary of Budgeted Revenues	Actual 2005-06	Budget 2006-07	Budget 2007-08	Percent Change
Landing Fees - Reno-Tahoe				
Signatory Airlines-Scheduled Carriers	\$5,285,866	\$5,671,270	\$6,951,709	
Signatory Airlines - Freight Carriers	610,426	857,297	934,154	
Non Signatory Airlines - Scheduled Carriers	604,629	638,417	289,938	
Charters, FBO's	0	0	0	
Non Signatory Airlines - Charters	96,865	16,674	24,360	
Non-Signatory Airlines - Air Freight Carriers	45,171	47,479	33,379	
	<u>6,642,957</u>	<u>7,231,137</u>	<u>8,233,540</u>	14%
Aircraft Fees - Reno-Tahoe				
Fuel Flowage	208,623	230,000	210,000	
Aircraft Parking	81,570	115,000	105,000	
Aviation Gas Tax Refunds	13,443	0	0	
Fuel Farm Use Fee - RFFC	514,068	515,000	515,000	
Fuel Farm Use Fee - Jet West	60,060	60,000	65,000	
	<u>877,764</u>	<u>920,000</u>	<u>895,000</u>	-3%
Aircraft Fees - Reno-Stead				
Fuel Flowage	16,119	12,000	16,000	
Landing Fees	8,836	8,000	9,000	
	<u>24,955</u>	<u>20,000</u>	<u>25,000</u>	
TOTAL Aircraft Fees	<u>\$7,545,676</u>	<u>\$8,171,137</u>	<u>\$9,153,540</u>	12%
Concession Revenue				
Gaming Revenue	\$3,425,940	\$3,300,000	\$3,575,000	8%
Food and Beverage Revenue	1,019,313	1,067,500	1,000,000	-6%
Merchandising Revenue				
Ethel M Chocolates	100,839	100,000	100,000	
Newspaper vending machines	3,908	5,000	3,000	
Duty Free Shop	75,000	75,000	75,000	
Newsstand and Gift Shop	891,177	1,108,000	1,145,000	
	<u>1,070,924</u>	<u>1,288,000</u>	<u>1,323,000</u>	3%
Other Concession Revenue				
Fixed Base Operators - Reno-Tahoe	113,337	112,000	143,000	
Fixed Base Operators - Reno-Stead	22,127	22,000	22,000	
Security Services	90,153	86,000	84,000	
Ground Handling/Support Services	322,008	320,000	270,000	
	<u>547,625</u>	<u>540,000</u>	<u>519,000</u>	-4%
Advertising Revenue	866,313	910,000	970,000	7%
Miscellaneous Concession Revenue				
Other Concessions	23,465	27,000	28,000	
Luggage Carts	83,133	83,000	83,000	
Pay Telephones	49,884	27,500	5,500	
Vending - Video Arcade	18,868	23,000	0	
ATM	103,192	100,000	100,000	
	<u>278,542</u>	<u>260,500</u>	<u>216,500</u>	-17%
Total Other Concession Revenue	1,692,480	1,710,500	1,705,500	0%
Total Concession Revenue Excluding Auto Rental and Gaming	3,782,717	4,066,000	4,028,500	
On Airport Auto Rental	<u>7,176,936</u>	<u>7,430,411</u>	<u>7,755,020</u>	4%
TOTAL Concession Fees	<u>\$14,385,593</u>	<u>\$14,796,411</u>	<u>\$15,358,520</u>	4%

**2007-08
ANNUAL BUDGET**

Summary of Budgeted Revenues	Actual 2005-06	Budget 2006-07	Budget 2007-08	Percent Change
Auto Parking and Ground Transportation				
Auto Parking/Traffic Control				
Public Parking Lot	\$9,829,966	\$10,353,000	\$9,931,300	
Employee Parking	104,835	115,000	108,000	
Parking Fines	55,902	49,000	55,000	
	<u>9,990,703</u>	<u>10,517,000</u>	<u>10,094,300</u>	-4%
Ground Transportation				
Taxi Loop	114,570	135,000	105,000	
Limousines	10,252	10,500	15,200	
Buses	135,323	133,800	144,800	
Permit Fees	4,480	5,500	4,000	
	<u>264,625</u>	<u>284,800</u>	<u>269,000</u>	-6%
TOTAL Auto Parking and Ground Transportation	<u>\$10,255,328</u>	<u>\$10,801,800</u>	<u>\$10,363,300</u>	-4%
Space Rentals				
Terminal Rents, Signatory Airlines				
Ticket Counter	\$397,020	\$422,174	\$425,037	
Holding Room Rental	1,956,405	1,846,852	1,859,476	
Bag Makeup Area Rental	1,095,485	1,195,689	1,203,606	
Office Rental	875,576	942,011	948,450	
Bag Service Office Rental	143,652	162,302	163,388	
Common Use Tug Drives	332,805	386,788	389,432	
Operations Area Rental	771,204	786,248	791,454	
Outside Storage Area	59,760	67,503	67,964	
Common Bag Claim Rental	1,166,588	1,359,231	1,368,328	
	<u>6,798,495</u>	<u>7,168,798</u>	<u>7,217,135</u>	1%
Terminal Rents, Other				
Government Agencies	179,708	186,000	204,100	
Car Rental Counters	288,144	325,513	327,728	
Other Terminal Rents	14,400	15,000	25,000	
Welcome Center	72,520	80,500	86,600	
	<u>554,772</u>	<u>607,013</u>	<u>643,428</u>	6%
Reno/Tahoe Non-Terminal Rents				
Building Rental	1,338,379	1,391,500	1,880,900	
Land Rental	1,835,168	1,764,800	1,895,400	
Sewer Use Fee	17,005	14,000	5,000	
	<u>3,190,552</u>	<u>3,170,300</u>	<u>3,781,300</u>	19%
Reno Stead Rents				
Building Rental	59,069	60,500	68,000	
Hangar Rental	191,174	257,000	241,000	
Airfield Rental	47,276	46,500	50,000	
Land Rental	166,372	148,000	135,000	
Sewer Use Fee	7,467	8,000	8,000	
Wash Rack	86	0	0	
Mini Warehouse Rent	9,740	10,000	10,500	
Other Rental	24,100	17,000	23,000	
	<u>505,284</u>	<u>547,000</u>	<u>535,500</u>	-2%
TOTAL Space Rentals	<u>\$11,049,103</u>	<u>\$11,493,111</u>	<u>\$12,177,363</u>	6%
Reimbursed Services				
Security Services	\$574,756	\$595,000	\$720,000	
Utilities	40,249	40,100	40,100	
Maintenance	7,135	5,000	3,000	
Disposal Fees	159,937	147,000	155,000	
Passenger Aides	30,800	31,725	30,800	
Rental Car QTA Admin Costs	24,000	24,000	24,000	
TOTAL Reimbursed Services	<u>\$836,877</u>	<u>\$842,825</u>	<u>\$972,900</u>	15%

**2007-08
ANNUAL BUDGET**

Summary of Budgeted Revenues	Actual 2005-06	Budget 2006-07	Budget 2007-08	Percent Change
Miscellaneous Revenue	\$24,635	\$0	\$0	
TOTAL OPERATING REVENUE	\$44,097,212	\$46,105,284	\$48,025,623	4%
Non-Operating Revenue				
Investment Interest	\$1,460,951	\$1,900,000	\$1,860,000	
Gain (Loss) on Sale of Fixed Assets	496,591	0	0	
Damage Claim Reimbursement	0	0	0	
Gain (Loss) on Sale of Investments	(192,216)	0	0	
Miscellaneous	3,167	0	0	
TOTAL Non-Operating Revenue	1,768,493	1,900,000	1,860,000	-2%
TOTAL Pledged Revenue	\$45,865,705	\$48,005,284	\$49,885,623	4%
Non-Rate Base Revenue				
Insurance Claim Reimbursement	\$0	\$0	\$0	
Aviation Gas Tax	414,874	425,000	400,000	
Investment Interest, Construction Fund	0	0	0	
Investment Interest, Non-Bond	11,542	10,000	17,000	
Investment Interest, Consent Decree	0	10,000	0	
Investment Interest, Fifth Interim Agreement	902	0	0	
Investment Interest, Flood Grant	167,551	130,000	200,000	
Investment Interest, Acquisition Fund	17,531	14,000	28,000	
Investment Interest, Flood Proceeds	378,778	350,000	450,000	
Investment Interest, Fuel Tax Fund	167,059	10,000	40,000	
Investment Interest, PFC	825,571	700,000	1,400,000	
PFC Revenue	10,203,647	10,986,000	9,768,000	
Gain (Loss) on Sale of Investments	(293,730)	0	0	
Miscellaneous	5,113	0	0	
TOTAL Non-Rate Base Revenue	\$11,898,838	\$12,635,000	\$12,303,000	-3%
TOTAL REVENUES	\$57,764,543	\$60,640,284	\$62,188,623	3%

**2007-08
ANNUAL BUDGET
Section 3 – Expenditures**

This budget reflects a dedicated effort to keep the cost per enplaned passenger low, while using staff innovation, technology, and carefully targeted maintenance outsourcing to maintain the RTAA's standard of customer service. Due to the small increase in enplaned passengers, the original 2007-08 O&M budget requests from each section resulted in an unacceptably high cost per enplanement. To stay near the RTAA goal of a \$5.00 per enplanement cost, all of the RTAA sections were asked to reduce their budget requests. As a result the O&M budgets shown for Purchased Services, and Administrative Expenses are lower than the current year's budgeted, or projected amounts. The low budget amounts necessarily submitted by the staff will challenge their ability to maintain the current level of customer service. Several current customer service and maintenance items are also being deferred to the future.

The total 2007-08 budgeted O & M expense request is \$33,655,586. This is 4.4 percent above the 2006-07 budget and 9.6 percent above 2006-07 projected expenditures. This increase is made up of:

- Personnel Services budget is increasing by 7.9 percent over the prior year budget. A portion of this increase is for three new Property Administration positions that will manage a warehouse facility whose operation was outsourced. This budget is also increasing for the security positions added at mid year in 2006-07 that will now be budgeted for an entire year. After allowing for new positions, and other benefit cost increases, the amount budgeted for merit salary increases, and negotiated wage increases is growing by 5.7 percent.
- Utilities and Communications is increasing 7.7 percent due to anticipated rate increases.
- Purchased Services are decreasing 10.8 percent. As mentioned previously, this portion of the budget has been reduced to limit the increase in airline operating costs collected by the RTAA. More repairs will have to be completed by the RTAA staff, rather than by vendors under maintenance agreements. The RTAA will not prepare an annual report for the community in 2007-08. This document is not the annual audited financial statement.
- Materials and Supplies are increasing 4.6 percent due mainly to increased costs for items with prices that are affected by petroleum prices, such as trash can liners, pavement repair materials, and a major runway light replacement project.
- Administrative Expenses are declining 8.2 percent due mainly to significant reductions in travel, and off site professional and technical training. Projected reductions in property and liability insurance premiums, due to market conditions rather than coverage changes, are also contributing to this reduction.

The core of the Terminal building was constructed in 1960. The current configuration of the ticketing lobby and concourses was built in 1979. Several essential costs to maintain or projects to rebuild the aging terminal building are reflected in the 2007-08 budget requests.

The \$33,655,586 O&M Budget amount shown on the following page is \$390,400 higher than the O&M Budget amount shown in the previous airline rate calculations due to expenditures funded by fuel tax revenues which are not part of the airline rate setting mechanism.

	PRIOR YR ACTUAL 2005-06	CURR. YR. BUDGET 2006-07	CURR. YR. PROJECTED 2006-07	BUDGET REQUEST 2007-08	PERCENT CHANGE	
					08 BUDGET REQUEST TO 07 BUDGET	07 PROJECTED
Personnel Services	\$ 19,930,746	\$ 21,876,592	\$ 20,613,358	\$ 23,612,300	7.9%	14.5%
Utilities & Communications	2,567,892	2,776,870	2,980,610	2,990,213	7.7%	0.3%
Purchased Services	3,179,590	3,722,900	3,464,640	3,319,893	-10.8%	-4.2%
Materials & Supplies	1,660,111	1,473,335	1,418,200	1,540,536	4.6%	8.6%
Administrative Expenses	2,302,754	2,387,954	2,222,681	2,192,644	-8.2%	-1.4%
Total	\$ 29,641,093	\$ 32,237,651	\$ 30,699,489	\$ 33,655,586	4.4%	9.6%

As with any organization providing service, most of the RTAA's O&M budget is for personnel costs. The pie chart following the list of Board goals, on page 54, shows the relative sizes of the major expense categories of the annual O&M budget.

The following are the strategic goals adopted by the Board, the previous fiscal year 2006-07 accomplishments, and the new fiscal year 2007-08 key initiatives related to the Board goals.

1. Efficient Airport Operations

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

2006-07 Accomplishments

- Pass the FAA Federal Aviation Regulation Part 139 Annual Inspection Process to insure airfield, airside, landside and public safety regulatory compliance - Accomplished
- Implement a landside transportation program that considers current and future operational needs in public parking and ground transportation including fee structure and increased use of technology - The parking and ground transportation area's new computerized revenue control system is being installed and should be fully implemented early in 2007-08.
- Conduct a Wildlife Hazard Survey – The survey is underway and will be completed in 2007-08. The survey takes a year to complete so that the study can survey wildlife during all four seasons of the year.
- Ground was broken for the new Aircraft Rescue and Fire Fighting (ARFF) Station. The new Fire House will be able to house all the recently acquired Aircraft Rescue and Fire Fighting equipment.
- RTIA was judged to be the fifth most efficient airport in the United States by the Air Transport Research Society based on the volume of aircraft and passenger activity compared to financial parameters.
- The installation of the new parking revenue control system was completed, including new attendant booths, ticket dispensers, and "pay on foot" stations in the parking garage.
- The Steele Ranch buildings, near the approach to the airfield, were demolished. This brings to a close a long process of acquisition, relocation, and work with various historic preservation agencies.
- The RTAA received a letter of closure from the Nevada Department of Environmental Protection that terminated the quarterly monitoring and active remediation (pumping) of the Airport West groundwater.

2007-08 Key Initiatives

- Ensure airport is ready for Federal Aviation Administration (FAA) Regulation Part 139 Certification Inspection, and coordinate the inspection and post inspection review, and any corrective actions to insure airfield, airside, landside and public safety regulatory compliance.
- Implement the ground transportation phase of the comprehensive Landside Revenue Control program, which includes vehicle identification technology and a new fee structure.
- Successfully limit access to RTAA information technology resources to authorized users. This includes email, data storage areas, and Internet access.
- Efficient removal of snow and ice as needed from aircraft, vehicle, and passenger movement areas.
- Maintain a high standard of cleanliness in the Terminal Building and other RTAA facilities.
- Inspect, and perform preventive maintenance or service on RTAA building systems, and operate the Terminal Building heating, ventilation, and air conditioning system.
- Use newly acquired equipment to remove runway rubber buildup when necessary to meet Federal Aviation Regulation Part 139 compliance.
- Maintain airside, and landside pavements and pavement markings.
- Maintain RTAA landscaping.
- Support and coordinate special events at RTIA, and Reno Stead Airports.
- Manage RTAA 800 MHz radio system and Inter-local agreement with Washoe County Regional Communications System.
- Identify and monitor underground storage tanks for RTAA and tenants with tanks on RTAA property.
- Ensure that all currently owned water rights are maintained and when additional land is acquired have the associated water rights recognized.
- Provide specified inspections of all building, and hangars, as well as fueling, and other equipment.
- Complete the design of the access control system. This system includes terminal building and airfield perimeter entrances to the secure portions of RTIA.
- Complete an analysis of the viability and alternatives for the current terminal building energy management control system.
- Coordinate the management of the Storm Water Pollution Plan (SWPPP) Permits and Compliance for both RTIA and RSD

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.

2006-07 Accomplishments

- Completed passenger service and access improvement projects in the terminal building including: remodeled food and beverage concession areas, and remodeled baggage claim area restrooms.
- Free Wi Fi service is available in the terminal building giving computer users wireless internet access.

- Restrooms were cleaned prior to each day's peak usage time, supplemented with a mid-peak inspection. The restroom facilities were monitored and additional cleaning was provided during the remodeling project.
- Monitor maximum wait times to exit parking and utilize this input to adjust staffing within budget capabilities – The staffing levels were increased and adjusted.
- Continued the operation of the Transportation Security Administration National Explosive Detection Canine Team Program with the training of an additional Airport Police Officer and the acquisition of another Canine Officer to replace a previously trained officer that retired.
- The automatic doors in the terminal building ticketing lobby were all replaced. These doors had been in use since 1980.
- The two large baggage claim area multi screen video walls were replaced with smaller monitors on the columns in the area. The smaller monitors also resulted in less noise in the bag claim area with the lower audio volume levels possible with this new system.
- The carpet was replaced in the high traffic areas of the lobby, security screening, and bag claim.
- The food concession areas are monitored daily for hours of operation and staff on duty to ensure food is available for the passengers, and others using the building.

2007-08 Key Initiatives

- Complete passenger service improvement projects in terminal building, and concourses including: in-line checked baggage security system, and public address and communication systems.
- Develop customer service standards with tenants.
- Insure that restrooms are cleaned hourly, and prior to each day's peak usage time, supplemented with a mid-peak inspection.
- Provide and maintain all aspects of Ground Transportation to provide services and maintain compliance with all regulations.
- Provide the traveling public with highest quality of parking services while maintaining a safe, secure environment by monitoring parking exit times and adjusting staffing within budgeted capabilities.
- Continue participation in the Transportation Security Administration National Explosive Detection Canine Team Program.
- Provide for the safety and security of the traveling public. Provide physical security for the aircraft. Meet requirements of Transportation Security Regulation (TSR) Part 1542 and assist air carriers with requirements for TSR Part 1542 and 1544.
- Respond to emergencies on RTIA and Reno Stead Airports (RSD) properties to provide protection of life, property and the environment.
- Inspect RTAA property to support routine and unplanned projects.
- Maintain accurate Facility Assessment Condition and Maintenance reports.
- Dispatch routine and emergency radio calls as necessary.
- Input, modify and assist in entering accurate and timely information in the Flight Information Display System.

3. Maximize Staff Effectiveness

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

2006-07 Accomplishments

- Complete the review and update of personnel policies and procedures – This process will be ongoing. The Sick Leave Transfer and Uniform policies were developed. The Computer Use, and Travel Policies were also updated.
- Provided at least 20 hours of training per employee – 209 employees (86 percent not including newly hired employees) met the goal of at least 20 hours of training.
- Fully implemented the RTAA's online performance evaluation process for management and employees across all departments.
- Conducted disaster training as required by the FAA, and provided required OSHA safety training.
- The management staff participated in the "Walk a mile in my shoes" program to learn the activities of the airport passenger aides, and to be able to assist them as needed in the event of an emergency.

2007-08 Key Initiatives

- Support professional development through membership and involvement in industry associations and training opportunities.
- Provide meaningful training for all employees to enable successful performance of their jobs.
- Provide at least 20 hours of training per employee.
- Complete the RTAA's on line application system to increase the system's accessibility and the resulting applicant pool.
- Administer human resources policy and procedures; and provide training on policy changes.
- Produce 12 editions of the employee newsletter, the Runway Reporter.
- Conduct disaster training as required by the FAA, and provide required OSHA safety training.
- Standby as required for potentially hazardous operations.
- Ensure compliance with Disadvantaged Business Enterprise Program

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.

2006-07 Accomplishments

- Maintained a low cost per enplaned passenger at \$4.80, below the \$5.00 goal.
- Continue to aggressively apply for federal, and passenger facility charge capital project funding - \$18.4 million in FAA grants was received in 2006-07.
- Audit 300 days of parking revenues, spot check 90% of internal parking controls – 365 days were audited

- Evaluate outsourcing opportunities – nightly public restroom cleaning was added to the previously outsourced heavy carpet cleaning, window cleaning, and jet bridge maintenance
- The building assessment was completed, and the airside, and landside pavement evaluations updated to determine future maintenance needs
- Obtained both the Government Finance Officer’s Budget and Financial Statement Awards.
- Prepared a monthly financial operating report to inform the Board and Management of the RTAA financial condition, and the status of the airline landing fee and rental rate.
- Reduce the accounts receivable sub ledgers' outstanding balance- The balance for accounts receivable over 60 days was reduced from \$133,000 to \$68,000.
- Surplus property was disposed of at public auctions pursuant to the requirements contained in Nevada law.
- A development and land lease agreement was executed with a developer and Hyatt Hotels for property near the entrance to the RTIA.
- After several demonstrations and site visits, a financial accounting system vendor has been selected to demonstrate their system for the RTAA Board of Trustees.

2007-08 Key Initiatives

- Maintain cost per enplaned passenger as close to \$5.00 as possible given the current passenger activity levels.
- Maximize concession revenue.
- Continue to aggressively apply for federal, and passenger facility charge capital project funding.
- Update airside and landside pavement evaluations to determine future maintenance needs.
- Audit 300 days of parking revenues, concessionaires and tenants.
- Aggressively develop vacant lands not needed for Airport operations.
- Evaluate outsourcing opportunities on a cost and performance basis for parking lot striping.
- Obtain the Government Finance Officer’s Budget and Financial Statement Awards.
- Implement a new computerized financial accounting system to improve management’s access to financial information.
- Negotiate a lease with a developer for an office building, and retail sites on the Airport West property near the entrance to RTIA.
- Maximize investment income within parameters established by RTAA Investment Policy and Bond Resolutions.
- Provide a comprehensive and informative Comprehensive Annual Financial Report.
- Prepare a monthly financial operating report to inform the Board and Management of the RTAA’s financial condition.
- Set airline rates at acceptable levels pursuant to the airline agreement
- Administer Federal grants, and funds effectively.
- Obtain RTAA Insurance Coverage for property, liability, and employee benefits.
- All procurements in excess of \$25,000 are formally, and competitively bid within 60 days of receipt of specifications.
- Ensure surplus property is disposed of in accordance with the requirements contained in NRS 332.
- Receive and issue materials and supplies for work order-based purchases in less than 4 hours. Stock inventory received in less than 2 days. Maintain and operate storeroom, stock locations and bins on a daily on-going basis.

- Ensure that tenants are in compliance with their leases, revenue opportunities are aggressively pursued, tenant issues responded to in a timely manner.
- Audit all employee issued purchasing cards, and credit cards to assure compliance with RTAA policies.

5. Air Service Development

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

2006-07 Accomplishments

- Develop and present air service development route analyses and business cases to US passenger and cargo airlines. Forty-two (42) airline visits were made to twenty-six (26) passenger and cargo carriers.
- Planned and coordinated an event to celebrate the selection by Southwest Airlines of their Reno location as their “station of the year.”
- Re-branded the RTAA’s air service development message to “And up we go.”

2007-08 Key Initiatives

- Identify and evaluate potential new air service markets.
- Continue evaluation of existing markets to provide support if needed.
- Develop and present route analysis and business plans to increase frequency in key markets – Atlanta, and develop new service to the major “un-served” markets – Baltimore/Washington, New York City, and Southern California.
- Develop and present air passenger business plans to at least four low cost airlines such as Southwest, JetBlue, Frontier, WestJet, and AirTran.
- Focus on replacing nonstop air service to the Minneapolis, St. Paul market.
- Pursue international air service as a secondary priority by developing and presenting and air service development business plans to applicable airlines.
- Develop and present air cargo business plans to domestic, and international cargo carriers as appropriate.
- Continue the partnership with community agencies to support new air service.

6. Master Development Planning

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

2006-07 Accomplishments

- Implement the Checked Baggage Security Screening project to reconfigure the ticketing lobby for improved passenger flow and queuing areas – The configuration of the new system was finalized with the airlines and the TSA, including a \$7 million TSA contribution to the project.

- Completed Phases 13, and 14 of the Sound Insulation Program which insulates homes impacted by aircraft noise – With the completion of Phase 14, more than 1,400 homes have been insulated.
- Complete the Nevada Air National Guard (NANG) Land Exchange if initiated by NANG – This project was delayed waiting for the decision of the Base Realignment and Closure Committee to continue operations at the NANG base.
- A conceptual analysis of the future terminal building expansion, and a debt capacity analysis were completed, and presented to the RTAA Board.
- Develop the annual Airport Capital Improvement Program (ACIP) for the FAA – The annual Plan was updated for the FAA.
- Actively participate in the new FAA Air Traffic Control Tower design – The final tower and site design were developed with RTAA guidance and final approval.
- The design was completed and ground was broken for the new Aircraft Rescue and Fire Fighting (ARFF) facility. The project is being funded with Federal grants and will replace the current facility which was constructed in the 1960's.

2007-08 Key Initiatives

- Coordinate an industry general session peer review regarding RTIA terminal development
- Visit other airports to view how RTIA terminal development issues have been solved by others.
- Develop the annual Airport Capital Improvement Program (ACIP) for the FAA.
- Coordinate the design, and construction of the in-line checked baggage security screening system
- Complete the construction of the new Aircraft Rescue and Fire Fighting (ARFF) facility.
- Coordinate Phases 15, 16, and 17 of the Sound Insulation Program. Phase 15 will insulate another 210 homes, and Phase 16 covers 90 homes. The number of Phase 17 participants has not yet been determined.
- Continue to complete the projects indicated by the airside and landside pavement evaluations.
- Complete the last phases of the projects to replace the terminal building roof.

7. Stead Airport Operations

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

2006-07 Accomplishments

- All of the tenant hangars were inspected by the RTAA's fire inspectors.
- Maintained an ongoing assessment and response to tenant needs with a maximum 24-hour response time
- Attended and participated in the Reno Stead Users group meetings.
- Continued the ongoing airfield/asphalt maintenance program of pavement and crack sealing.

2007-08 Key Initiatives

- Maintain ongoing assessment and response to tenant needs with a maximum 24-hour response time
- Continue the ongoing airfield/asphalt maintenance program
- Continue general airport cleanup including improvements to the airport entrance with modern signs and security devices.
- Produce an annual report using in-house resources.
- Maintain ongoing relationship with surrounding neighborhood associations.
- Assist in the success of the Reno Air Races by providing airport facilities that are ready for the event.
- Complete the budgeted Modernization of Fire Suppression System capital project.
- Coordinate the FAA's installation of the instrument landing system.
- Begin using at the Reno Stead Airport the maintenance management system used by the RTIA Airfield and Building Maintenance staff.
- Assist the Planning staff and consultants in updating the Reno Stead master plan.

8. Community Relations

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

2006-07 Accomplishments

- Combined the Airport Ambassador and Passenger Aide programs. These staff members assist in queuing passengers in the ticketing lobby, and the security checkpoints.
- Hosted the September 2006 ACI-NA Annual Conference with 2,500 participants, July 2006 Southwest Chapter of AAAE Annual Conference, and March 2007 ACC/AAAE Planning and Design Symposium.
- Prepare video public information campaigns for local broadcast - Video newsletters were broadcast bi-monthly on the local cable public access channel.
- The "Ask the Airport" page of the RTAA web site was monitored daily and responses were emailed.
- Produced an Annual Report for RTIA – An annual report was prepared and distributed to the community.
- Produced award winning local airport television shows, volley ball festival welcome, and restroom remodeling project communications program.
- A community "welcome" for large conference attendees was accomplished with events held in the Terminal Building to announce and celebrate the Women's Volley Ball Tournament, and the new Reno Jazz Festival.
- An airport employee night was coordinated for a performance of the Lake Tahoe Shakespeare Festival.

2007-08 Key Initiatives

- Provide airport information and community outreach through various forms of media and programs such as a monthly broadcast of the "Plane Talk" airport television show on Sierra Nevada Cable Access Television.

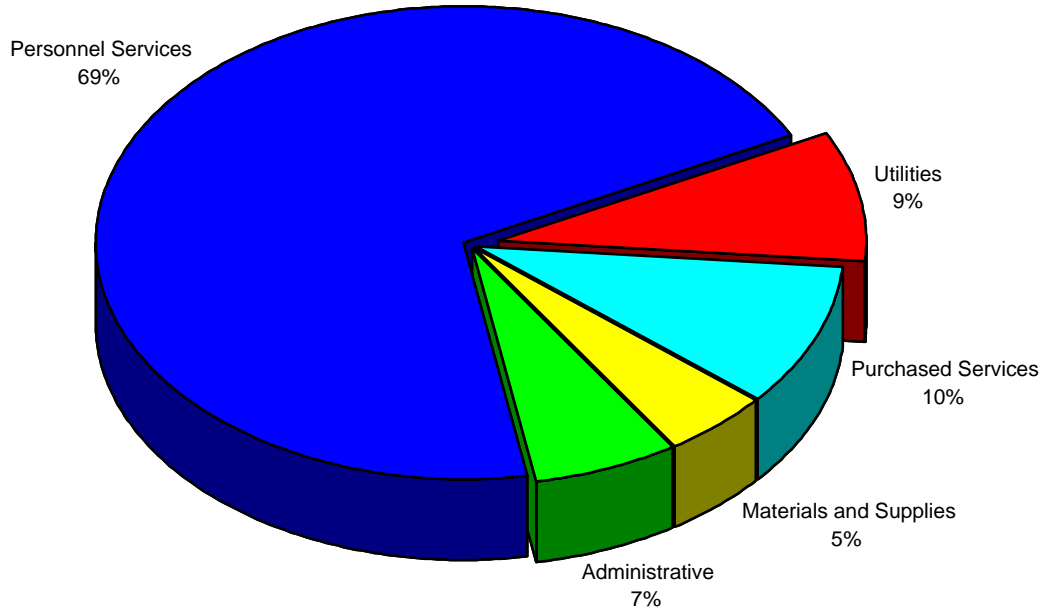
- Maintain and enhance customer service and community outreach by hosting staff and community meetings, as well as press conferences.
- Complete the installation of a permanent noise monitoring system.
- Conduct and analyze a survey on passenger satisfaction with resident and non-resident customers.
- Represent the RTAA with community groups and for speeches.
- Identify new and creative ways of bringing a community “welcome” to large conference attendees.
- Continue the RTAA’s art program, and music events in the terminal building.
- Continue the RTAA’s sponsorship of community events such as Artown.

The individual departmental budgets following this narrative are organized in the following manner. The department or section mission statement is followed by the department or section work plan summaries. The work plans are detailed lists of the activities performed by each department that will accomplish the goals established by the Board. The 2007-08 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.

**2007-08
ANNUAL BUDGET**

Operation & Maintenance Expenditures

2007-08 O&M Expenditures



EXPENDITURES	
Personnel Services	\$ 23,612,300
Utilities	2,990,213
Purchased Services	3,319,893
Materials and Supplies	1,540,536
Administrative	<u>2,192,644</u>
Total	\$ 33,655,586

**2007-08
ANNUAL BUDGET
Summary of Budgeted Expenditures**

<u>Account Group</u>	<u>2005-06 ACTUAL</u>	<u>2006-07 BUDGET</u>	<u>2007-08 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 19,930,746	\$ 21,876,592	\$ 23,612,300	8%
Utilities and Communications	2,567,892	2,776,870	2,990,213	8%
Purchased Services	3,179,590	3,722,900	3,319,893	-11%
Materials and Supplies	1,660,111	1,473,335	1,540,536	5%
Administrative Expenses	2,302,754	2,387,954	2,192,644	-8%
Total Operating Expenses	\$ 29,641,093	\$ 32,237,651	\$ 33,655,586	4%
Property, Plant and Equipment	409,138	585,090	595,965	2%
TOTAL	<u>\$ 30,050,231</u>	<u>\$ 32,822,741</u>	<u>\$ 34,251,551</u>	<u>4%</u>

**2007-08
ANNUAL BUDGET**

Resources Applied by Organizational Unit

	2005-06 ACTUAL	2006-07 BUDGETED	2007-08 BUDGETED
Board of Trustees Department			
Board of Trustees	\$ 137,400	\$ 173,580	\$ 143,130
Internal Audit	177,151	168,360	178,575
Legal Counsel	595,185	421,525	492,790
TOTAL	909,736	763,465	814,495
Executive Director/CEO Department			
Executive Director/CEO	501,116	558,525	754,000
Air Service and Business Development Section	1,111,025	1,041,915	730,405
Marketing and Public Affairs Section	753,541	1,075,945	1,205,420
TOTAL	2,365,682	2,676,385	2,689,825
Deputy Executive Director Department			
Deputy Executive Director	470,661	499,375	438,175
Technology and Information Systems Section	526,477	651,005	833,508
Reno-Stead Airport Section	696,882	739,525	734,000
Human Resources Section	659,174	816,075	894,770
TOTAL	2,353,194	2,705,980	2,900,453
Finance and Administration Department			
Accounting and Administration	630,644	684,060	722,100
Finance and Budgeting Section	294,387	318,545	304,780
Purchasing and Materials Management Section	397,832	459,050	447,775
Property Administration Section	527,825	676,514	943,605
TOTAL	1,850,688	2,138,169	2,418,260
Operations and Public Safety Department			
Senior Director of Operations and Public Safety	224,389	232,720	246,145
Airfield Operations Section	821,495	882,070	956,065
Landside Operations Section	1,238,366	1,188,577	1,075,415
Airport Rescue and Fire Section	2,536,934	2,609,580	2,773,663
Airport Police Section	3,277,976	3,519,685	3,931,205
Airport Communications Section	786,431	826,050	857,354
TOTAL	8,885,591	9,258,682	9,839,847
Planning and Engineering Department			
Planning and Environmental Services Section	757,122	841,325	883,565
Engineering and Construction Section	553,970	737,750	641,300
TOTAL	1,311,092	1,579,075	1,524,865
Facilities and Maintenance Department			
Director of Facilities and Maintenance	478,485	815,305	609,360
Airfield Maintenance Section	2,986,500	3,032,130	3,042,250
Building Maintenance and Services Section	7,016,212	7,658,460	8,033,431
TOTAL	10,481,197	11,505,895	11,685,041
Nondepartmental Operation and Maintenance Expenses	1,282,473	1,357,000	1,392,500
Nondepartmental Non Rate Base Expenses	201,440	253,000	390,300
Total Operations and Maintenance Expense	29,641,093	32,237,651	33,655,586
Property, Plant & Equipment	409,138	585,090	595,965
TOTAL	<u>\$ 30,050,231</u>	<u>\$ 32,822,741</u>	<u>\$ 34,251,551</u>

2007-08

Annual budget

Functions and Work Plans

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

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

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

Board Goal: Financial Stability and Maximize Staff Effectiveness

Work Plans:

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

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

Board Goal: Financial Stability and Maximize Staff Effectiveness

Work Plans:

- Review 25 percent of Accounts Payable.
- Update Policy and Procedure Manual to guide and instruct knowledgeable employees in all areas.
- Participate on committees to provide input and action for a better work environment.
- Audit 300 days of parking revenues, spot check 90% of internal controls.
- Participate in Business Development Committee (Audit Committee).
- Assist in the parking citation cash count and vending machine product and cash concerns.
- Research and implement a 6 month test for an anonymous Hot Tip line in anticipation of Sarbanes Oxley migrating in to the government sector in the near future, and to test its use as a tip line for fraud and suggestions.
- Audit 1 Fixed Base Operator.
- Shop Rental Car Concessions (RAC) to stay abreast of changing procedures. Audit two RAC's as a part of a routine audit function.

- Monitor and Audit Purchase Card use and purchases.
- Continue to audit Travel and Expense Reports
- Perform Special Assignments as presented and required by changing conditions.
- Verify Enplaned passengers for accurate AIP funding.
- Review, revise, and audit the internal controls for the new Parking Revenue Control System

2007-08
ANNUAL BUDGET
Board of Trustees
 Department Summary

<u>Account Group</u>	<u>2005-06 ACTUAL</u>	<u>2006-07 BUDGET</u>	<u>2007-08 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 236,331	\$ 234,455	\$ 241,605	3%
Utilities and Communications	1,935	1,900	-	-100%
Purchased Services	606,136	439,130	496,950	13%
Materials and Supplies	6,366	5,005	5,900	18%
Administrative Expenses	58,968	82,975	70,040	-16%
 Total Operating Expenses	 \$ 909,736	 \$ 763,465	 \$ 814,495	 7%
Property, Plant and Equipment	2,480	0	0	0%
 TOTAL	 \$ 912,216	 \$ 763,465	 \$ 814,495	 7%

**2007-08
ANNUAL BUDGET**

**BOARD OF TRUSTEES
Department 10**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Trustee Stipend	4119	\$59,920	\$60,480	\$60,480	0%
Physical Exam Exp.	4131	4,923	12,500	7,500	-40%
TOTAL PERSONNEL SERVICES		64,843	72,980	67,980	-7%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	1,926	1,800	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		1,926	1,800	0	-100%
PURCHASED SERVICES					
Consultants - General	4314	4,115	5,000	0	-100%
Other Professional Services	4319	951	12,000	5,000	-58%
Office Machine Rental	4322	2,510	2,000	2,300	15%
Freight Expense	4343	388	100	100	0%
Other Purchased Services	4349	2,541	4,000	3,000	-25%
TOTAL PURCHASED SERVICES		10,505	23,100	10,400	-55%
MATERIALS & SUPPLIES					
Paper	4411	334	500	300	-40%
Postage	4412	223	300	150	-50%
Printing & Forms	4413	386	500	2,500	400%
Other Office Supplies	4419	4,421	2,500	2,000	-20%
TOTAL MATERIALS & SUPPLIES		5,364	3,800	4,950	30%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	1,520	2,000	2,000	0%
Conference Registration	4513	8,781	8,900	6,800	-24%
Training Expense	4514	1,229	2,500	2,500	0%
Meeting Expenses	4515	12,426	12,500	12,500	0%
Travel & Reimbursed Exp.	4521	30,806	46,000	36,000	-22%
TOTAL ADMINISTRATIVE EXPENSES		54,762	71,900	59,800	-17%
TOTAL EXPENSES BEFORE FIXED ASSETS		137,400	173,580	143,130	-18%
FIXED ASSET ACQUISITION					
Machinery & Equipment	4815	2,480	0	0	0%
TOTAL DEPARTMENT EXPENSES		\$139,880	\$173,580	\$143,130	-18%

**2007-08
ANNUAL BUDGET**

**INTERNAL AUDIT
Executive Section 11**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$114,361	\$110,100	\$128,925	17%
Vacation Pay	4113	13,435	0	0	0%
Sick Leave Pay	4114	2,536	0	0	0%
Medicare	4132	753	1,600	1,875	17%
Medical Insurance	4134	7,492	19,350	12,250	-37%
Disability Insurance	413402	695	700	750	7%
Vision Service Plan	413404	224	550	350	-36%
Life Insurance	413406	477	375	550	47%
Dental Insurance	413410	952	2,875	1,650	-43%
Self Funded Rx	413412	2,456	3,700	2,300	-38%
Workers Comp	4135	629	475	575	21%
Retirement	4136	27,478	21,750	24,400	12%
TOTAL PERSONNEL SERVICES		171,488	161,475	173,625	8%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	4	100	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		4	100	0	-100%
PURCHASED SERVICES					
Office Machine Rental	4322	167	300	100	-67%
Freight Expense	4343	49	30	30	0%
Other Purchased Services	4349	390	600	1,300	117%
TOTAL PURCHASED SERVICES		606	930	1,430	54%
MATERIALS & SUPPLIES					
Paper	4411	102	50	200	300%
Postage	4412	220	100	140	40%
Printing and Forms	4413	205	55	60	9%
Other Office Supplies	4419	439	300	300	0%
TOTAL MATERIALS & SUPPLIES		966	505	700	39%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	240	150	475	217%
Books & Subscriptions	4512	316	350	660	89%
Conference Registrations	4513	645	850	0	-100%
Training Expense	4514	621	1,200	1,685	40%

**2007-08
ANNUAL BUDGET**

**INTERNAL AUDIT
Executive Section 11**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Travel & Reimbursed Expense	4521	2,265	2,800	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		4,087	5,350	2,820	-47%
TOTAL EXPENSES BEFORE FIXED ASSETS		177,151	168,360	178,575	6%
FIXED ASSET ACQUISITION					
Machinery & Equipment	4815	0	0	0	0%
TOTAL SECTION EXPENSES		\$177,151	\$168,360	\$178,575	6%

**2007-08
ANNUAL BUDGET**

**GENERAL COUNSEL
Executive Section 12**

	<u>ACCOUNT NO.</u>	<u>2005-06 ACTUAL</u>	<u>2006-07 BUDGET</u>	<u>2007-08 BUDGET</u>	<u>PERCENT CHANGE</u>
UTILITIES AND COMMUNICATIONS					
Telephone	4221	5	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		5	0	0	0%
PURCHASED SERVICES					
Legal Contracted Services	4311	568,394	400,000	470,000	18%
Legal Non-Contracted Services	431101	13,468	0	0	0%
Other Professional Services	4319	13,068	15,000	15,000	0%
Other Purchased Services	4349	95	100	120	20%
TOTAL PURCHASED SERVICES		595,025	415,100	485,120	17%
MATERIALS & SUPPLIES					
Paper	4411	21	100	50	-50%
Postage	4412	0	300	100	-67%
Printing & Forms	4413	0	100	0	-100%
Other Office Supplies	4419	15	200	100	-50%
TOTAL MATERIALS & SUPPLIES		36	700	250	-64%
ADMINISTRATIVE EXPENSE					
Books & Subscriptions	4512	119	325	420	29%
Conference Registration	4513	0	1,400	1,900	36%
Travel & Reimbursed Exp.	4521	0	4,000	5,100	28%
TOTAL ADMINISTRATIVE EXPENSES		119	5,725	7,420	30%
TOTAL EXPENSES BEFORE FIXED ASSETS		595,185	421,525	492,790	17%
FIXED ASSETS					
Machinery & Equipment	4815	0	0	0	0%
TOTAL SECTION EXPENSES		<u>\$595,185</u>	<u>\$421,525</u>	<u>\$492,790</u>	17%

2007-08

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

Air Service Business Development - Mission Statement: To continue to enhance and maintain an acceptable level of air service at Reno-Tahoe International Airport (RTIA). To effectively market RTIA and Reno Stead Airport (RSA) to the Reno-Tahoe Region and the air service industry achieving identified Board goals

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

Work Plans:

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

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

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

Work Plans:

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

2007-08
ANNUAL BUDGET
Executive Director/CEO
 Department Summary

<u>Account Group</u>	<u>2005-06 ACTUAL</u>	<u>2006-07 BUDGET</u>	<u>2007-08 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 1,551,360	\$ 1,839,550	\$ 2,093,325	14%
Utilities and Communications	12,119	11,860	225	-98%
Purchased Services	103,594	218,240	147,775	-32%
Materials and Supplies	28,374	44,120	50,250	14%
Administrative Expenses	<u>670,235</u>	<u>562,615</u>	<u>398,250</u>	<u>-29%</u>
Total Operating Expenses	\$ 2,365,682	\$ 2,676,385	\$ 2,689,825	1%
Property, Plant and Equipment	<u>3,033</u>	<u>6,000</u>	<u>5,000</u>	<u>-17%</u>
TOTAL	<u><u>\$ 2,368,715</u></u>	<u><u>\$ 2,682,385</u></u>	<u><u>\$ 2,694,825</u></u>	<u><u>0%</u></u>

**2007-08
ANNUAL BUDGET**

**EXECUTIVE DIRECTOR/CEO
Department 21**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$275,415	\$322,100	\$460,200	43%
Vacation Pay	4113	26,234	0	0	0%
Sick Leave Pay	4114	1,551	0	0	0%
Overtime 1.5	4121	113	0	0	0%
Automobile Allowance	4125	12,033	12,000	12,000	0%
Medicare	4132	3,710	3,850	5,700	48%
Medical Insurance	4134	14,833	19,350	22,000	14%
Disability Insurance	413402	1,018	1,100	1,700	55%
Vision Service Plan	413404	393	550	600	9%
Life Insurance	413406	4,354	275	8,700	3064%
Dental Insurance	413410	2,007	2,675	2,700	1%
Self Funded Rx	413412	2,874	3,700	4,100	11%
Workers Comp	4135	588	475	900	89%
Retirement	4136	53,975	63,600	90,000	42%
TOTAL PERSONNEL SERVICES		399,098	429,675	608,600	42%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	2,349	1,900	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		2,349	1,900	0	-100%
PURCHASED SERVICES					
Office Machine Rental	4322	1,758	300	300	0%
Freight Expense	4343	633	200	200	0%
Other Purchased Services	4349	9	0	0	0%
TOTAL PURCHASED SERVICES		2,400	500	500	0%
MATERIALS & SUPPLIES					
Paper	4411	367	250	400	60%
Postage	4412	191	300	400	33%
Printing and Forms	4413	339	300	400	33%
Other Office Supplies	4419	1,850	1,600	2,200	38%
Small Office Equipment	4441	0	2,000	0	-100%
TOTAL MATERIALS & SUPPLIES		2,747	4,450	3,400	-24%

**2007-08
ANNUAL BUDGET**

**EXECUTIVE DIRECTOR/CEO
Department 21**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
ADMINISTRATION EXPENSES					
Membership Dues	4511	54,058	70,800	60,500	-15%
Books and Subscriptions	4512	3,049	3,300	3,700	12%
Conference Registration	4513	3,626	4,300	5,800	35%
Training Expense	4514	0	400	0	-100%
Meeting Expenses	4515	9,887	6,500	8,200	26%
Travel and Reimbursed Exp.	4521	23,722	36,700	63,300	72%
Newspapers	4534	180	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		94,522	122,000	141,500	16%
TOTAL EXPENSES BEFORE FIXED ASSETS		501,116	558,525	754,000	35%
FIXED ASSETS					
Machinery & Equipment	4815	0	0	0	0%
TOTAL DEPARTMENT EXPENSES		\$501,116	\$558,525	\$754,000	35%

**2007-08
ANNUAL BUDGET**

**AIR SERVICE BUSINESS DEVELOPMENT
Executive Section 23**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$333,368	\$365,525	\$394,575	8%
Temporary Employees	4112	(447)	0	1,000	%
Vacation Pay	4113	27,387	0	0	0%
Sick Leave Pay	4114	10,138	0	0	0%
Overtime 1.5	4121	458	1,000	1,000	0%
Medicare	4132	5,307	5,300	5,725	8%
FICA	413201	(27)	0	0	0%
Wellness Program	4133	100	0	0	0%
Medical Insurance	4134	39,238	54,650	38,450	-30%
Disability Insurance	413402	2,093	2,225	2,250	1%
Vision Service Plan	413404	1,021	1,425	850	-40%
Life Insurance	413406	1,438	1,500	1,450	-3%
Dental Insurance	413410	4,927	7,300	4,200	-42%
Self Funded Rx	413412	7,731	10,400	7,200	-31%
Workers Comp	4135	1,679	1,200	1,450	21%
Retirement	4136	70,719	72,200	78,200	8%
TOTAL PERSONNEL SERVICES		505,130	522,725	536,350	3%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	5,069	4,200	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		5,069	4,200	0	-100%
PURCHASED SERVICES					
Data Services	4313	0	50,000	0	-100%
Consultants - General	4314	14,170	20,000	8,000	-60%
Other Professional Services	4319	11,739	0	0	0%
Office Machine Rental	4322	2,119	2,400	2,400	0%
Vehicles	4331	0	500	500	0%
Furniture & Fixtures	4332	566	1,000	3,500	250%
Office Equipment	4335	78	500	500	0%
Other Repairs & Maint. Services	4339	20	0	0	0%
Freight Expense	4343	3,116	2,000	2,000	0%
Other Purchased Services	4349	22	25	25	0%
TOTAL PURCHASED SERVICES		31,830	76,425	16,925	-78%
MATERIALS & SUPPLIES					
Paper	4411	547	500	500	0%
Postage	4412	1,360	3,185	2,000	-37%

**2007-08
ANNUAL BUDGET**

**AIR SERVICE BUSINESS DEVELOPMENT
Executive Section 23**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Printing & Forms	4413	1,010	3,000	2,000	-33%
Other Office Supplies	4419	3,745	3,000	3,000	0%
Other Operating Supplies	4429	657	1,500	500	-67%
Vehicle Repair & Maintenance	4431	17	0	0	0%
Other Repairs & Maintenance	4439	79	0	0	0%
Sm. Tools & Minor Equip-Office	4441	1,622	1,000	1,000	0%
Signs & Sign Maintenance	4443	6,434	14,400	17,400	21%
TOTAL MATERIALS & SUPPLIES		15,471	26,585	26,400	-1%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	2,780	2,820	2,780	-1%
Books & Subscriptions	4512	4,277	790	790	0%
Conference Registrations	4513	6,728	7,000	0	-100%
Training Expenses	4514	747	2,000	2,000	0%
Meeting Expenses	4515	24,111	5,000	4,000	-20%
Meeting Exp.-Air Svc Task Force	451501	(23)	500	500	0%
Disaster Exercise Expense	4517	0	0	3,000	%
Travel & Reimbursed Expense	4521	39,871	41,410	25,700	-38%
Travel Exp.-Air Svc Task Force	452101	4,192	28,560	20,560	-28%
Employee Reimbursed Mileage	4524	323	500	500	0%
Signs	4531	0	13,000	0	-100%
Publications	4532	59,348	63,200	1,000	-98%
Publications - Flight Guides	453201	41,169	0	0	0%
Annual Report	453202	43,109	34,000	0	-100%
Newspapers	4534	0	9,000	9,000	0%
Air Service & Cargo Development	4535	49,683	150,200	0	-100%
Other Advertising & Promotion	4539	150,028	45,500	38,500	-15%
Conference Sponsorship	453901	121,564	6,500	6,000	-8%
Art Program	453903	5,596	2,000	0	-100%
Public Affairs	453908	22	0	36,400	%
TOTAL ADMINISTRATIVE EXPENSES		553,525	411,980	150,730	-63%
TOTAL EXPENSES BEFORE FIXED ASSETS		1,111,025	1,041,915	730,405	-30%
FIXED ASSETS					
Machinery & Equipment	4815	3,033	0	0	0%
TOTAL SECTION EXPENSES		\$1,114,058	\$1,041,915	\$730,405	-30%

**2007-08
ANNUAL BUDGET**

**MARKETING AND PUBLIC AFFAIRS
Executive Section 24**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$335,323	\$516,600	\$611,600	18%
Temporary Employees	4112	86,129	31,200	20,000	-36%
Vacation Pay	4113	21,312	0	0	0%
Sick Leave Pay	4114	8,356	0	0	0%
Overtime 1.5	4121	3,154	3,000	5,500	83%
Non-Day Shift Differential	412105	52	0	5,600	%
Weekend Differential	412108	3,754	4,000	7,000	75%
Holiday Worked Pay	4128	11,281	13,000	13,000	0%
Medicare	4132	7,404	7,950	9,375	18%
FICA	413201	8,667	1,950	2,000	3%
Medical Insurance	4134	49,619	133,650	84,250	-37%
Disability Insurance	413402	1,583	2,900	2,700	-7%
Vision Service Plan	413404	1,566	3,100	2,050	-34%
Life Insurance	413406	1,259	2,600	1,900	-27%
Dental Insurance	413410	6,036	16,200	10,100	-38%
Self Funded Rx	413412	13,874	25,150	15,850	-37%
Workers Comp	4135	14,574	19,800	28,700	45%
Retirement	4136	72,003	102,050	124,250	22%
Uniform Allowance	4138	1,186	4,000	4,500	13%
TOTAL PERSONNEL SERVICES		647,132	887,150	948,375	7%
UTILITIES AND COMMUNICATIONS					
Water	4213	266	225	225	0%
Telephone	4221	3,804	4,815	0	-100%
Other Communications	4229	631	720	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		4,701	5,760	225	-96%
PURCHASED SERVICES					
Consultants - General	4314	0	0	56,000	%
Other Professional Services	4319	48,569	49,000	62,200	27%
Office Machine Rental	4322	1,131	1,050	1,550	48%
Freight Expense	4343	115	30	400	1233%
Other Purchased Services	4349	19,549	91,235	10,200	-89%
TOTAL PURCHASED SERVICES		69,364	141,315	130,350	-8%
MATERIALS & SUPPLIES					
Paper	4411	2,578	325	350	8%
Postage	4412	377	325	2,000	515%

**2007-08
ANNUAL BUDGET**

**MARKETING AND PUBLIC AFFAIRS
Executive Section 24**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Printing & Forms	4413	2,322	500	750	50%
Office Supplies	4419	2,819	2,400	2,000	-17%
Other Operating Supplies	4429	0	0	3,000	%
Small Office Equipment	4441	1,857	5,485	4,350	-21%
Signs & Sign Maintenance	4443	0	4,000	8,000	100%
Telephone Equipment	4446	203	50	0	-100%
TOTAL MATERIALS & SUPPLIES		10,156	13,085	20,450	56%
ADMINISTRATIVE EXPENSES					
Membership Dues	4511	631	1,950	1,150	-41%
Books and Subscriptions	4512	1,709	580	780	34%
Confrence Registration	4513	579	2,650	0	-100%
Training Expense	4514	104	1,300	1,680	29%
Meetings Expense	4515	2,913	2,000	4,400	120%
Travel and Reimbursed Exp.	4521	10,993	11,805	2,410	-80%
Employee Reimbursed Mileage	4524	131	350	600	71%
Publications	4532	0	0	78,000	%
Other Advertising & Promotion	4539	336	0	2,000	%
Art Program	453903	0	0	4,000	%
Public Affairs	453908	4,792	8,000	11,000	38%
TOTAL ADMINISTRATIVE EXPENSES		22,188	28,635	106,020	270%
TOTAL EXPENSES BEFORE FIXED ASSETS		753,541	1,075,945	1,205,420	12%
FIXED ASSETS					
Machinery & Equipment	4815	4,134	6,000	5,000	-17%
TOTAL SECTION EXPENSES		\$757,675	\$1,081,945	\$1,210,420	12%

2007-08

Annual budget

Functions and Work Plans

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

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

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

Work Plans:

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

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

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

Work Plans:

- Maintain reliable operation of existing technology
 - Telephone System Support
 - Computer Workstation and Printer Support
 - Server Support
 - Applications Software Support
 - Website Support/Development

- Passenger Information Displays
- Workstation UPS batteries
- Upgrade fileserver arrays
- Replace Blackberry Devices, if required
- Software license renewal and support fees for: Centralized backup, virus scanning, firewall, Internet monitoring, and anti-spam utilities
- Review and processing of Internet usage
- Applying system security patches; follow up audits
- Call accounting system administration and long distance usage monitoring
- Successfully limit access to RTAA information technology resources to authorized users. This includes email, data storage areas, and Internet access.
- Implement new systems or upgrade existing systems
 - New Financial System Implementation
 - Paging/Fire Alarm Implementation
 - Parking Revenue Control System
 - Relocate/upgrade Computer facilities
 - Implementation of any common use systems
 - Flight Information Display upgrade/replacement
- Maintain reliable operation of existing technology

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

Board Goals: Stead Airport Operations and Maximize Staff Effectiveness

Work Plans:

- | | |
|--|---|
| ▪ Runway maintenance | communications, and other electrical systems |
| ▪ Maintain unpaved areas | |
| ▪ Clean pavement and common areas | ▪ Oversee and support construction contractors |
| ▪ Repair potholes as needed | ▪ Automated Weather Observation System repair |
| ▪ Runway/Taxiway daily inspections | ▪ Special event support: Pylon school and air races |
| ▪ Snow Removal | ▪ Liaison to other entities/user groups |
| ▪ Vehicles and Equipment Maintenance | ▪ After hours maintenance and emergency response |
| ▪ Maintain and repair of lighting related aircraft operations, | |

Human Resources – Mission Statement: Provide high quality advice and assistance to RTAA managers and employees to best deploy, recruit, and enhance the human resources of the RTAA.

Board Goals: Maximize Staff Effectiveness

Work Plans:

- Manage employee and labor relations functions
- Lead investigations involving Equal Employment Opportunity Commission/Nevada Equal Rights Commission complaints
- Administer unemployment benefits; gather/provide requested evidence; coordinate with line managers, and attend hearings
- Fill vacant RTAA positions

- Make compensation recommendations as requested
- Complete outside agency wage surveys
- Review and update class specifications
- Administer employee benefit programs
- Implement monetary terms of five collective bargaining agreements, Civil Service Plan, and Management Guidelines
- Administer worker's comp; coordinate employee return to work; and attend hearings as necessary
- Administer fitness for duty physicals, agility tests, drug testing, Commercial Driver's License requirements, hearing exams, Hepatitis B
- Manage employee wellness program
- Administer IRS Section 125 and 457 plans
- Conduct new hire employment process and document accordingly
- Assess need, develop and coordinate/personally deliver training
- Deliver/coordinate supervisory and leadership training curriculum
- Launch organizational succession plan
- Facilitate initiatives in response to employee survey
- Administer human resources policy and procedures; provide training on policy changes
- Manage employee recognition programs
- Enhance and maintain RTAA intranet
- Enhance Human Resources customer service culture
- Support/Organize employee team/morale building activities
- Educate and increase technical skill of Human Resources Staff
- Maintain accurate and up-to-date filing systems
- Maintain Human Resource databases

2007-08
ANNUAL BUDGET
Deputy Executive Director
 Department Summary

<u>Account Group</u>	<u>2005-06 ACTUAL</u>	<u>2006-07 BUDGET</u>	<u>2007-08 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 1,716,119	\$ 2,077,655	\$ 2,155,350	4%
Utilities and Communications	151,179	139,180	198,508	43%
Purchased Services	160,242	204,600	280,280	37%
Materials and Supplies	162,578	120,725	126,925	5%
Administrative Expenses	163,076	163,820	139,390	-15%
Total Operating Expenses	\$ 2,353,194	\$ 2,705,980	\$ 2,900,453	7%
Property, Plant and Equipment	69,077	124,350	71,465	-43%
TOTAL	<u>\$ 2,422,271</u>	<u>\$ 2,830,330</u>	<u>\$ 2,971,918</u>	<u>5%</u>

**2007-08
ANNUAL BUDGET**

**DEPUTY EXECUTIVE DIRECTOR
Department 22**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$267,442	\$291,300	\$272,100	-7%
Temporary Employees	4112	3,768	0	0	0%
Vacation Pay	4113	27,673	0	0	0%
Sick Leave Pay	4114	4,728	0	0	0%
Overtime 1.5	4121	396	1,500	1,500	0%
Auto Allowance	4125	7,294	7,200	7,200	0%
Medicare	4132	4,715	4,225	5,300	25%
Medical Insurance	4134	17,513	35,350	20,700	-41%
Disability Insurance	413402	1,315	1,550	1,800	16%
Vision Service Plan	413404	563	1,000	700	-30%
Life Insurance	413406	784	875	900	3%
Dental Insurance	413410	2,722	5,100	3,300	-35%
Self Funded Rx	413412	2,429	6,750	4,600	-32%
Workers Comp	4135	667	725	900	24%
Retirement	4136	57,514	57,550	54,100	-6%
TOTAL PERSONNEL SERVICES		399,523	413,125	373,100	-10%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	2,506	2,000	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		2,506	2,000	0	-100%
PURCHASED SERVICES					
Consultants - General	4314	20,782	45,000	30,000	-33%
Office Machine Rental	4322	645	1,500	1,500	0%
Freight Expense	4343	297	50	100	100%
Other Purchased Services	4349	69	175	175	0%
TOTAL PURCHASED SERVICES		21,793	46,725	31,775	-32%
MATERIALS & SUPPLIES					
Paper	4411	356	500	500	0%
Postage	4412	137	200	200	0%
Printing & Forms	4413	208	200	200	0%
Other Office Supplies	4419	443	750	750	0%
Medical Supplies	4427	485	650	0	-100%
Small Office Equipment	4441	0	500	500	0%
TOTAL MATERIALS & SUPPLIES		1,629	2,800	2,150	-23%

**2007-08
ANNUAL BUDGET**

**DEPUTY EXECUTIVE DIRECTOR
Department 22**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	1,601	1,425	1,600	12%
Books & Subscriptions	4512	0	100	100	0%
Conference Registration	4513	4,349	6,200	4,350	-30%
Training Expenses	4514	886	1,000	1,000	0%
Meeting Expenses	4515	4,864	9,000	6,500	-28%
Travel & Reimbursed Exp.	4521	15,974	17,000	17,600	4%
Relocation Expense	4522	17,536	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		45,210	34,725	31,150	-10%
TOTAL EXPENSES BEFORE FIXED ASSETS		470,661	499,375	438,175	-12%
FIXED ASSETS					
Machinery & Equipment	4815	0	0	0	0%
TOTAL DEPARTMENT EXPENSES		\$470,661	\$499,375	\$438,175	-12%

**2007-08
ANNUAL BUDGET**

**TECHNOLOGY AND INFORMATION SYSTEMS
Executive Section 26**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$230,904	\$332,800	\$390,200	17%
Vacation Pay	4113	21,010	0	0	0%
Sick Leave Pay	4114	9,464	1,000	1,000	0%
Overtime 1.5	4121	527	2,000	4,000	100%
Non-Day Shift Differential	412105	7	0	0	0%
Weekend Differential	412108	7	0	0	0%
Medicare	4132	3,695	4,800	5,650	18%
Medical Insurance	4134	20,145	38,500	42,750	11%
Disability Insurance	413402	1,460	2,100	2,500	19%
Vision Service Plan	413404	663	1,100	1,300	18%
Life Insurance	413406	811	1,200	1,400	17%
Dental Insurance	413410	3,173	5,000	5,350	7%
Self Funded Rx	413412	4,574	7,100	8,050	13%
Workers Comp	4135	3,504	3,100	4,300	39%
Retirement	4136	51,033	65,700	80,000	22%
Uniform Allowance	4138	81	250	250	0%
TOTAL PERSONNEL SERVICES		351,058	464,650	546,750	18%
UTILITIES AND COMMUNICATIONS					
Water	4213	0	0	200	%
Telephone	4221	57,439	61,980	138,308	123%
Internet Access	4223	12,450	12,500	0	-100%
Other Communications	4229	1,133	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		71,022	74,480	138,508	86%
PURCHASED SERVICES					
Data Processing	4313	36,927	56,150	83,610	49%
Office Machine Rental	4322	43	0	0	0%
Office Equipment Repair	4335	(225)	2,000	12,495	525%
Other Repairs & Maint. Services	4339	11,269	20,000	20,000	0%
Freight Expense	4343	239	0	200	%
TOTAL PURCHASED SERVICES		48,253	78,150	116,305	49%
MATERIALS & SUPPLIES					
Paper	4411	76	100	100	0%
Postage	4412	3	25	25	0%
Printing and Forms	4413	134	0	0	0%
Office Supplies	4419	755	350	350	0%

**2007-08
ANNUAL BUDGET**

**TECHNOLOGY AND INFORMATION SYSTEMS
Executive Section 26**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Medical Supplies	4427	70	0	250	%
Other Operating Supplies	4429	7,729	4,200	6,000	43%
Small Office Equipment	4441	20,876	10,500	10,000	-5%
Small Tools	4444	0	2,500	2,500	0%
Employee Safety Equipment	4445	189	200	300	50%
Telephone Equipment	4446	20,853	6,000	7,300	22%
TOTAL MATERIALS & SUPPLIES		50,685	23,875	26,825	12%
ADMINISTRATIVE EXPENSES					
Membership Dues	4511	0	100	100	0%
Books and Subscriptions	4512	480	750	500	-33%
Confrence Registration	4513	273	500	500	0%
Training Expense	4514	1675	6,000	1,520	-75%
Meeting Expense	4515	167	0	0	0%
Travel and Reimbursed Exp.	4521	2864	2,500	2,500	0%
TOTAL ADMINISTRATIVE EXPENSES		5,459	9,850	5,120	-48%
TOTAL EXPENSES BEFORE FIXED ASSETS		526,477	651,005	833,508	28%
FIXED ASSETS					
Machinery & Equipment	4815	34,215	38,100	32,465	-15%
TOTAL SECTION EXPENSES		\$560,692	\$689,105	\$865,973	26%

**2007-08
ANNUAL BUDGET**

**RENO STEAD AIRPORT
Executive Section 27**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$292,014	\$360,950	\$361,700	0%
Temporary Employees	4112	6,104	0	10,000	%
Vacation Pay	4113	34,307	0	0	0%
Sick Leave Pay	4114	12,395	3,000	1,900	-37%
Overtime 1.5	4121	1,674	4,000	4,000	0%
Overtime Call Back	412103	2,215	1,500	1,500	0%
Standby	412104	162	1,000	1,000	0%
Non-Day Shift Differential	412105	23	0	0	0%
Weekend Shift Differential	412108	843	1,000	1,000	0%
Holiday Worked Pay	4128	2,663	3,000	4,000	33%
Medicare	4132	4,083	4,500	4,450	-1%
Medical Insurance	4134	30,876	53,100	43,200	-19%
Disability Insurance	413402	1,885	2,275	2,300	1%
Vision Service Plan	413404	1,038	1,800	1,700	-6%
Life Insurance	413406	951	1,100	1,050	-5%
Dental Insurance	413410	4,948	7,400	5,350	-28%
Self Funded Rx	413412	7,812	10,100	8,100	-20%
Workers Comp	4135	13,958	11,700	16,000	37%
Retirement	4136	65,566	70,650	73,650	4%
Uniform Allowance	4138	1,032	1,500	1,500	0%
TOTAL PERSONNEL SERVICES		484,549	538,575	542,400	1%
UTILITIES AND COMMUNICATIONS					
Electricity	4211	30,341	21,000	25,000	19%
Natural Gas	4212	10,892	5,000	7,000	40%
Water	4213	8,552	10,000	12,000	20%
Sewer	4214	12,013	11,000	11,000	0%
Solid Waste Removal	4215	4,712	3,000	3,000	0%
Hazardous Waste Removal	4218	0	2,000	2,000	0%
Telephone	4221	9,464	10,000	0	-100%
Other Communications	4229	754	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		76,728	62,000	60,000	-3%
PURCHASED SERVICES					
Consultants-General	4314	10,727	10,000	7,500	-25%
Engineering	4315	7,426	0	0	0%
Other Professional Services	4319	0	1,000	1,000	0%
Equipment Rental	4321	371	1,000	1,000	0%

**2007-08
ANNUAL BUDGET**

**RENO STEAD AIRPORT
Executive Section 27**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Office Machine Rental	4322	1,709	2,150	2,150	0%
Contracted Services	4334	4,623	5,500	5,500	0%
Fence Repair Services	4336	0	1,000	1,000	0%
Other Repairs & Maint. Services	4339	86	1,000	1,000	0%
Freight Expense	4343	1,045	1,000	1,000	0%
Permits & Recorders Fees	4346	0	150	150	0%
Other Purchased Services	4349	5,451	20,000	15,000	-25%
TOTAL PURCHASED SERVICES		31,438	42,800	35,300	-18%
MATERIALS & SUPPLIES					
Paper	4411	100	500	500	0%
Postage	4412	50	500	500	0%
Printing & Forms	4413	1,165	500	500	0%
Other Office Supplies	4419	1,084	1,500	1,500	0%
Oil & Lubricants	4421	320	1,000	2,000	100%
Chemicals	4422	2,220	300	300	0%
Herbicides	442201	7,730	9,000	10,000	11%
Fertilizer	442202	0	1,000	1,000	0%
Auto Fuel	4423	12,571	4,500	5,000	11%
Diesel Fuel	4424	10,527	3,500	4,000	14%
Janitorial Paper Supplies	4425	74	0	0	0%
Janitorial Supplies	4426	630	1,000	750	-25%
Medical Supplies	4427	229	300	350	17%
Other Operating Supplies	4429	88	800	800	0%
Vehicle Repair & Maintenance	4431	3,594	4,000	4,500	13%
Heating & Air Conditioning	4432	154	800	800	0%
Machinery & Equipment	4433	4,747	1,500	2,000	33%
Locks & Hardware	443303	64	500	500	0%
Seeds, Plants, & Trees	4434	149	700	700	0%
Plumbing Supplies	4435	534	1,000	1,000	0%
Electrical Supplies	4436	4,185	1,000	1,000	0%
Runway/Taxiway Supplies	443601	0	1,000	1,000	0%
Ramp Lighting	443602	0	1,000	1,000	0%
Information Signs	443607	139	500	350	-30%
Lumber & Building Supplies	4437	27	350	350	0%
Paint Supplies	4438	1,836	1,500	2,000	33%
Other Repairs & Maint. Supplies	4439	4,228	5,000	5,000	0%
Gate Parts	443902	1,158	1,500	1,500	0%
Sm. Tools & Minor Equip.-Mach.	4442	1,845	750	750	0%
Signs & Sign Maintenance	4443	1,071	1,000	1,000	0%

**2007-08
ANNUAL BUDGET**

**RENO STEAD AIRPORT
Executive Section 27**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Operating Tools & Minor Equip.	4444	276	200	200	0%
Employee Safety Equipment	4445	1,554	1,000	1,000	0%
Telephone Equip & Labor	4446	0	500	0	-100%
Asphalt & Cement Repair	4451	14,973	15,000	15,000	0%
Patch Materials	445103	0	500	500	0%
Runway/Taxiway	445104	19,880	15,000	15,000	0%
Sewer Repair Supplies	4452	0	1,000	1,000	0%
Runway/Taxiway Repair	4453	(671)	4,500	4,500	0%
AWOS Maintenance	445301	5,057	2,500	2,500	0%
TOTAL MATERIALS & SUPPLIES		101,588	86,700	90,350	4%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	757	650	650	0%
Books & Subscriptions	4512	96	300	300	0%
Conference Registration	4513	732	2,000	0	-100%
Training Expense	4514	50	3,000	3,000	0%
Meeting Expense	4515	152	1,000	1,000	0%
Travel & Reimbursed Expense	4521	663	1,500	0	-100%
Other Advertising & Promotions	4539	129	1,000	1,000	0%
TOTAL ADMINISTRATIVE EXPENSES		2,579	9,450	5,950	-37%
TOTAL EXPENSES BEFORE FIXED ASSETS		696,882	739,525	734,000	-1%
FIXED ASSETS					
Machinery & Equipment	4815	34,862	86,250	39,000	-55%
TOTAL SECTION EXPENSES		\$731,744	\$825,775	\$773,000	-6%

**2007-08
ANNUAL BUDGET**

**HUMAN RESOURCES
Executive Section 28**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$237,754	\$318,550	\$336,800	6%
Temporary Employees	4112	2,515	2,880	9,000	213%
Vacation Pay	4113	15,189	0	0	0%
Sick Leave Pay		4,802	0	0	0%
Incentive Awards	4126	(2,893)	16,200	19,100	18%
Service Awards	4127	1,397	2,350	3,150	34%
Physical Exams	4131	27,493	25,000	26,500	6%
Medicare	4132	3,657	4,625	4,900	6%
Wellness Program	4133	15,413	35,000	35,000	0%
Medical Insurance	4134	35,370	54,825	43,300	-21%
Disability Insurance	413402	1,115	2,050	1,400	-32%
Vision Service Plan	413404	848	1,425	1,100	-23%
Life Insurance	413406	930	1,400	1,400	0%
125 Flex Plan	413409	2,453	5,200	5,400	4%
Dental Insurance	413410	3,686	7,300	5,300	-27%
Retiree PEBP Subsidy	413411	66,196	80,000	113,500	42%
Self Funded Rx	413412	(2,889)	10,400	8,150	-22%
Workers Comp	4135	1,408	1,200	1,450	21%
Retirement	4136	49,297	62,900	65,650	4%
Unemployment	4137	17,248	30,000	12,000	-60%
TOTAL PERSONNEL SERVICES		480,989	661,305	693,100	5%
UTILITIES AND COMMUNICATIONS					
Water	4213	263	200	0	-100%
Telephone	4221	660	500	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		923	700	0	-100%
PURCHASED SERVICES					
Consultants - General	4314	4,655	5,000	68,500	1270%
Other Professional Services	4319	11,951	13,200	11,200	-15%
Office Machine Rental	4322	5,168	5,000	3,500	-30%
Office Equipment	4335	247	250	0	-100%
Other Repairs & Maint. Svc.	4339	8,379	8,700	9,100	5%
Freight Expense	4343	101	500	300	-40%
Other Purchased Services	4349	28,257	4,275	4,300	1%
TOTAL PURCHASED SERVICES		58,758	36,925	96,900	162%

**2007-08
ANNUAL BUDGET**

**HUMAN RESOURCES
Executive Section 28**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
MATERIALS & SUPPLIES					
Paper	4411	900	750	1,000	33%
Postage	4412	554	1,100	1,400	27%
Printing & Forms	4413	4,019	2,500	2,000	-20%
Other Office Supplies	4419	3,001	3,000	3,200	7%
Other Operating Supplies	4429	202	0	0	0%
TOTAL MATERIALS & SUPPLIES		8,676	7,350	7,600	3%
ADMINISTRATIVE EXPENSE					
Educational and Professional Fee	4510	175	0	0	0%
Membership Dues	4511	1,483	1,640	2,200	34%
Books & Subscriptions	4512	2,150	1,400	1,375	-2%
Conference Registration	4513	5,650	4,255	0	-100%
Training Expenses	4514	37,349	5,100	2,560	-50%
Organizational Training Expenses:	451401	0	30,550	18,935	-38%
Meeting Expenses	4515	15,602	9,450	8,465	-10%
Tuition Reimbursement	4516	12,399	12,000	14,000	17%
Travel & Reimbursed Exp.	4521	3,134	6,900	700	-90%
Recruitment Expense	4523	3,139	8,500	13,935	64%
Advertising - Newspapers	4534	28,747	30,000	35,000	17%
TOTAL ADMINISTRATIVE EXPENSES		109,828	109,795	97,170	-11%
TOTAL EXPENSES BEFORE FIXED ASSETS		659,174	816,075	894,770	10%
FIXED ASSETS					
Machinery & Equipment	4815	0	0	0	0%
TOTAL SECTION EXPENSES		\$659,174	\$816,075	\$894,770	10%

2007-08

Annual budget

Functions and Work Plans

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

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

Board Goals: Financial Stability, Maximize Staff Effectiveness

Work Plans:

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

Finance and Budgeting – Mission Statement: To provide exceptional financial management for the RTAA.

Board Goals: Financial Stability, Maximize Staff Effectiveness

Work Plans:

- Prepare an effective budget document
- Monitor Budget Performance
- Set Airline Rates at acceptable levels pursuant to the Airline Agreement
- Project Cash Flow
- Administer Federal Funds effectively
- Provide Financial Analysis as needed
- Obtain RTAA Insurance Coverage
- Manage RTAA Risks

- Improve the quality and availability of financial information for management staff

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

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

Work Plans:

- 80 percent of requisitions received with adequate specifications or scope of work are processed within 48 hours of receipt
- Informally bid 100 percent of procurements that fall within \$10K to \$25K.
- 100 percent of procurements that are in excess of \$25K are competitively bid.
- Review and comment on solicitation documents within 14 days of receipt; assist as requested and required
- Utilize Government Services Agency (GSA,) State of Nevada, or local government cooperative bids
- Professional service contracts processed through Purchasing go through a competitive Request for Qualifications (RFQ) process if possible.
- Review and ensure that all informal and formal bid goods, service, commodities, and equipment as well as professional service agreements fall within fiscal budgetary limits
- Conduct two formal training sessions per year on purchasing and materials management policies and procedures. Provide other information on an as available, as needed basis.
- 80 percent of problems or disputes identified resolved within 14 days of receipt.
- Ensure 100 percent of surplus property is disposed of in accordance with the requirements contained in NRS 332
- Meet w/vendors, suppliers, and contractors on a weekly basis, attend professional meetings meet with general public as needed to discuss purchasing issues. Attend staff and other meetings as required.
- Staff to attend 100 percent of scheduled and unscheduled mandatory classes and seminars. Staff member to attend one outside training workshop or class. Staff member to attend national purchasing conference as approved.
- Maintain membership in professional organizations. Network solutions for common problems/issues.
- Pick up and deliver U.S. mail daily before 09:00 hours. Pick up and deliver, within 24 hours of receipt, documents, materials, and supplies, etc.
- Pick up and deliver items as assigned to and from various sites and deliver within the specified time frame
- Obtain signature on PO receiver and close out PO within one week of delivery
- Compile and publish printed version of warehouse supply catalog annually and update as necessary
- Conduct 100 percent physical inventory counts with less than 1 percent errors
- Receive and issue materials and supplies for work orders.
- Maintain and operate storeroom
- Assign fixed asset tags to 100 percent of assets purchased within 2 days of receipt.

- Obtain, maintain and distribute Material Safety Data Sheets

Property Administration – Mission Statement: To effectively administer, manage and develop RTAA resources to maximize customer service and revenues in accordance with all appropriately approved Airport Plans and in compliance with RTAA's Sponsor's Assurances for both the Reno/Tahoe International and Reno Stead Airports.

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:

- Timely and appropriate responses to operational issues
- Timely and appropriate responses to passenger needs
- Assure each staff member attends a minimum of 20 hours of training, both in-house and other professional opportunities
- Performance Evaluations, Personnel and Professional Issues addressed in timely manner
- Division Data Systems, Equipment, Supplies are appropriate for division needs
- Complete or amend new tenant/concession agreements
- Ensure all terms of agreements are current and all opportunities for enhancement exercised
- Timely responses to solicited and unsolicited air service inquiries
- Timely response to existing or proposed facility and land issues
- Leases in compliance, revenue opportunities pursued, tenant issues responded to

2007-08
ANNUAL BUDGET
Finance and Administration
 Department Summary

<u>Account Group</u>	<u>2005-06 ACTUAL</u>	<u>2006-07 BUDGET</u>	<u>2007-08 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 1,503,718	\$ 1,661,550	\$ 1,977,900	19%
Utilities and Communications	17,829	31,600	32,300	2%
Purchased Services	224,024	298,290	328,534	10%
Materials and Supplies	37,746	46,700	55,666	19%
Administrative Expenses	67,371	100,029	23,860	-76%
 Total Operating Expenses	 \$ 1,850,688	 \$ 2,138,169	 \$ 2,418,260	 13%
Property, Plant and Equipment	0	50,000	0	-100%
 TOTAL	 \$ 1,850,688	 \$ 2,188,169	 \$ 2,418,260	 11%

**2007-08
ANNUAL BUDGET**

**ACCOUNTING AND ADMINISTRATION
Department 31**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$315,669	\$386,900	\$412,800	7%
Temporary Employees	4112	19,939	0	0	0%
Vacation Pay	4113	32,280	0	0	0%
Sick Leave Pay	4114	10,815	0	0	0%
Overtime 1.5	4121	891	4,500	0	-100%
Weekend Differential	412108	13	0	300	%
Medicare	4132	3,191	3,600	3,800	6%
FICA	413201	768	0	0	0%
Medical Insurance	4134	39,455	50,900	62,800	23%
Disability Insurance	413402	2,109	2,275	2,350	3%
Vision Service Plan	413404	1,181	1,375	1,650	20%
Life Insurance	413406	1,320	1,375	1,400	2%
Dental Insurance	413410	5,904	7,450	8,050	8%
Self Funded Rx	413412	8,136	9,700	11,800	22%
Workers Comp	4135	1,707	1,450	1,700	17%
Retirement	4136	71,175	76,400	83,950	10%
TOTAL PERSONNEL SERVICES		514,553	545,925	590,600	8%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	339	500	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		339	500	0	-100%
PURCHASED SERVICES					
Accounting & Audit Services	4312	42,750	50,500	57,000	13%
Data Processing	4313	2,835	1,890	4,200	122%
Trustee & Paying Agent Fees	4318	20,000	20,000	20,000	0%
Office Machine Rent	4322	2,537	3,600	3,600	0%
Office Equipment Repair Ser.	4335	539	0	0	0%
Freight Expense	4343	417	700	400	-43%
Other Purchased Services	4349	27,809	30,000	32,000	7%
TOTAL PURCHASED SERVICES		96,887	106,690	117,200	10%
MATERIALS & SUPPLIES					
Paper	4411	760	800	800	0%
Postage	4412	2,087	2,000	2,000	0%
Printing & Forms	4413	5,655	6,000	4,000	-33%
Other Office Supplies	4419	4,002	6,000	4,000	-33%
TOTAL MATERIALS & SUPPLIES		12,504	14,800	10,800	-27%
ADMINISTRATIVE EXPENSES					
Membership Dues	4511	1,690	1,250	925	-26%

**2007-08
ANNUAL BUDGET**

**ACCOUNTING AND ADMINISTRATION
Department 31**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Books and Subscriptions	4512	384	1,480	500	-66%
Conference Registrations	4513	679	3,150	0	-100%
Training Expenses	4514	99	2,500	1,500	-40%
Meeting Expenses	4515	754	500	500	0%
Travel and Reimbursed Exp	4521	2,628	7,190	0	-100%
Advertising - Newspapers	4534	127	75	75	0%
TOTAL ADMINISTRATIVE EXPENSES		6,361	16,145	3,500	-78%
TOTAL EXPENSES BEFORE FIXED ASSETS		630,644	684,060	722,100	6%
FIXED ASSETS					
Machinery & Equipment	4815	0	0	0	0%
TOTAL DEPARTMENT EXPENSES		\$630,644	\$684,060	\$722,100	6%

**2007-08
ANNUAL BUDGET**

**FINANCE AND BUDGETING
Section 32**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$168,213	\$185,900	\$207,800	12%
Vacation Pay	4113	13,911	0	0	0%
Sick Leave Pay	4114	2,109	0	0	0%
Medicare	4132	914	1,125	1,250	11%
Medical Insurance	4134	16,683	23,600	19,500	-17%
Disability Insurance	413402	1,084	1,200	1,300	8%
Vision Service Plan	413404	518	700	550	-21%
Life Insurance	413406	659	700	700	0%
Dental Insurance	413410	2,545	3,400	2,750	-19%
Self Funded Rx	413412	3,481	4,500	3,700	-18%
Workers Comp	4135	588	475	600	26%
Retirement	4136	36,054	36,725	41,500	13%
TOTAL PERSONNEL SERVICES		246,759	258,325	279,650	8%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	(21)	50	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		(21)	50	0	-100%
PURCHASED SERVICES					
Data Processing	4313	9,875	0	0	0%
Consultant - General	4314	22,776	45,000	15,000	-67%
Office Machine Rental	4322	1,289	1,200	600	-50%
Freight Expense	4343	558	200	200	0%
TOTAL PURCHASED SERVICES		34,498	46,400	15,800	-66%
MATERIALS & SUPPLIES					
Paper	4411	275	400	700	75%
Postage	4412	226	50	50	0%
Printing & Forms	4413	5,761	6,000	5,000	-17%
Other Office Supplies	4419	228	0	0	0%
Other Operating Supplies	4429	0	0	1,100	%
Small Office Equipment	4441	336	1,650	300	-82%
TOTAL MATERIALS & SUPPLIES		6,826	8,100	7,150	-12%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	1,290	1,370	1,350	-1%
Books & Subscriptions	4512	99	500	530	6%

**2007-08
ANNUAL BUDGET**

**FINANCE AND BUDGETING
Section 32**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Conference Registration	4513	1,260	1,000	0	-100%
Training Expenses	4514	215	200	200	0%
Meeting Expenses	4515	217	100	100	0%
Travel & Reimbursed Exp.	4521	3,061	2,500	0	-100%
Newspapers	4534	183	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		6,325	5,670	2,180	-62%
TOTAL EXPENSES BEFORE FIXED ASSETS		294,387	318,545	304,780	-4%
FIXED ASSETS					
Machinery & Equipment	4815	0	50,000	0	-100%
TOTAL SECTION EXPENSES		\$294,387	\$368,545	\$304,780	-17%

**2007-08
ANNUAL BUDGET**

**PURCHASING AND MATERIALS MANAGEMENT
Section 33**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$227,667	\$254,000	\$282,700	11%
Temporary Employees	4112	5,363	0	0	0%
Vacation Pay	4113	22,328	0	0	0%
Sick Leave Pay	4114	6,601	1,400	2,000	43%
Overtime 1.5	4121	0	1,800	0	-100%
Overtime Call Back	412103	407	0	0	0%
Weekend Differential	412108	12	0	0	0%
Medicare	4132	1,652	1,800	2,100	17%
Medical Insurance	4134	29,677	49,700	40,700	-18%
Disability Insurance	413402	1,441	1,600	1,700	6%
Vision Service Plan	413404	819	1,300	1,000	-23%
Life Insurance	413406	1,054	1,200	1,200	0%
Dental Insurance	413410	3,893	6,800	7,800	15%
Self Funded Rx	413412	6,974	9,500	7,600	-20%
Workers Comp	4135	6,111	5,100	7,000	37%
Retirement	4136	48,491	50,000	55,100	10%
Uniform Allowance	4138	596	800	850	6%
TOTAL PERSONNEL SERVICES		363,086	385,000	409,750	6%
UTILITIES AND COMMUNICATIONS					
Water	4213	233	350	0	-100%
Solid Waste Removal	4215	1,355	2,600	0	-100%
Telephone	4221	1,150	2,100	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		2,738	5,050	0	-100%
PURCHASED SERVICES					
Office Machine Rental	4322	4,737	4,500	5,000	11%
Contracted Services	4334	4,396	20,000	5,000	-75%
Office Equipment Repair	4335	0	1,000	0	-100%
Other Repairs & Maintenance	4339	0	2,500	500	-80%
Freight Expense	4343	4,806	5,500	5,000	-9%
Permits, License & Rec. Fees	4346	142	600	200	-67%
Other Purchased Services	4349	104	0	0	0%
TOTAL PURCHASED SERVICES		14,185	34,100	15,700	-54%
MATERIALS & SUPPLIES					
Paper	4411	400	600	400	-33%
Postage	4412	135	800	300	-63%

**2007-08
ANNUAL BUDGET**

**PURCHASING AND MATERIALS MANAGEMENT
Section 33**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Printing & Forms	4413	593	2,700	2,000	-26%
Office Supplies	4419	5,259	6,000	6,000	0%
Medical Supplies	4427	179	650	0	-100%
Other Operating Supplies	4429	822	500	500	0%
Vehicle Repair & Maintenance	4431	45	0	0	0%
Machinery and Equipment	4433	0	1,000	500	-50%
Small Office Tools	4441	760	2,000	1,500	-25%
Other Tools & Supplies	4444	696	3,500	2,000	-43%
Employee Safety Equipment	4445	159	500	500	0%
TOTAL MATERIALS & SUPPLIES		9,048	18,250	13,700	-25%
ADMINISTRATIVE EXPENSES					
Membership Dues	4511	783	1,500	1,125	-25%
Books and Subscriptions	4512	44	650	0	-100%
Conference Registration	4513	888	4,000	1,000	-75%
Training Expense	4514	1,383	3,000	1,000	-67%
Meeting Expenses	4515	0	500	500	0%
Travel and Reimbursed Exp.	4521	2,929	4,500	2,000	-56%
Newspaper	4534	2,748	2,500	3,000	20%
TOTAL ADMINISTRATIVE EXPENSES		8,775	16,650	8,625	-48%
TOTAL EXPENSES BEFORE FIXED ASSETS		397,832	459,050	447,775	-2%
FIXED ASSETS					
Machinery & Equipment	4815	0	0	0	0%
TOTAL SECTION EXPENSES		\$397,832	\$459,050	\$447,775	-2%

**2007-08
ANNUAL BUDGET**

**PROPERTY ADMINISTRATION
Section 25**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$255,121	\$324,900	\$488,800	50%
Vacation Pay	4113	21,915	0	0	0%
Sick Leave Pay	4114	8,271	2,450	2,500	2%
Overtime 1.5	4121	278	8,200	200	-98%
Medicare	4132	4,047	7,900	10,500	33%
Medical Insurance	4134	21,106	44,900	68,500	53%
Disability Insurance	413402	1,568	1,950	2,900	49%
Vision Service Plan	413404	570	1,150	1,500	30%
Life Insurance	413406	997	1,350	2,200	63%
Dental Insurance	413410	2,540	5,700	7,500	32%
Self Funded Rx	413412	6,212	8,500	12,800	51%
Workers Comp	4135	1,574	1,300	2,400	85%
Retirement	4136	55,121	64,000	98,100	53%
TOTAL PERSONNEL SERVICES		379,320	472,300	697,900	48%
UTILITIES AND COMMUNICATIONS					
Electricity	4211	947	500	250	-50%
Water	4213	16,717	20,000	15,000	-25%
Sewer	4214	(3,445)	2,500	1,250	-50%
Solid Waste Removal	4215	62	2,500	13,000	420%
Telephone	4221	492	500	2,800	460%
TOTAL UTILITIES & COMMUNICATIONS		14,773	26,000	32,300	24%
PURCHASED SERVICES					
Consultants - General	4314	13,260	35,000	30,000	-14%
Storage and Parking Advertising	431401	0	0	14,184	%
Real Estate Appraisals	4317	19,882	20,000	20,000	0%
Other Professional Services	4319	296	15,000	18,500	23%
Land Surveying	431902	4,195	20,000	20,000	0%
Office Machine Rental	4322	1,876	2,100	3,600	71%
Land Rental	4324	1,400	2,800	2,800	0%
Repairs and Maintenance	4334	0	0	6,600	%
Other Repair/Maintenance	4339	0	0	39,900	%
Freight Expense	4343	981	1,000	850	-15%
Permits & Records Fees	4346	401	200	200	0%
Airport Advertising	4347	35,681	4,000	1,500	-63%
Other Purchased Services	4349	482	11,000	21,700	97%
TOTAL PURCHASED SERVICES		78,454	111,100	179,834	62%
MATERIALS & SUPPLIES					
Paper	4411	790	1,000	1,236	24%

**2007-08
ANNUAL BUDGET**

**PROPERTY ADMINISTRATION
Section 25**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Postage	4412	2,382	600	760	27%
Printing & Forms	4413	2,271	1,200	1,600	33%
Other Office Supplies	4419	2,231	1,500	5,000	233%
Janitorial Supplies	4426	0	0	120	%
Vehicles	4431	0	0	300	%
Heating and Air Conditioning	4432	0	0	9,200	%
Locks & Hardware	443303	172	1,000	2,400	140%
Small Office Equipment	4441	0	0	3,400	%
Signs & Sign Maintenance	4443	1,522	0	0	0%
Telephone Equipment & Labor	4446	0	250	0	0%
TOTAL MATERIALS & SUPPLIES		9,368	5,550	24,016	333%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	625	785	535	-32%
Books & Subscriptions	4512	44	184	140	-24%
Conference Registration	4513	1,450	2,475	1,475	-40%
Training Expenses	4514	955	1,800	1,000	-44%
Meeting Expenses	4515	308	600	200	-67%
Travel & Reimbursed Exp.	4521	6,462	8,720	5,455	-37%
Recruitment Expense	4523	66	0	0	0%
Advertising - Newspaper	4534	1,449	2,000	750	-63%
Economic Development	4536	34,551	45,000	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		45,910	61,564	9,555	-84%
TOTAL EXPENSES BEFORE FIXED ASSETS		527,825	676,514	943,605	39%
FIXED ASSETS					
Machinery & Equipment	4815	0	0	0	0%
TOTAL SECTION EXPENSES		\$527,825	\$676,514	\$943,605	39%

**2007-08
ANNUAL BUDGET**

**NONDEPARTMENTAL
Department 90**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Wages	4111	\$150,348	\$175,000	\$175,000	0%
Medical Insurance	4134	(3,627)	0	0	0%
Self Funded Rx	413412	(6,650)	0	0	0%
TOTAL PERSONNEL SERVICES		140,071	175,000	175,000	0%
PURCHASED SERVICES					
Consultants - General	4314	26,842	45,000	45,000	0%
Other Professional Services	4319	28,181	0	30,000	%
Air Service Studies	431903	122,778	158,000	100,000	-37%
TOTAL PURCHASED SERVICES		177,801	203,000	175,000	-14%
MATERIALS & SUPPLIES					
Postage	4412	249	0	0	0%
TOTAL MATERIALS & SUPPLIES		249	0	0	0%
ADMINISTRATIVE EXPENSE					
Travel and Reimbursed Exp.	4521	0	0	80,000	%
Air Service & Cargo Development	4535	0	0	165,300	%
Other Advertising & Promotion	4539	51,820	50,000	50,000	0%
Airport Liability Insurance	4541	226,043	265,000	257,000	-3%
Vehicle Insurance	4542	64,786	66,000	49,000	-26%
Bonds-Employee/Officials	4544	7,490	6,000	5,500	-8%
Property Insurance	4545	492,275	520,000	543,000	4%
Public Officials Liability	4546	96,831	100,000	110,000	10%
Public Safety Liability	4547	158,160	175,000	123,000	-30%
Deductible Payments	4549	13,387	50,000	50,000	0%
Fines & Settlements	4592	55,000	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		1,165,792	1,232,000	1,432,800	16%
FIXED CHARGES					
Interest Expense-1996A Bonds	4911	139,346	0	0	0%
Interest Expense-1996B Bonds	4912	208,780	150,380	87,600	-42%
Interest Expense-2003 Bonds	491601	1,353,000	1,258,000	1,117,000	-11%
Interest Expense-2005 Bonds	491602	1,228,340	1,408,438	1,405,438	0%
Interest Expense-2002 Bonds	491801	696,650	583,650	395,438	-32%
TOTAL FIXED CHARGES		3,626,116	3,400,468	3,005,476	-12%
TOTAL SECTION EXPENSES		\$5,110,029	\$5,010,468	\$4,788,276	-4%

2007-08

Annual budget

Functions and Work Plans

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

Senior Director of Operations and Public Safety – Mission Statement: Ensure that operations at Reno-Tahoe International Airport provide for safety and security for its users while delivering the highest standard of customer service.

Board Goals: Efficient Airport Operations, Passenger Services and Experience

Work Plans:

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

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

Board Goals: Efficient Airport Operations, Maximize Staff Effectiveness

Work Plans:

- Protect aircraft from the danger of bird strikes. Reduce number of migratory birds on, and in the vicinity of, the airport. Protect aircraft from the danger of small and large animal strikes.
- Reduce pilot/vehicle deviations/incursions. Identify and prepare areas on the airfield for parking up to 500 additional aircraft during special events (Air Races).
- Snow removal preparation and coordination.
- Manage Emergency Operations Center (EOC) during emergencies.
- Represent the Executive Director on routine and emergency matters during non-business hours. Ensure the continuing operation of the airport during non-business hours.
- Efficient utilization of airfield.
- Monitor the RTIA Certification Manual for accuracy.
- Monitor weather for effect on construction projects and maintenance activities. Monitor local area weather for thunderstorms.
- Monitor fuel handling on the airport to comply with Part 139.
- Conduct inspections to remain in compliance with Part 139.
- Ensure Operations representation during planning and execution of construction activities.
- Create Daily Operations Report summarizing operations activities. Document daily activities on airport.
- Generate ramp over night aircraft parking report on monthly basis for revenue billing purposes. Properly assign parking spaces to cargo operations and airlines requesting additional parking spaces.
- Ensure airport remains in compliance with FAR 139.329.3

- Ensure RTIA airport tenants are in compliance with airport's Storm Water Pollution Prevention Plan.

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

Board Goals: Efficient Airport Operations

Work Plans:

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

- Respond to emergencies on RTIA and Reno Stead Airport properties to provide protection of life, property and the environment.
- Provide fire inspections of all buildings, hangars, refueling vehicles, and other equipment.
- Hazardous operations, and emergency situation standby as required.
- Make all employees aware of proper safety and fire prevention practices.
- Ensure operational status of all ARFF vehicles, tools, equipment, and operational area.
- Ensure that employees maintain a healthy life style and encourage physical activity.
- Maintain proficiency as required by standards and codes
- Conduct disaster training as required by the FAA, and required OSHA safety training.
- Provide life safety standby in off hours.

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

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

Work Plans:

- Provide for the safety and security of the traveling public. Provide physical security for the aircraft. Meet requirements of TSR Part 1542 and assist air carriers with requirements for Transportation Security Regulation (TSR) Part 1542 and 1544.

- Provide recurrent training in accordance with Nevada Police Officer Standards Training (POST) requirements. Continue professional development training. Field Training Officer Program for new officer(s).
- Provide for the safety and security of the traveling public through Airport Police Officer vehicle and foot patrols and police presence.
- Document criminal activity occurring on airport property. Conduct investigations of criminal incidents occurring on airport property.
- Participate in the Transportation Security Administration National Explosive Detection Canine Team Program.

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

Board Goal: Efficient Airport Operations and Passenger Services and Experience

Work Plans:

- Check each closed circuit television (CCTV) camera once per 24-hour period, make DVD's as necessary.
- Monitor alarmed door activity and personnel badging functions; dispatch Police or Security Aides to alarms.
- Dispatch routine and emergency radio calls as necessary for all RTAA departments; and make management notifications.
- Input, modify and assist in inputting accurate, timely information in the Flight Information Display System and Ski Report.
- Operate Airport telephone paging system and answer questions from public.
- Check and maintain performance of the airport fire alarm systems and the emergency phones.
- Monitor and operate the National Crime Information Center computer and the dispatch logging personal computer.
- Maintain software and hardware for security and CCTV equipment.
- Manage AAWC 800 Mhz radio system and Inter-local agreement with Washoe County Regional Communications System

2007-08
ANNUAL BUDGET
Operations and Public Safety
 Department Summary

<u>Account Group</u>	<u>2005-06 ACTUAL</u>	<u>2006-07 BUDGET</u>	<u>2007-08 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 8,112,880	\$ 8,374,147	\$ 9,133,944	9%
Utilities and Communications	14,299	19,180	125	-99%
Purchased Services	519,974	586,140	478,444	-18%
Materials and Supplies	147,121	164,875	147,135	-11%
Administrative Expenses	91,317	114,340	80,199	-30%
 Total Operating Expenses	 \$ 8,885,591	 \$ 9,258,682	 \$ 9,839,847	 6%
Property, Plant and Equipment	250,624	90,420	253,000	180%
 TOTAL	 <u>\$ 9,136,215</u>	 <u>\$ 9,349,102</u>	 <u>\$10,092,847</u>	 <u>8%</u>

**2007-08
ANNUAL BUDGET**

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

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$149,077	\$162,800	\$183,000	12%
Vacation Pay	4113	9,920	0	0	0%
Sick Leave Pay	4114	2,849	0	0	0%
Overtime 1.5	4121	112	0	200	%
Overtime Call Back	412103	176	0	100	%
Non-Day Shift Differential	412105	8	0	0	0%
Weekend Differential	412108	10	0	0	0%
Medicare	4132	2,361	2,400	2,700	13%
Medical Insurance	4134	11,973	16,400	14,400	-12%
Disability Insurance	413402	883	1,100	1,200	9%
Vision Service Plan	413404	303	500	400	-20%
Life Insurance	413406	457	500	500	0%
Dental Insurance	413410	1,430	2,300	1,600	-30%
Self Funded Rx	413412	2,415	3,200	2,700	-16%
Workers Comp	4135	533	500	600	20%
Retirement	4136	31,232	32,200	36,900	15%
TOTAL PERSONNEL SERVICES		213,739	221,900	244,300	10%
UTILITIES AND COMMUNICATIONS					
Telephone	4221	688	750	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		688	750	0	-100%
PURCHASED SERVICES					
Office Machine Rental	4322	385	240	240	0%
Freight Expense	4343	27	0	0	0%
TOTAL PURCHASED SERVICES		412	240	240	0%
MATERIALS & SUPPLIES					
Paper	4411	51	100	100	0%
Postage	4412	1,438	50	50	0%
Printing & Forms	4413	199	150	100	-33%
Other Office Supplies	4419	609	400	500	25%
Other Operating Supplies	4429	36	0	0	0%
TOTAL MATERIALS & SUPPLIES		2,333	700	750	7%

**2007-08
ANNUAL BUDGET**

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

	<u>ACCOUNT NO.</u>	<u>2005-06 ACTUAL</u>	<u>2006-07 BUDGET</u>	<u>2007-08 BUDGET</u>	<u>PERCENT CHANGE</u>
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	465	455	455	0%
Conference Registration	4513	854	1,900	0	-100%
Meeting Expenses	4515	639	400	400	0%
Travel & Reimbursed Expenses	4521	5,259	6,375	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		<u>7,217</u>	<u>9,130</u>	<u>855</u>	<u>-91%</u>
TOTAL EXPENSES BEFORE FIXED ASSETS		224,389	232,720	246,145	6%
FIXED ASSET ACQUISITION					
Machinery & Equipment	4815	55,695	0	0	0%
TOTAL DEPARTMENT EXPENSES		<u>\$280,084</u>	<u>\$232,720</u>	<u>\$246,145</u>	<u>6%</u>

2007-08
ANNUAL BUDGET

AIRFIELD OPERATIONS
Section 42

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$475,260	\$559,000	\$612,600	10%
Vacation Pay	4113	47,610	0	0	0%
Sick Leave Pay	4114	23,107	0	0	0%
Overtime 1.5	4121	14,528	19,520	20,000	2%
Holiday Worked Pay	4128	15,476	18,000	18,500	3%
Medicare	4132	3,046	3,450	3,700	7%
Medical Insurance	4134	59,308	76,650	69,900	-9%
Disability Insurance	413402	3,162	3,550	3,800	7%
Vision Service Plan	413404	1,501	1,850	1,600	-14%
Life Insurance	413406	2,584	2,700	2,700	0%
Dental Insurance	413410	7,250	9,450	7,900	-16%
Self Funded Rx	413412	11,177	14,500	13,100	-10%
Workers Comp	4135	21,120	18,350	25,200	37%
Retirement	4136	110,640	109,950	123,100	12%
Uniform Allowance	4138	1,879	2,500	2,500	0%
TOTAL PERSONNEL SERVICES		797,648	839,470	904,600	8%
UTILITIES AND COMMUNICATIONS					
Water	4213	164	200	0	-100%
Telephone	4221	1,744	2,000	0	-100%
Other Communications	4229	305	1,200	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		2,213	3,400	0	-100%
PURCHASED SERVICES					
Other Professional Services	4319	0	15,400	36,000	134%
Office Machine Rental	4322	275	400	300	-25%
Other Repairs & Maint Svc	4339	1,640	2,000	2,000	0%
Freight Expense	4343	162	200	200	0%
TOTAL PURCHASED SERVICES		2,077	18,000	38,500	114%
MATERIALS & SUPPLIES					
Paper	4411	113	100	100	0%
Postage	4412	6	50	40	-20%
Printing & Forms	4413	2,919	1,000	1,000	0%
Other Office Supplies	4419	1,038	1,800	1,800	0%
Medical Supplies	4427	306	200	0	-100%
Other Operating Supplies	4429	3,271	1,875	1,875	0%
Machinery & Equipment	4433	0	500	500	0%
TOTAL MATERIALS & SUPPLIES		7,653	5,525	5,315	-4%

**2007-08
ANNUAL BUDGET**

**AIRFIELD OPERATIONS
Section 42**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	1,041	2,200	2,200	0%
Books & Subscriptions	4512	1,924	3,325	3,325	0%
Conference Registration	4513	700	2,100	450	-79%
Training Expenses	4514	460	1,500	0	-100%
Meeting Expenses	4515	1,321	800	800	0%
Travel & Reimbursed Exp.	4521	6,458	5,750	875	-85%
TOTAL ADMINISTRATIVE EXPENSES		11,904	15,675	7,650	-51%
TOTAL EXPENSES BEFORE FIXED ASSETS		821,495	882,070	956,065	8%
FIXED ASSETS					
Machinery & Equipment	4815	44,422	30,000	42,500	42%
TOTAL SECTION EXPENSES		\$865,917	\$912,070	\$998,565	9%

**2007-08
ANNUAL BUDGET**

**LANDSIDE OPERATIONS
Section 43**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$479,350	\$517,700	\$526,400	2%
Vacation Pay	4113	38,024	0	0	0%
Sick Leave Pay	4114	40,167	3,000	3,000	0%
Overtime 1.5	4121	59,123	6,240	6,200	-1%
Overtime Call Back	412103	13,579	500	500	0%
Standby	412104	110	0	250	%
Non-Day Shift Differentia	412105	0	27,000	24,500	-9%
Graveyard Shift Differentia	412106	23,289	0	0	0%
Weekend Differential	412108	4,168	8,000	5,500	-31%
Holiday Worked	4128	32,639	28,662	32,600	14%
Medicare	4132	8,485	7,000	7,100	1%
Medical Insurance	4134	67,502	92,450	99,600	8%
Disability Insurance	413402	2,149	2,475	2,900	17%
Vision Service Plan	413404	2,408	2,450	2,400	-2%
Life Insurance	413406	2,164	2,350	2,100	-11%
Dental Insurance	413410	10,694	11,500	11,500	0%
Self Funded Rx	413412	14,302	17,500	18,700	7%
Workers Comp	4135	14,167	26,150	34,700	33%
Retirement	4136	123,541	102,100	105,700	4%
Uniform Allowance	4138	3,502	3,000	3,000	0%
TOTAL PERSONNEL SERVICES		939,363	858,077	886,650	3%
UTILITIES AND COMMUNICATIONS					
Water	4213	516	350	0	-100%
Telephone	4221	368	400	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		884	750	0	-100%
PURCHASED SERVICES					
Other Professional Services	4319	1,746	26,500	1,500	-94%
Equipment Rental	4321	8,842	6,500	6,500	0%
Office Machine Rental	4322	2,483	2,000	2,000	0%
Furniture & Fixtures	4332	35	1,000	1,000	0%
Contracted Services	4334	241,943	245,000	136,000	-44%
Other Repairs & Maint. Services	4339	99	1,500	100	-93%
Freight Expense	4343	108	300	500	67%
Towing Expense	4345	0	2,100	2,100	0%
Other Purchased Service	4349	2,901	900	9,900	1000%
TOTAL PURCHASED SERVICES		258,157	285,800	159,600	-44%
MATERIALS & SUPPLIES					
Paper	4411	430	500	1,100	120%

**2007-08
ANNUAL BUDGET**

**LANDSIDE OPERATIONS
Section 43**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Postage	4412	435	400	400	0%
Printing & Forms	4413	15,655	19,000	8,490	-55%
Other Office Supplies	4419	3,581	2,800	2,800	0%
Medical Supplies	4427	409	350	350	0%
Other Operating Supplies	4429	8,220	5,000	5,000	0%
Vehicles	4431	25	0	0	0%
Machinery & Equipmen	4433	1,328	500	500	0%
Seeds, Plants & Trees	4434	0	200	200	0%
Electrical Supplies	4436	953	0	0	0%
Other Repair & Maint Supplies	4439	1,595	1,000	900	-10%
Office Equipment	4441	92	100	125	25%
Signs & Sign Maintenance	4443	76	900	3,100	244%
Employee Safety Equipment	4445	0	200	200	0%
TOTAL MATERIALS & SUPPLIES		32,799	30,950	23,165	-25%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	985	1,500	1,500	0%
Books & Subscriptions	4512	99	200	200	0%
Conference Registratiore	4513	1,733	3,000	0	-100%
Training Expenses	4514	2,810	4,100	4,100	0%
Meeting Expenses	4515	(142)	200	200	0%
Travel Expense	4521	1,678	4,000	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		7,163	13,000	6,000	-54%
TOTAL EXPENSES BEFORE FIXED ASSETS		1,238,366	1,188,577	1,075,415	-10%
FIXED ASSETS					
Machinery & Equipmen	4815	0	0	30,000	%
TOTAL SECTION EXPENSES		\$1,238,366	\$1,188,577	\$1,105,415	-7%

**2007-08
ANNUAL BUDGET**

**AIRPORT RESCUE AND FIRE
Section 44**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$1,122,479	\$1,391,300	\$1,466,100	5%
Vacation Pay	4113	134,139	0	0	0%
Sick Leave Pay	4114	79,945	0	0	0%
Holiday Pay - Firefighters	4115	46,771	61,000	63,700	4%
Comp. Time	4116	(221)	0	0	0%
Overtime 1.5	4121	145,413	110,000	115,000	5%
FLSA Pay .05	412101	13,012	8,000	7,500	-6%
Overtime 2.1 Emer. Call out	412102	683	2,000	1,000	-50%
Overtime Call Back	412103	71,290	90,000	95,000	6%
Medicare	4132	8,048	7,450	8,100	9%
Medical Insurance	4134	219,305	246,825	259,600	5%
Disability Insurance	413402	853	1,100	1,200	9%
Vision Service Plan	413404	273	875	500	-43%
Life Insurance	413406	551	700	700	0%
Dental Insurance	413410	1,312	3,400	1,600	-53%
Self Funded Rx	413412	3,434	4,500	2,700	-40%
Workers Comp	4135	126,382	138,700	175,000	26%
Retirement	4136	448,812	400,250	437,900	9%
Uniform Allowance	4138	5,541	15,000	14,000	-7%
TOTAL PERSONNEL SERVICES		2,428,022	2,481,100	2,649,600	7%
UTILITIES AND COMMUNICATIONS					
Water	4213	504	500	0	-100%
Solid Waste Removal	4215	0	130	125	-4%
Telephone	4221	1,302	2,100	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		1,806	2,730	125	-95%
PURCHASED SERVICES					
Other Professional Services	4319	(59)	0	0	0%
Office Machine Rental	4322	2,041	2,000	2,000	0%
Contracted Services	4334	4,896	3,850	5,454	42%
Office Equipment	4335	0	800	650	-19%
Other Repairs & Maintenance	4339	1,780	2,100	2,150	2%
Laundry	4341	2,080	2,250	2,300	2%
Freight Expense	4343	1,669	1,200	1,500	25%
Permits & Recorders Fees	4346	0	150	100	-33%
Other Purchased Services	4349	3,285	3,650	4,700	29%
TOTAL PURCHASED SERVICES		15,692	16,000	18,854	18%
MATERIALS & SUPPLIES					
Paper	4411	371	275	275	0%
Postage	4412	76	150	250	67%
Printing & Forms	4413	1,081	800	750	-6%
Other Office Supplies	4419	5,046	4,500	4,000	-11%
Chemicals	4422	975	2,000	4,000	100%
Firefighting Agent AFFF	442205	1,676	4,000	5,000	25%

**2007-08
ANNUAL BUDGET**

**AIRPORT RESCUE AND FIRE
Section 44**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Janitorial Paper Supplies	4425	309	475	500	5%
Janitorial Supplies	4426	1,684	1,400	1,400	0%
Medical Supplies	4427	3,194	7,500	6,500	-13%
Trash Can Liners	4428	201	0	200	%
Other Operating Supplies	4429	2,807	3,500	3,500	0%
Turn-Outs	442901	4,171	10,500	10,500	0%
Machinery and Equipment	4433	182	0	0	0%
Plumbing Supplies	4435	948	0	0	0%
Electrical Supplies	4436	19	0	125	%
Other Repair & Maintenance	4439	1,407	1,250	1,300	4%
Signs & Sign Maintenance	4443	0	200	100	-50%
Operating Tools & Equipment	4444	7,656	12,000	6,855	-43%
Employee Safety Equipment	4445	8,673	5,500	5,000	-9%
Hazardous Matls. Response	444501	1,320	2,750	2,500	-9%
Confined Space Program	444502	0	800	700	-13%
Emg. Preparedness Stations	444503	0	500	500	0%
TOTAL MATERIALS & SUPPLIES		41,796	58,100	53,955	-7%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	700	950	1,409	48%
Books & Subscriptions	4512	821	2,750	2,300	-16%
Conference Registration	4513	1,575	2,000	0	-100%
Training Expense	4514	19,624	28,400	27,620	-3%
Meeting Expense	4515	144	600	500	-17%
Disaster Exercise Exp.	4517	0	750	12,000	1500%
Travel & Reimbursed Expenses	4521	11,169	15,000	6,600	-56%
Relocation Expense	4522	14,000	0	0	0%
Employee Reimbursed Mileage	4524	131	0	0	0%
Other Advertising & Promotion	4539	1,454	1,200	700	-42%
TOTAL ADMINISTRATIVE EXPENSES		49,618	51,650	51,129	-1%
TOTAL EXPENSES BEFORE FIXED ASSETS		2,536,934	2,609,580	2,773,663	6%

**2007-08
ANNUAL BUDGET**

**AIRPORT RESCUE AND FIRE
Section 44**

	<u>ACCOUNT NO.</u>	<u>2005-06 ACTUAL</u>	<u>2006-07 BUDGET</u>	<u>2007-08 BUDGET</u>	<u>PERCENT CHANGE</u>
FIXED ASSETS					
Machinery & Equipment	4815	64,146	14,620	97,000	563%
TOTAL SECTION EXPENSES		<u>\$2,601,080</u>	<u>\$2,624,200</u>	<u>\$2,870,663</u>	<u>9%</u>

**2007-08
ANNUAL BUDGET**

**AIRPORT POLICE
Section 45**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$1,474,729	\$1,900,500	\$2,197,000	16%
Vacation Pay	4113	111,518	0	0	0%
Sick Leave Pay	4114	84,843	500	500	0%
Comp. Time	4116	4,890	0	0	0%
Overtime 1.5	4121	241,425	115,000	115,000	0%
Overtime Call Back	412103	85,313	62,000	50,000	-19%
Non-Day Shift Differentia	412105	19,712	22,000	22,000	0%
Shift Differential - Police Dep	412107	29,394	34,000	34,000	0%
Weekend Differential	412108	2,815	4,000	4,000	0%
Holiday Worked Pay	4128	61,774	48,000	48,000	0%
Medicare	4132	25,410	24,000	28,300	18%
Medical Insurance	4134	199,482	324,500	353,800	9%
Disability Insurance	413402	8,678	11,800	13,600	15%
Vision Service Plan	413404	6,502	8,500	9,000	6%
Life Insurance	413406	5,598	6,600	7,100	8%
Dental Insurance	413410	30,378	42,700	42,800	0%
Self Funded Rx	413412	46,077	60,300	65,400	8%
Workers Comp	4135	163,885	135,100	165,600	23%
Retirement	4136	501,716	521,550	609,500	17%
Uniform Allowance	4138	27,981	35,000	35,000	0%
Post Employment Health Plan	4141	5,140	8,850	8,850	0%
TOTAL PERSONNEL SERVICES		3,137,260	3,364,900	3,809,450	13%
UTILITIES AND COMMUNICATIONS					
Water	4213	1,182	1,000	0	-100%
Telephone	4221	6,630	9,000	0	-100%
Other Communications	4229	31	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		7,843	10,000	0	-100%
PURCHASED SERVICES					
Other Professional Services	4319	32,552	18,500	18,500	0%
Equipment Rental	4321	1,867	2,500	1,000	-60%
Office Machine Rental	4322	7,710	7,000	7,000	0%
Vehicle Rental	4323	0	1,000	1,000	0%
Vehicle Repair & Maintenance	4331	1,482	0	0	0%
Machinery & Equip Repair	4333	54	2,200	2,200	0%
Contracted Services	4334	2,830	0	0	0%
Office Equipment	4335	153	1,500	1,500	0%
Other Repairs & Maintenance	4339	329	0	0	0%
Laundry	4341	7,376	13,000	13,000	0%
Freight Expense	4343	1,771	3,500	3,500	0%
Towing Expense	4345	0	500	500	0%

**2007-08
ANNUAL BUDGET**

**AIRPORT POLICE
Section 45**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Permits & Recorder's Fees	4346	24	100	200	100%
Other Purchased Service	4349	7,291	12,500	6,500	-48%
TOTAL PURCHASED SERVICES		63,439	62,300	54,900	-12%
MATERIALS & SUPPLIES					
Paper	4411	734	1,000	1,000	0%
Postage	4412	993	1,400	1,400	0%
Printing & Forms	4413	2,595	2,500	2,500	0%
Other Office Supplies	4419	11,440	12,000	12,000	0%
Medical Supplies	4427	1,336	1,300	800	-38%
Other Operating Supplies	4429	25,424	26,500	26,500	0%
Machinery and Equipmen	4433	416	0	0	0%
Locks & Hardware	443303	5,059	2,000	2,000	0%
Lumber & Building Supplies	4437	3,085	500	500	0%
Office	4441	2,909	3,600	1,200	-67%
Operating Tools & Equipmen	4444	1,375	9,000	9,000	0%
Employee Safety Equipment	4445	225	2,000	2,000	0%
Telephone Equip & Labor	4446	1,287	0	0	0%
TOTAL MATERIALS & SUPPLIES		56,878	61,800	58,900	-5%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	425	685	1,255	83%
Books & Subscriptions	4512	1,179	1,200	1,200	0%
Conference Registratior	4513	595	3,550	0	-100%
Training Expense	4514	3,204	4,000	3,500	-13%
Meeting Expenses	4515	1,041	500	500	0%
Travel & Reimbursed Expenses	4521	5,603	9,250	0	-100%
Recruitment Expense	4523	(830)	0	0	0%
Other Advertising & Promotior	4539	1,339	1,500	1,500	0%
TOTAL ADMINISTRATIVE EXPENSES		12,556	20,685	7,955	-62%
TOTAL EXPENSES BEFORE FIXED ASSETS		3,277,976	3,519,685	3,931,205	12%
FIXED ASSETS					
Machinery & Equipmen	4815	86,361	29,800	63,500	113%
TOTAL SECTION EXPENSES		\$3,364,337	\$3,549,485	\$3,994,705	13%

**2007-08
ANNUAL BUDGET**

**AIRPORT COMMUNICATIONS
Section 46**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$299,744	\$360,000	\$377,900	5%
Vacation Pay	4113	25,222	0	0	0%
Sick Leave Pay	4114	25,523	3,000	2,500	-17%
Overtime 1.5	4121	38,191	25,300	26,565	5%
Overtime Call Back	412103	15,453	16,300	17,115	5%
Non-Day Shift Differential	412105	14,681	17,000	17,000	0%
Weekend Differential	412108	1,997	4,000	3,000	-25%
Holiday Worked Pay	4128	23,548	24,000	28,764	20%
Medicare	4132	4,359	3,800	4,100	8%
Medical Insurance	4134	43,611	56,800	57,200	1%
Disability Insurance	413402	2,149	2,300	2,400	4%
Vision Service Plan	413404	1,421	1,500	1,500	0%
Life Insurance	413406	1,224	1,200	1,300	8%
Dental Insurance	413410	6,562	7,300	7,000	-4%
Self Funded Rx	413412	9,370	10,800	10,800	0%
Workers Comp	4135	2,474	2,100	2,600	24%
Retirement	4136	81,319	70,800	77,100	9%
Uniform Allowance	4138	0	2,500	2,500	0%
TOTAL PERSONNEL SERVICES		596,848	608,700	639,344	5%
UTILITIES AND COMMUNICATIONS					
Water	4213	429	530	0	-100%
Telephone	4221	436	1,020	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		865	1,550	0	-100%
PURCHASED SERVICES					
Office Machine Rental	4322	1,565	300	300	0%
Contracted Services	4334	0	3,500	0	-100%
Other Repairs & Maintenance	4339	176,935	200,000	206,000	3%
Freight Expense	4343	0	0	50	%
Other Purchased Services	4349	1,697	0	0	0%
TOTAL PURCHASED SERVICES		180,197	203,800	206,350	1%
MATERIALS & SUPPLIES					
Paper	4411	186	200	250	25%
Postage	4412	21	0	0	0%
Printing and Forms	4413	49	0	0	0%
Other Office Supplies	4419	4,208	1,800	2,000	11%

**2007-08
ANNUAL BUDGET**

**AIRPORT COMMUNICATIONS
Section 46**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Medical Supplies	4427	677	800	800	0%
Other Operating Supplies	4429	521	5,000	2,000	-60%
TOTAL MATERIALS & SUPPLIES		5,662	7,800	5,050	-35%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	580	750	1,310	75%
Books & Subscriptions	4512	0	500	700	40%
Conference Registration	4513	0	450	0	-100%
Training Expense	4514	350	1,000	4,600	360%
Meeting Expenses	4515	45	0	0	0%
Travel & Reimbursed Expenses	4521	1,884	1,500	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		2,859	4,200	6,610	57%
TOTAL EXPENSES BEFORE FIXED ASSETS		786,431	826,050	857,354	4%
FIXED ASSETS					
Machinery & Equipment	4815	0	16,000	20,000	25%
TOTAL SECTION EXPENSES		\$786,431	\$842,050	\$877,354	4%

2007-08

Annual budget

Functions and Work Plans

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

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

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

Work Plans:

- Develop the annual Airport Capital Improvement Program (ACIP) for both RTIA and RSA
- Prepare FAA AIP Grant Applications and Track Approved Grants
- Assist with the preparation of the documentation to support the Land Exchange Agreement with the Nevada Air National Guard (NANG)
- Coordinate the new FAA Air Traffic Control Tower design/construction
- Coordinate the new Airport Surveillance Radar-11 site selection and design
- Assist in monitoring the construction of the new Aircraft Rescue and Fire Fighting (ARFF) Station
- Assist in the placement of underutilized/vacant land at RTIA into revenue producing use
- Assist in the terminal reconfiguration design and installation of an in-line checked baggage security screening system
- Oversee the preparation of a master plan update for the Reno-Stead Airport (RSA)
- Oversee the preparation of a runway safety area study for RSA
- RSA Parcel Reversion & Street Abandonment
- Assist in the design and construction of the new south Central Disposal Facility
- Assist in the design of the terminal concourse elbows / security check points expansion
- Oversee the preparation of a new Terminal Concourse concept planning

Engineering and Construction – Mission Statement: To provide superior engineering, architectural, and construction management support for development of facilities at Reno-Tahoe International and Reno-Stead Airports, in the creation of a safe and efficient environment for airport users & employees.

Board Goals: Financial Stability, and Master Development Planning

Work Plans:

- Participate in RTAA Project Procedures for Tenant Improvements at Reno-Tahoe and Reno-Stead Airports
- Project scoping and cost estimating for annual Capital Improvement Projects budgeting
- Provide Engineering, Architectural, and Construction Management support for various projects as may arise from other RTAA departments.

- Provide Engineering, Architectural, and Construction Management services for RTIA 10-Year Plan Projects
- Provide Engineering, Architectural, and Construction Management services for RTIA Capital Improvement Projects
- Maintain and administer annual contracts for governmental regulatory compliance, various RTAA Master Plans, and miscellaneous ongoing contracts.
- Provide Engineering, Architectural, and Construction Management services for Reno Stead Airport 10-Year Plan Projects
- Provide Engineering, Architectural, and Construction Management services for Reno Stead Airport Capital Improvement Projects

2007-08
ANNUAL BUDGET
Planning and Engineering
 Department Summary

<u>Account Group</u>	<u>2005-06 ACTUAL</u>	<u>2006-07 BUDGET</u>	<u>2007-08 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 900,173	\$ 1,022,500	\$ 1,123,500	10%
Utilities and Communications	3,033	3,850	0	-100%
Purchased Services	369,057	505,480	356,120	-30%
Materials and Supplies	14,015	12,400	19,550	58%
Administrative Expenses	24,814	34,845	25,695	-26%
Total Operating Expenses	\$ 1,311,092	\$ 1,579,075	\$ 1,524,865	-3%
Property, Plant and Equipment	10,449	5,820	35,000	501%
TOTAL	<u>\$ 1,321,541</u>	<u>\$ 1,584,895</u>	<u>\$ 1,559,865</u>	<u>-2%</u>

**2007-08
ANNUAL BUDGET**

**PLANNING AND ENVIRONMENTAL SERVICES
Executive Section 52**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$292,372	\$369,300	\$470,000	27%
Vacation Pay	4113	25,929	0	0	0%
Sick Leave Pay	4114	5,313	0	0	0%
Overtime 1.5	4121	402	0	400	%
Medicare	4132	4,935	5,600	7,100	27%
Medical Insurance	4134	32,207	42,000	57,100	36%
Disability Insurance	413402	1,989	2,500	3,100	24%
Vision Service Plan	413404	995	1,200	1,500	25%
Life Insurance	413406	1,247	1,500	2,000	33%
Dental Insurance	413410	6,022	5,600	6,900	23%
Self Funded Rx	413412	5,929	8,000	10,700	34%
Workers Comp	4135	1,498	1,400	2,000	43%
Retirement	4136	65,508	76,400	100,300	31%
TOTAL PERSONNEL SERVICES		444,346	513,500	661,100	29%
UTILITIES AND COMMUNICATIONS					
Water	4213	14	0	0	0%
Telephone	4221	1,586	2,100	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		1,600	2,100	0	-100%
PURCHASED SERVICES					
Update Noise Contours	431904	44,500	38,000	38,500	1%
Water Rights Consultant	431909	1,350	10,000	8,000	-20%
Professional Planning Services	431919	226,096	235,000	130,000	-45%
Office Machine Rental	4322	6,901	8,280	7,620	-8%
Other Repairs & Maint. Services	4339	130	200	2,500	1150%
Freight Expense	4343	1,105	1,200	1,200	0%
Permits & Recorders Fees	4346	2,885	2,000	2,000	0%
Other Purchased Services	4349	1,718	1,400	1,400	0%
TOTAL PURCHASED SERVICES		284,685	296,080	191,220	-35%
MATERIALS & SUPPLIES					
Paper	4411	453	800	800	0%
Postage	4412	642	900	800	-11%
Printing & Forms	4413	3,570	1,200	1,200	0%
Other Office Supplies	4419	2,904	2,000	8,550	328%
Other Operating Supplies	4429	57	0	0	0%
Small Office Equipment	4441	0	200	200	0%
TOTAL MATERIALS & SUPPLIES		7,626	5,100	11,550	126%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	1,021	1,405	1,500	7%

**2007-08
ANNUAL BUDGET**

**PLANNING AND ENVIRONMENTAL SERVICES
Executive Section 52**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Books & Subscriptions	4512	1,505	1,800	1,980	10%
Conference Registrator	4513	2,354	4,000	2,100	-48%
Training Expense	4514	430	400	690	73%
Meeting Expense	4515	2,533	2,500	3,600	44%
Travel & Reimbursed Expense	4521	6,751	9,940	5,925	-40%
Advertising - Newspapers	4534	4,271	4,500	3,900	-13%
TOTAL ADMINISTRATIVE EXPENSES		18,865	24,545	19,695	-20%
TOTAL EXPENSES BEFORE FIXED ASSETS		757,122	841,325	883,565	5%
FIXED ASSETS					
Machinery & Equipmen	4815	5,320	5,820	35,000	501%
TOTAL SECTION EXPENSES		\$762,442	\$847,145	\$918,565	8%

**2007-08
ANNUAL BUDGET**

**ENGINEERING AND CONSTRUCTION
Department 51**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$293,529	\$355,100	\$340,500	-4%
Vacation Pay	4113	27,391	0	0	0%
Sick Leave Pay	4114	13,440	500	0	-100%
Medicare	4132	4,008	4,400	4,100	-7%
Medical Insurance	4134	34,228	54,800	33,900	-38%
Disability Insurance	413402	1,927	2,300	2,100	-9%
Vision Service Plan	413404	1,025	1,400	900	-36%
Life Insurance	413406	1,233	1,400	1,200	-14%
Dental Insurance	413410	5,041	7,300	4,300	-41%
Self Funded Rx	413412	8,075	10,400	6,400	-38%
Workers Comp	4135	1,489	1,200	1,200	0%
Retirement	4136	64,441	70,200	67,800	-3%
TOTAL PERSONNEL SERVICES		455,827	509,000	462,400	-9%
UTILITIES AND COMMUNICATIONS					
Water	4213	217	250	0	-100%
Telephone	4221	1,216	1,500	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		1,433	1,750	0	-100%
PURCHASED SERVICES					
Other Professional Services	4319	77,593	197,000	155,000	-21%
Office Machine Rental	4322	4,144	3,800	3,800	0%
Office Equipment	4335	0	2,500	2,500	0%
Freight Expense	4343	832	1,200	1,200	0%
Other Purchased Services	4349	1,803	4,900	2,400	-51%
TOTAL PURCHASED SERVICES		84,372	209,400	164,900	-21%
MATERIALS & SUPPLIES					
Paper	4411	760	1,000	1,700	70%
Postage	4412	232	800	800	0%
Printing & Forms	4413	659	500	1,000	100%
Other Office Supplies	4419	2,929	5,000	4,500	-10%
Small Office Equipment	4441	1,809	0	0	0%
TOTAL MATERIALS & SUPPLIES		6,389	7,300	8,000	10%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	850	1,000	1,000	0%

**2007-08
ANNUAL BUDGET**

**ENGINEERING AND CONSTRUCTION
Department 51**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Books & Subscriptions	4512	888	900	1,500	67%
Conference Registration	4513	1,217	2,400	0	-100%
Training Expense	4514	0	1,200	1,700	42%
Meeting Expenses	4515	363	800	800	0%
Travel & Reimb Expenses	4521	1,641	3,000	0	-100%
Newspaper	4534	990	1,000	1,000	0%
TOTAL ADMINISTRATIVE EXPENSE		5,949	10,300	6,000	-42%
TOTAL EXPENSES BEFORE FIXED ASSETS		553,970	737,750	641,300	-13%
FIXED ASSETS					
Machinery & Equipment	4815	5,129	0	0	0%
TOTAL SECTION EXPENSES		\$559,099	\$737,750	\$641,300	-13%

2007-08

Annual budget

Functions and Work Plans

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

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

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

Work Plans:

- Define and allocate resources for the Engineering / Construction Department.
- Participate in RTAA Project Procedures for Tenant Improvements at RTIA, and Reno Stead Airports.
- Project scoping and cost estimating for annual Capital Improvement Projects budgeting
- Provide Engineering, Architectural, and Construction Management support for various projects as may arise from other RTAA Divisions
- Provide Engineering, Architectural, and Construction Management services for RTIA 10-Year Plan Projects
- Provide Engineering, Architectural, and Construction Management services for RTIA Capital Improvement Projects
- Maintain and administer annual contracts for governmental regulatory compliance, various RTAA Master Plans, and miscellaneous ongoing RTAA contracts
- Provide Engineering, Architectural, and Construction Management services for Reno Stead Airport 10-Year Plan Projects
- Provide Engineering, Architectural, and Construction Management services for Reno Stead Airport Capital Improvement Projects
- Maintain Professional Consultant qualification list for RTAA projects.

Airfield Maintenance – Mission Statement: To provide maintenance for the airfield, landscaping, and properties governed by the Airport Authority of Washoe County.

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

Work Plans:

- Maintain all exterior electrical systems.
- Maintain all RTAA vehicles and equipment, and provide fuel for all vehicles.
- Remove runway rubber buildup to maintain FAR 139 compliance
- Maintain landside pavements
- Maintain airfield pavements and markings in accordance with FAR 139 and all other applicable regulations.
- Remove snow from RW 16R and TW Alpha as directed by Operations.
- Maintain safe and accurate signage for the traveling public.
- Daily sweeping and foreign object debris (FOD) removal

- Perform pavement sweeping
- Airfield, and Terminal Building trash removal
- Maintain landscaping, airfield, and land acquisition area properties to ensure a secure, and aesthetically pleasing appearance.

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

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

Work Plans:

- Inspect, repair or replace windows, doors, door locks, and cabinets throughout the facility (250+ doors, 250+ cabinets, 300+ windows.)
- Weekly preventative maintenance and repairs as necessary. Annually test all terminal building systems.
- Inspect and maintain the Terminal Building roof membrane.
- Remove snow and treat of ice from the Terminal Building landside areas. Assist Airfield Maintenance as needed for airside snow removal.
- Troubleshoot electrical problems on jet bridges, lift stations, Central Disposal Facility, Terminal Building, sound system, and the vehicle parking areas.
- Inspect, perform preventive maintenance, repair and operate air handlers, chillers, condensers on the Terminal and outer building heating and cooling systems.
- Inspect and replace fire extinguishers on all RTAA facilities. Inspect fire sprinkler system quarterly. 5 year parking structure fire inspection
- Perform weekly preventive maintenance and annual (1) bag belt complete overhaul. (5) Bag Belts
- Clean Concourse B, C, Lower Level, Administrative Areas.
- Clean AVA and Customs Buildings., Parking Plaza, Building and Airfield Maintenance, Parking Structure, Fire House, GAOB, Rockport,
- Assist with landside snow and ice removal as needed.
- Set up welcome booths, tables, etc. for Marketing, Properties, Board Meetings, Press Conf.
- Cleanup and follow up due to advertising and lease hold changes

2007-08
ANNUAL BUDGET
Facilities and Maintenance
 Department Summary

<u>Account Group</u>	<u>2005-06 ACTUAL</u>	<u>2006-07 BUDGET</u>	<u>2007-08 BUDGET</u>	<u>PERCENT CHANGE</u>
Personnel Services	\$ 5,770,094	\$ 6,491,735	\$ 6,711,676	3%
Utilities and Communications	2,367,498	2,569,300	2,759,055	7%
Purchased Services	1,018,762	1,268,020	1,056,790	-17%
Materials and Supplies	1,263,662	1,079,510	1,135,110	5%
Administrative Expenses	61,181	97,330	22,410	-77%
Total Operating Expenses	\$10,481,197	\$11,505,895	\$11,685,041	2%
Property, Plant and Equipment	73,475	308,500	231,500	-25%
TOTAL	<u>\$10,554,672</u>	<u>\$11,814,395</u>	<u>\$11,916,541</u>	<u>1%</u>

**2007-08
ANNUAL BUDGET**

**DIRECTOR OF FACILITES AND MAINTENANCE
Department 61**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$219,131	\$432,500	\$329,700	-24%
Vacation Pay	4113	23,696	0	0	0%
Sick Leave Pay	4114	10,819	300	0	-100%
Overtime 1.5	4121	22	200	0	-100%
Overtime Call Back	412103	775	300	0	-100%
Standby	412104	847	300	0	-100%
Holiday Worked Pay	4128	419	300	0	-100%
Medicare	4132	3,673	6,275	4,800	-24%
Medical Insurance	4134	19,568	50,400	36,900	-27%
Disability Insurance	413402	1,158	2,750	2,100	-24%
Vision Service Plan	413404	504	1,300	900	-31%
Life Insurance	413406	699	1,550	1,300	-16%
Dental Insurance	413410	2,564	6,800	4,300	-37%
Self Funded Rx	413412	6,199	9,600	6,900	-28%
Workers Comp	4135	1,221	1,200	1,200	0%
Retirement	4136	47,176	85,400	65,800	-23%
Uniform Allowance	4138	0	200	0	-100%
TOTAL PERSONNEL SERVICES		338,471	599,375	453,900	-24%
UTILITIES AND COMMUNICATIONS					
Water	4213	0	0	3,600	%
Telephone	4221	1,372	1,100	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		1,372	1,100	3,600	227%
PURCHASED SERVICES					
Consultants - General	4314	352	10,000	0	-100%
Other Professional Services	4319	31,515	25,000	0	-100%
Office Machine Rental	4322	1,894	1,300	1,300	0%
Furniture & Fixtures	4332	2,088	2,000	1,000	-50%
Contracted Services	4334	13,473	46,000	120,000	161%
Office Equipment	4335	0	200	200	0%
Other Repairs & Maint. Svc.	4339	7,752	9,000	9,000	0%
Freight Expense	4343	690	500	500	0%
Permits & Recorders Fees	4346	85	0	0	0%
Other Purchased Services	4349	31,780	50,000	0	-100%
TOTAL PURCHASED SERVICES		89,629	144,000	132,000	-8%
MATERIALS & SUPPLIES					
Paper	4411	127	200	200	0%

**2007-08
ANNUAL BUDGET**

**DIRECTOR OF FACILITES AND MAINTENANCE
Department 61**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Postage	4412	309	400	400	0%
Printing and Forms	4413	775	600	600	0%
Other Office Supplies	4419	4,200	4,000	4,000	0%
Other Repairs & Maint. Supplies	4439	809	250	250	0%
Small Office Equipment	4441	2,603	0	0	0%
Signs and Sign Maintenance	4443	18,292	30,000	10,000	-67%
Employee Safety Equipment	4445	32	0	0	0%
TOTAL MATERIALS & SUPPLIES		27,147	35,450	15,450	-56%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	870	1,700	1,285	-24%
Books & Subscriptions	4512	438	2,200	2,200	0%
Conference Registration	4513	1,130	7,635	0	-100%
Training Expense	4514	3,730	2,000	300	-85%
Meeting Expenses	4515	349	500	300	-40%
Travel & Reimbursed Exp.	4521	4,864	11,345	325	-97%
Relocation Expense	4522	9,319	10,000	0	-100%
Recruitment Expense	4523	1,166	0	0	0%
TOTAL ADMINISTRATIVE EXPENSES		21,866	35,380	4,410	-88%
TOTAL EXPENSES BEFORE FIXED ASSETS		478,485	815,305	609,360	-25%
FIXED ASSETS					
Machinery and Equipment	4815	0	0	0	0%
TOTAL DEPARTMENT EXPENSES		\$478,485	\$815,305	\$609,360	-25%

**2007-08
ANNUAL BUDGET**

**AIRFIELD MAINTENANCE
Section 62**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$965,900	\$1,122,200	\$1,241,800	11%
Temporary Employees	4112	50,188	62,000	65,000	5%
Vacation Pay	4113	78,985	0	0	0%
Sick Leave Pay	4114	44,932	1,200	5,600	367%
Overtime 1.5	4121	62,908	25,000	40,000	60%
Overtime Call Back	412103	40,304	40,000	40,000	0%
Standby	412104	19,708	13,500	13,500	0%
Non-Day Shift Differentia	412105	4,438	5,500	8,000	45%
Weekend Differential	412108	2,860	4,500	4,500	0%
Holiday Worked Pay	4128	18,960	23,000	23,000	0%
Medicare	4132	12,459	11,700	14,200	21%
FICA	413201	1,898	0	0	0%
Medical Insurance	4134	128,190	205,100	228,800	12%
Disability Insurance	413402	6,082	7,100	7,800	10%
Vision Service Plan	413404	4,250	7,700	7,800	1%
Life Insurance	413406	3,703	4,250	4,600	8%
Dental Insurance	413410	20,355	27,600	27,700	0%
Self Funded Rx	413412	29,513	38,900	30,000	-23%
Workers Comp	4135	61,192	53,400	78,500	47%
Retirement	4136	229,584	220,800	250,700	14%
Uniform Allowance	4138	17,981	6,500	7,500	15%
Meal Allowance	4139	1,020	1,000	1,000	0%
TOTAL PERSONNEL SERVICES		1,805,410	1,880,950	2,100,000	12%
UTILITIES AND COMMUNICATIONS					
Electricity	4211	104,664	29,500	80,000	171%
Natural Gas	4212	2,877	26,000	3,000	-88%
Water	4213	658	800	800	0%
Solid Waste Removal	4215	97,294	90,000	90,000	0%
Recycleable Disposal	421501	0	7,500	3,000	-60%
Dump Fees	421502	0	7,500	7,500	0%
Sumps/oil-water separators	421503	0	0	5,000	%
Propane	4217	4,870	1,500	1,750	17%
Hazardous Waste Removal	4218	10,180	8,000	3,000	-63%
Telephone	4221	1,374	1,500	0	-100%
Other Communications	4229	1,406	11,000	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		223,323	183,300	194,050	6%
PURCHASED SERVICES					
Other Professional Services	4319	8,435	30,000	5,000	-83%
Equipment Rental	4321	1,783	1,500	1,500	0%
Office Machine Rental	4322	1,798	2,520	2,520	0%

**2007-08
ANNUAL BUDGET**

**AIRFIELD MAINTENANCE
Section 62**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Vehicles	4331	816	0	0	0%
Construction Equipment Repair	4333	0	3,000	3,000	0%
Contracted Services	4334	249,521	115,000	12,420	-89%
Landscape Constructor	433402	0	30,000	0	-100%
Office Equipment	4335	462	0	0	0%
Fence Repair	4336	0	8,000	8,000	0%
Snow Removal	4337	220	50,000	50,000	0%
Other Repairs & Maint. Services	4339	4,172	5,000	5,000	0%
Rubber Removal	433902	0	90,000	0	-100%
Freight Expense	4343	4,535	3,000	3,000	0%
Permits & Recorders Fees	4346	0	0	3,000	%
TOTAL PURCHASED SERVICES		271,742	338,020	93,440	-72%
MATERIALS & SUPPLIES					
Paper	4411	118	250	250	0%
Postage	4412	4	10	10	0%
Printing & Forms	4413	513	1,000	500	-50%
Other Office Supplies	4419	5,356	3,000	3,000	0%
Oil & Lubricants	4421	11,916	9,000	10,000	11%
Chemicals	4422	125,011	0	0	0%
Herbicides	442201	7,976	50,000	50,000	0%
Fertilizer	442202	137	10,000	10,000	0%
Ice Control	442203	0	75,000	75,000	0%
Rubber Removal	442204	0	20,000	7,500	-63%
Auto Fuel	4423	51,126	69,000	69,000	0%
Diesel Fuel	4424	63,979	55,000	55,000	0%
Janitorial Paper Supplies	4425	104	0	0	0%
Janitorial Supplies	4426	344	0	0	0%
Medical Supplies	4427	496	750	500	-33%
Janitorial Trash Can Liners	4428	1,937	1,600	2,000	25%
Other Operating Supplies	4429	14,351	3,000	5,000	67%
Repairs & Maint. Supplies - Bldg	4430	4,708	0	0	0%
Vehicles	4431	33,771	35,000	35,000	0%
Machinery & Equipment	4433	126,763	90,000	90,000	0%
Locks & Hardware	443303	0	800	5,000	525%
Seeds, Plants, and Trees	4434	7,430	4,000	4,000	0%
Irrigation Supplies	443401	0	5,000	5,000	0%
Landscape Materials	443402	0	5,000	5,000	0%
Plumbing Supplies	4435	5,908	0	0	0%
Electrical Supplies	4436	46,295	2,000	3,500	75%
Runway/Taxiway Supplies	443601	3,480	45,000	70,000	56%
Ramp Lighting	443602	0	3,000	3,000	0%
Lumber & Building Supplies	4437	270	0	0	0%
Paint Supplies	4438	51,734	0	2,500	%

**2007-08
ANNUAL BUDGET**

**AIRFIELD MAINTENANCE
Section 62**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Runway/Taxiway Paints	443801	0	15,000	20,000	33%
Ramp Area Paint	443802	0	3,000	4,000	33%
Roadway Paint	443803	0	1,500	3,000	100%
Roadway Spheres	443804	0	10,000	10,000	0%
Other Repairs & Maint. Supplies	4439	9,627	0	0	0%
Metal and Steel	443901	0	1,000	3,000	200%
Gate Parts	443902	0	3,000	2,000	-33%
Small Tools & Equipment	4440	13,630	7,500	7,500	0%
Small Office Equipment	4441	270	1,000	1,000	0%
Small Tools - Maintenance	4442	962	5,000	5,000	0%
Signs and Sign Maintenance	4443	3,939	3,000	2,500	-17%
Tools & Small Equipment	4444	3,809	0	0	0%
Employee Safety Equipment	4445	10,070	10,000	10,000	0%
Telephone Equipment & Labor	4446	293	0	0	0%
Asphalt & Cement	4451	40,909	10,000	10,000	0%
Backfill/Crusher Run	445101	0	1,000	0	-100%
Runway Sand	445102	0	3,000	3,000	0%
Patch Materials	445103	0	2,000	5,000	150%
Runway/Taxiway Repair	4453	4,519	25,000	40,000	60%
Fence & Gate Repair Parts	4454	1,987	2,000	4,000	100%
TOTAL MATERIALS & SUPPLIES		653,742	590,410	640,760	9%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	1,473	1,050	1,500	43%
Books & Subscriptions	4512	2,719	2,350	2,500	6%
Conference Registration	4513	5,606	9,050	0	-100%
Training Expenses	4514	3,883	10,500	10,000	-5%
Meeting Expenses	4515	921	0	0	0%
Travel & Reimbursed Expenses	4521	17,681	16,500	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		32,283	39,450	14,000	-65%
TOTAL EXPENSES BEFORE FIXED ASSETS		2,986,500	3,032,130	3,042,250	0%
FIXED ASSETS					
Machinery & Equipment	4815	873,178	340,100	280,552	-18%
TOTAL SECTION EXPENSES		\$3,859,678	\$3,372,230	\$3,322,802	-1%

**2007-08
ANNUAL BUDGET**

**AIRFIELD MAINTENANCE
Section 62**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$965,900	\$1,122,200	\$1,241,800	11%
Temporary Employees	4112	50,188	62,000	65,000	5%
Vacation Pay	4113	78,985	0	0	0%
Sick Leave Pay	4114	44,932	1,200	5,600	367%
Overtime 1.5	4121	62,908	25,000	40,000	60%
Overtime Call Back	412103	40,304	40,000	40,000	0%
Standby	412104	19,708	13,500	13,500	0%
Non-Day Shift Differentia	412105	4,438	5,500	8,000	45%
Weekend Differential	412108	2,860	4,500	4,500	0%
Holiday Worked Pay	4128	18,960	23,000	23,000	0%
Medicare	4132	12,459	11,700	14,200	21%
FICA	413201	1,898	0	0	0%
Medical Insurance	4134	128,190	205,100	228,800	12%
Disability Insurance	413402	6,082	7,100	7,800	10%
Vision Service Plan	413404	4,250	7,700	7,800	1%
Life Insurance	413406	3,703	4,250	4,600	8%
Dental Insurance	413410	20,355	27,600	27,700	0%
Self Funded Rx	413412	29,513	38,900	30,000	-23%
Workers Comp	4135	61,192	53,400	78,500	47%
Retirement	4136	229,584	220,800	250,700	14%
Uniform Allowance	4138	17,981	6,500	7,500	15%
Meal Allowance	4139	1,020	1,000	1,000	0%
TOTAL PERSONNEL SERVICES		1,805,410	1,880,950	2,100,000	12%
UTILITIES AND COMMUNICATIONS					
Electricity	4211	104,664	29,500	80,000	171%
Natural Gas	4212	2,877	26,000	3,000	-88%
Water	4213	658	800	800	0%
Solid Waste Removal	4215	97,294	90,000	90,000	0%
Recycleable Disposal	421501	0	7,500	3,000	-60%
Dump Fees	421502	0	7,500	7,500	0%
Sumps/oil-water separators	421503	0	0	5,000	%
Propane	4217	4,870	1,500	1,750	17%
Hazardous Waste Removal	4218	10,180	8,000	3,000	-63%
Telephone	4221	1,374	1,500	0	-100%
Other Communications	4229	1,406	11,000	0	-100%
TOTAL UTILITIES & COMMUNICATIONS		223,323	183,300	194,050	6%
PURCHASED SERVICES					
Other Professional Services	4319	8,435	30,000	5,000	-83%
Equipment Rental	4321	1,783	1,500	1,500	0%
Office Machine Rental	4322	1,798	2,520	2,520	0%

**2007-08
ANNUAL BUDGET**

**AIRFIELD MAINTENANCE
Section 62**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Vehicles	4331	816	0	0	0%
Construction Equipment Repair	4333	0	3,000	3,000	0%
Contracted Services	4334	249,521	115,000	12,420	-89%
Landscape Constructor	433402	0	30,000	0	-100%
Office Equipment	4335	462	0	0	0%
Fence Repair	4336	0	8,000	8,000	0%
Snow Removal	4337	220	50,000	50,000	0%
Other Repairs & Maint. Services	4339	4,172	5,000	5,000	0%
Rubber Removal	433902	0	90,000	0	-100%
Freight Expense	4343	4,535	3,000	3,000	0%
Permits & Recorders Fees	4346	0	0	3,000	%
TOTAL PURCHASED SERVICES		271,742	338,020	93,440	-72%
MATERIALS & SUPPLIES					
Paper	4411	118	250	250	0%
Postage	4412	4	10	10	0%
Printing & Forms	4413	513	1,000	500	-50%
Other Office Supplies	4419	5,356	3,000	3,000	0%
Oil & Lubricants	4421	11,916	9,000	10,000	11%
Chemicals	4422	125,011	0	0	0%
Herbicides	442201	7,976	50,000	50,000	0%
Fertilizer	442202	137	10,000	10,000	0%
Ice Control	442203	0	75,000	75,000	0%
Rubber Removal	442204	0	20,000	7,500	-63%
Auto Fuel	4423	51,126	69,000	69,000	0%
Diesel Fuel	4424	63,979	55,000	55,000	0%
Janitorial Paper Supplies	4425	104	0	0	0%
Janitorial Supplies	4426	344	0	0	0%
Medical Supplies	4427	496	750	500	-33%
Janitorial Trash Can Liners	4428	1,937	1,600	2,000	25%
Other Operating Supplies	4429	14,351	3,000	5,000	67%
Repairs & Maint. Supplies - Bldg	4430	4,708	0	0	0%
Vehicles	4431	33,771	35,000	35,000	0%
Machinery & Equipment	4433	126,763	90,000	90,000	0%
Locks & Hardware	443303	0	800	5,000	525%
Seeds, Plants, and Trees	4434	7,430	4,000	4,000	0%
Irrigation Supplies	443401	0	5,000	5,000	0%
Landscape Materials	443402	0	5,000	5,000	0%
Plumbing Supplies	4435	5,908	0	0	0%
Electrical Supplies	4436	46,295	2,000	3,500	75%
Runway/Taxiway Supplies	443601	3,480	45,000	70,000	56%
Ramp Lighting	443602	0	3,000	3,000	0%
Lumber & Building Supplies	4437	270	0	0	0%
Paint Supplies	4438	51,734	0	2,500	%

**2007-08
ANNUAL BUDGET**

**AIRFIELD MAINTENANCE
Section 62**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Runway/Taxiway Paints	443801	0	15,000	20,000	33%
Ramp Area Paint	443802	0	3,000	4,000	33%
Roadway Paint	443803	0	1,500	3,000	100%
Roadway Spheres	443804	0	10,000	10,000	0%
Other Repairs & Maint. Supplies	4439	9,627	0	0	0%
Metal and Steel	443901	0	1,000	3,000	200%
Gate Parts	443902	0	3,000	2,000	-33%
Small Tools & Equipment	4440	13,630	7,500	7,500	0%
Small Office Equipment	4441	270	1,000	1,000	0%
Small Tools - Maintenance	4442	962	5,000	5,000	0%
Signs and Sign Maintenance	4443	3,939	3,000	2,500	-17%
Tools & Small Equipment	4444	3,809	0	0	0%
Employee Safety Equipment	4445	10,070	10,000	10,000	0%
Telephone Equipment & Labor	4446	293	0	0	0%
Asphalt & Cement	4451	40,909	10,000	10,000	0%
Backfill/Crusher Run	445101	0	1,000	0	-100%
Runway Sand	445102	0	3,000	3,000	0%
Patch Materials	445103	0	2,000	5,000	150%
Runway/Taxiway Repair	4453	4,519	25,000	40,000	60%
Fence & Gate Repair Parts	4454	1,987	2,000	4,000	100%
TOTAL MATERIALS & SUPPLIES		653,742	590,410	640,760	9%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	1,473	1,050	1,500	43%
Books & Subscriptions	4512	2,719	2,350	2,500	6%
Conference Registration	4513	5,606	9,050	0	-100%
Training Expenses	4514	3,883	10,500	10,000	-5%
Meeting Expenses	4515	921	0	0	0%
Travel & Reimbursed Expenses	4521	17,681	16,500	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		32,283	39,450	14,000	-65%
TOTAL EXPENSES BEFORE FIXED ASSETS		2,986,500	3,032,130	3,042,250	0%
FIXED ASSETS					
Machinery & Equipment	4815	873,178	340,100	280,552	-18%
TOTAL SECTION EXPENSES		\$3,859,678	\$3,372,230	\$3,322,802	-1%

**2007-08
ANNUAL BUDGET**

**BUILDING MAINTENANCE AND SERVICES
Section 63**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
PERSONNEL SERVICES					
Permanent Employees	4111	\$1,953,083	\$2,395,900	\$2,496,500	4%
Temporary Employees	4112	0	16,500	0	-100%
Vacation Pay	4113	136,356	0	0	0%
Sick Leave Pay	4114	79,387	4,750	5,000	5%
Overtime Pay 1.5	4121	61,635	63,320	30,000	-53%
Overtime Call Back	412103	25,700	6,580	6,580	0%
Standby	412104	19,165	12,260	12,260	0%
Non-Day Shift Differential	412105	94,604	105,000	105,000	0%
Weekend Differential	412108	8,292	10,000	10,000	0%
Holiday Worked Pay	4128	107,064	59,600	78,936	32%
Medicare	4132	32,839	32,550	34,000	4%
FICA	413201	2,229	0	0	0%
Medical Insurance	4134	318,605	498,800	495,900	-1%
Disability Insurance	413402	12,554	15,200	15,700	3%
Vision Service Plan	413404	10,242	14,100	13,600	-4%
Life Insurance	413406	9,013	10,050	10,200	1%
Dental Insurance	413410	48,943	63,800	59,100	-7%
Self Funded Rx	413412	71,214	94,300	93,000	-1%
Workers Comp	4135	140,669	124,150	173,200	40%
Retirement	4136	477,256	472,550	506,800	7%
Uniform Allowance	4138	16,260	10,000	10,000	0%
Meal Allowance	4139	1,103	2,000	2,000	0%
TOTAL PERSONNEL SERVICES		3,626,213	4,011,410	4,157,776	4%
UTILITIES AND COMMUNICATIONS					
Electricity	4211	1,627,486	1,860,000	1,956,147	5%
Natural Gas	4212	362,325	288,000	365,058	27%
Water	4213	81,189	160,600	160,600	0%
Sewer	4214	62,622	53,000	65,000	23%
Solid Waste Removal	4215	555	14,600	14,600	0%
Heating Oil	4216	0	2,500	0	-100%
Telephone	4221	5,948	6,200	0	-100%
Other Communications	4229	2,678	0	0	0%
TOTAL UTILITIES & COMMUNICATIONS		2,142,803	2,384,900	2,561,405	7%
PURCHASED SERVICES					
Professional Services	4310	23,104	30,000	10,000	-67%
Consultants - General	4314	25,826	35,000	0	-100%
Other Professional Services	4319	20	5,000	0	-100%

**2007-08
ANNUAL BUDGET**

**BUILDING MAINTENANCE AND SERVICES
Section 63**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Environmental Consultant	431912	0	0	12,000	%
Equipment Rental	4321	0	1,000	1,000	0%
Office Machine Rental	4322	658	600	1,500	150%
Vehicle Repair & Maintenance	4331	441	0	0	0%
Furniture & Fixtures	4332	3,112	5,000	0	-100%
Contracted Services	4334	519,750	546,300	633,850	16%
Contracted Services - Elevators	433401	68,227	64,400	104,500	62%
Office Equipment	4335	358	1,000	0	-100%
Other Repairs & Maintenance	4339	566	2,500	2,500	0%
Roof Maintenance	433903	3,755	10,000	0	-100%
HVAC Duct Cleaning	433904	1,235	70,000	0	-100%
Boarding Bridge Maintenance	433905	1,598	0	0	0%
Laundry	4341	2,814	2,500	3,000	20%
Freight Expense	4343	3,162	1,700	2,000	18%
Permits & Recorders Fees	4346	1,118	1,000	1,000	0%
Other Purchased Services	4349	1,647	10,000	60,000	500%
TOTAL PURCHASED SERVICES		657,391	786,000	831,350	6%
MATERIALS & SUPPLIES					
Paper	4411	345	350	500	43%
Postage	4412	0	50	50	0%
Printing & Forms	4413	656	700	1,000	43%
Other Office Supplies	4419	4,544	3,000	3,000	0%
Oil and Lubricants	4421	152	150	0	-100%
Chemicals	4422	0	2,500	0	-100%
Carpet Cleaning Chemicals	442206	992	2,000	0	-100%
Janitorial Paper Supplies	4425	103,567	80,000	95,000	19%
Janitorial Supplies	4426	62,998	35,000	40,000	14%
Medical Supplies	4427	1,358	4,500	3,500	-22%
Janitorial Trash Can Liners	4428	34,705	62,000	62,000	0%
Other Operating Supplies	4429	4,123	1,400	0	-100%
Vehicles	4431	372	0	0	0%
Heating & Air Conditioning	4432	94,346	75,500	85,000	13%
Filters	443201	1,611	0	0	0%
Machinery & Equipment	4433	13,204	11,500	5,350	-53%
Baggage Conveyors	443301	21,389	17,000	9,500	-44%
Locks & Hardware	443303	2,690	10,600	2,500	-76%
Brushes	443304	2,597	3,200	3,500	9%
Jet Bridge Repair	443306	41,028	27,000	27,000	0%
Seeds, Plant, Trees	4434	859	0	0	0%
Plumbing Supplies	4435	49,177	20,000	35,000	75%

**2007-08
ANNUAL BUDGET**

**BUILDING MAINTENANCE AND SERVICES
Section 63**

	ACCOUNT NO.	2005-06 ACTUAL	2006-07 BUDGET	2007-08 BUDGET	PERCENT CHANGE
Electrical Supplies	4436	44,944	34,000	38,500	13%
Roadway Lighting	443605	488	0	0	0%
Parking Lot Lighting	443606	5,634	1,500	0	-100%
Lumber & Building Supplies	4437	22,847	20,000	30,000	50%
Paint Supplies	4438	10,141	7,500	9,000	20%
Other Repairs & Maint. Supplies	4439	5,375	3,000	3,000	0%
Small Office Equipment	4441	10,945	5,000	4,000	-20%
Small Tool & Minor Equip. Maint.	4442	3,791	1,500	1,000	-33%
Signs & Sign Maintenance	4443	714	1,500	0	-100%
Operating Tools & Equipment	4444	7,301	9,200	5,000	-46%
Employee Safety Equipment	4445	25,909	14,000	15,500	11%
Hazardous Matls. Response	444501	138	0	0	0%
Repair & Maintenance Supplies	4450	3,833	0	0	0%
TOTAL MATERIALS & SUPPLIES		582,773	453,650	478,900	6%
ADMINISTRATIVE EXPENSE					
Membership Dues	4511	585	600	1,500	150%
Books & Subscriptions	4512	339	500	500	0%
Conference Registration	4513	0	2,500	0	-100%
Training	4514	3,220	12,000	2,000	-83%
Meeting Expenses	4515	0	600	0	-100%
Travel & Reimbursed Expense	4521	2,888	6,300	0	-100%
TOTAL ADMINISTRATIVE EXPENSES		7,032	22,500	4,000	-82%
TOTAL EXPENSES BEFORE FIXED ASSETS		7,016,212	7,658,460	8,033,431	5%
FIXED ASSETS					
Machinery & Equipment	4815	73,475	308,500	231,500	-25%
TOTAL SECTION EXPENSES		\$7,089,687	\$7,966,960	\$8,264,931	4%

2007-08**ANNUAL BUDGET****Section 3 – Property, Plant and Equipment**

The schedule following this narrative lists the property, plant, equipment (PPE) requests for the RTAA's various departments/sections. PPE are items that will have a useful life exceeding one year and a cost greater than \$2,000.

The PPE requests for 2007-08 total \$876,517. The cost shown for the Vacuum Street Sweeper is only the RTAA's five percent sponsor portion of a Congestion Mitigation and Air Quality (CMAQ) grant which will fund the balance of the cost. This year's budget requests include four vehicles, which will go to the Reno Stead, Airfield Operations, Police, and Planning and Environmental Services sections. The difference in the prices shown for apparently similar vehicles is caused by the lighting and communications requirements of each section.

The Facilities Department's vehicle replacement plan maximizes the functionality, and minimizes the maintenance costs of the RTAA's fleet of vehicles. This plan provides for the retirement and rotation of vehicles and equipment. The tables below list the vehicles and equipment being replaced.

Vehicles

Department	2007-08 Request	Amount Budgeted	Current Vehicle Being Replaced
Reno Stead Airport	¾ Ton Extended Cab Pickup	\$34,000	1989 Chevrolet Pickup with unknown mileage due to broken speedometer
Airfield Operations	Utility Vehicle	38,000	1997 Chevrolet Tahoe with 96,221 miles
Airport Police	Vehicle with Police Package	39,000	1996 Chevrolet Police Vehicle with 133,343 miles.
Planning	Utility Vehicle	35,000	1994 Chevrolet Suburban with 171,973 miles

Equipment

Department	2007-08 Request	Amount Budgeted	Current Equipment Being Replaced/Explanation
Reno Stead	Riding Mower	\$5,000	Replace 1992 mower for which repair parts are no longer available.
Landside Operations	AVID Equipment for Employee Parking Area	30,000	Allow Facilities staff access for snow and maintenance equipment without proximity cards.
Airport Fire and Rescue	Equipment for new Firehouse	97,000	Replace existing unserviceable equipment in new Firehouse.
Airfield Maintenance	Straight Mast Boom Lift	135,000	Current 1985 Boom Truck cannot reach the top of all pole mounted lights. This lift will service landside and airside lights.

Department	2007-08 Request	Amount Budgeted	Current Equipment Being Replaced/Explanation
Airfield Maintenance	1 Ton Dump Truck	\$37,000	Replace an unreliable 1998 GMC dump truck with a cost to repair of 39% of truck value.
Airfield Maintenance	Skid Steer Loader	42,000	This small loader will be used to clear snow around the jet bridges and gates that the larger pieces of snow equipment cannot reach.
Building Maintenance	Central Disposal Facility (CDF) Water Recycling System	33,000	Existing unit obsolete and repair parts are unavailable. Recycling is required to eliminate illegal discharges into City sewer system.
Building Maintenance	80 Gallon Food Court Water Heater	22,500	Replace rusting 1992 vintage water heater that supplies the food court tenants.
Building Maintenance	3 Air Handlers	165,000	Replace air handlers installed in 1980 with terminal building expansion.

Several software packages, and other technology items have been requested for 2007-08. The requested increased technology will improve the staff's effectiveness and ability without increasing staff.

Technology

Department	2007-08 Request	Amount Budgeted	System Description
Technology and Information Systems	Help Desk Management Software	\$8,600	This software will manage the TIS requests for repairs which are growing with increased technology
Technology and Information Systems	Air Pressure Monitoring System for Main Trunk Lines Underground Conduit	9,465	Underground conduit for communications lines is pressurized with air to keep out moisture. This system will monitor that pressure and let staff know where the leaking conduit is located. This system may be expanded to all communications conduit in the future
Technology and Information Systems	Automate Flight Data for FID System	11,200	This will provide accurate data for the Flight Information Displays (FID) from the FAA's database if information is not entered by the airlines.

Department	2007-08 Request	Amount Budgeted	System Description
Airport Police	Live Scan Fingerprint System	\$15,000	The current system is outdated and cannot adequately submit data to the Department of Homeland Security clearinghouse.
Airport Police	Magnetic Stripe Badge Printer	9,500	The existing badge printer is outdated, requires significant servicing and parts are difficult to obtain.
Airport Communications	Computer Graphics for EOC	20,000	Create graphics/maps of airport for use in Emergency Operations Center incident administration software.

2007-08

Property, Plant, and Equipment Budgets by Department/Section

Division	Description	Amount	Total
10 Board of Trustees			-
11 Internal Audit			-
12 Legal Counsel			-
21 Executive Director			-
22 Deputy Executive Director			-
23 Marketing and Air Service Development			-
24 Public Affairs	Graphics Computer	5,000	5,000
25 Property Administration			-
26 Technology & Information Systems	Help Desk Management Software	\$ 8,600	
	Air Pressure Monitoring System for Underground Cable	9,465	
	Automate FIDS Flight Data Feed	11,200	
	Sonic Wall Internet Appliance	3,200	
			32,465
27 Reno Stead Airport	Riding Lawn Mower with Bag and Aerator	\$ 5,000	
	3/4 Ton Extended Cab 4X4 Pickup	34,000	
			39,000

2007-08

Property, Plant, and Equipment Budgets by Department/Section

Division	Description	Amount	Total
28 Human Resources			<u>-</u>
31 Director of Finance & Administration			<u>-</u>
32 Finance & Budgeting			<u>-</u>
33 Purchasing & Materials Management			<u>-</u>
41 Director of Operations & Public Safety			<u>-</u>
42 Airfield Operations			
	Plotter/Printer	\$ 4,500	
	Utility Vehicle	<u>38,000</u>	
			<u>42,500</u>
43 Landside Operations			
	AVID Equipment for Employee Parking Areas	<u>\$ 30,000</u>	
			<u>30,000</u>
44 Airport Rescue & Fire			
	Furniture and Equipment to replace existing unserviceable equipment in New ARFF Station	<u>\$ 97,000</u>	
			<u>97,000</u>
45 Airport Police			
	Utility Vehicle with Police Package	\$ 39,000	
	Live Scan Fingerprint System	15,000	
	Magnetic Stripe SIDA Badge Printer	<u>9,500</u>	
			<u>63,500</u>

2007-08

Property, Plant, and Equipment Budgets by Department/Section

Division	Description	Amount	Total
46 Airport Communications	Computer Graphics for EOC Software	\$ 20,000	<u>20,000</u>
51 Engineering & Construction			<u>-</u>
52 Planning & Environmental Services	Utility Vehicle	\$ 35,000	<u>35,000</u>
61 Sr. Director of Facilities & Engineering			<u>-</u>
62 Airfield Maintenance	Heavy Equipment Trailer	\$ 22,000	
	Straight Mast Boom Lift	135,000	
	1 Ton Dump Truck	37,000	
	18" Hydraulic Pavement Planer for Skid Steer Loader	17,000	
	Skid Steer Loader	42,000	
	Vacuum Street Sweeper (5% RTAA)	11,250	
	Concrete Saw	16,302	
			<u>280,552</u>
63 Building Maintenance	Replace CDF Water Recycling System	\$ 33,000	
	80 Gallon Food Court Water Heater	22,500	
	Pneumatic Dampers for Air Supply Ducts	11,000	
	3 Air Handlers	165,000	
			<u>231,500</u>
TOTAL		<u>\$ 876,517</u>	<u><u>876,517</u></u>

2007-08
ANNUAL BUDGET
Section 3 - Capital Projects

The capital projects shown on the schedule following this page are the result of the budget process and the airports' master plans. The columns on the summary schedule show the cost centers the projects are assigned to for airline rate setting purposes. The cost centers defined in the airline agreement are Airfield, Terminal Building, Ground Transportation, Other, and Reno Stead Airport. A description of each project is also included in this section.

The airline agreement specifies a procedure for the airlines to review the capital projects or capital project's debt service that will be included in the Airfield and Terminal Building cost centers used for airline rate calculations. Under the agreement, the first \$1 million of capital projects are exempt from airline review and the Majority In Interest (MII) approval process. Projects over \$250,000 must be amortized over their life and not reimbursed in one year's rates. During the annual new budget review meeting held with the airlines' property administration representatives, the capital projects subject to their approval are discussed.

The value of the projects in the Airfield, and Terminal Building cost centers are above the amount that requires airline review. None of the 2007-08 Capital Projects reviewed by the airlines was voted down by the airlines in their review process.

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

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

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

The Ten Year Plan projects for 2007-08 are also included to show the total volume of the projects that may be undertaken in the fiscal year. The Ten Year Plan projects are not funded with airport revenues. These projects are part of a PFC program or will be funded by future federal grants. The grant dependent projects will not be implemented until a grant is received. The General Purpose, and Special Funds are used for the RTAA's (sponsor's) portion of the FAA grants, but these funds cannot finance all of the Ten Year Plan projects shown. The General Purpose, and Special Funds are described in the Trust Fund Summary section of the budget.

2007-08 Capital Project Budgets					
Item	Reno/Tahoe International Airport	Project Administrator (Amortization Years)	Estimate	Airfield	Terminal Building
1	1250 Terminal Way Mold/Asbestos Remediation	Facilities	\$ 167,306		
2	Demolition of Brookside Clubhouse and Fence	Facilities	84,000		
3	Terminal Building Duct Cleaning Phase IV	Facilities	82,905		82,905
4	Construction of Parking Lot Near Old Miami Air Bldg	Facilities	101,500		
5	Demolition of Hangar 12 Westside Office Area	Facilities	43,158		
6	Demolition of Hangar 10	Facilities	62,733		
7	Building Maintenance Lift and Equipment Storage	Facilities	42,600		42,600
8	AVA 2 Roof Replacement	Facilities	125,181		
9	Heated Sand Storage Building (Sponsor Portion)	Facilities	125,000	6,250	
10	Design Overflow Public Parking Lot (West end of 7/25)	Landside Operations	80,000		
11	Seal Portion of Parking Garage Roof (40K Sq Ft)	Landside Operations	175,000		
12	Landside Pavement Maintenance Program 2007-08	Engineering	214,000		
13	Airfield Pavement Maintenance Program 2007-08	Engineering (10)	1,550,000	155,000	
14	2 Floor Display Platforms	Property Administration	16,000		16,000
15	Repave Portion of Terminal Mini Warehouse (Use loan proceeds)	Property Administration	250,000		
	Sub Total		\$ 3,119,383	\$ 161,250	\$ 141,505
	Reno Stead Airport				
16	Replace Roof on Aviations Classics Hangar	Reno Stead Airport	\$ 210,000		
17	Pave Behind Sheriff's Hangar	Reno Stead Airport	16,700		
18	Vehicle Maintenance Shelter	Reno Stead Airport	732,000		
	Sub Total		958,700	-	-
	10 Year Plan Projects Reno/Tahoe				
19	Demolition of Steele/Nash Ranch Structures	ACIP*	\$ 150,000		
20	Terminal Apron Reconstruction Phase 11-14	ACIP*	2,300,000		
21	Terminal Apron Reconstruction Phase 10	ACIP*	9,976,667		
22	Airfield Lighting System Upgrade Design	ACIP*	572,000		
23	SIDA Access Control Systems Upgrade Phase 2 Construction	ACIP*	5,858,806		
24	RTIA Runway Safety Area Improvements Construction	ACIP*	4,576,054		
25	Taxiway Q Reconstruction Design	ACIP*	347,000		
26	Culvert Ditches - Peckham and Jet West Design	ACIP*	410,000		
27	Reconstruct GSE area pavement Design	ACIP*	210,000		
28	Pave Eastside Perimeter and ILS Road Design	ACIP*	205,000		
29	Runway 16L Precision ILS Approach	ACIP*	2,300,000		
30	New Taxilane in Northeast Corner Design	ACIP*	124,000		
31	Brookside NewTaxilanes Design	ACIP*	238,000		
32	FAR Part 150 Property Acquisition	ACIP*	2,133,333		
33	FAR Part 150 Noise Insulation	ACIP*	5,333,333		
34	Acquire Replacement Snow Removal Equipment	PFC	563,000		
35	Second Floor Concourse Buildout (hase 2 Construction	PFC	4,520,000		
36	Terminal Jet Bridge Equipment	PFC	3,000,000		
37	Southwest Air Cargo Ramp Design and Construction	PFC	22,860,000		
	Sub Total		\$ 65,677,193	-	-
	10 Year Plan Projects Reno Stead				
38	Airport Access Road (Moya Blvd) and Utilities Phase 1 Construction	ACIP*	\$7,750,000		
39	Existing T Hangar Taxilanes Reconstruction	ACIP*	2,400,000		
40	Runway Safety Area Improvements Design	ACIP*	318,000		
41	Airport Access Road (Moya Blvd) and Utilities Phase 2 Design	ACIP*	633,000		
42	Terminal Area Development Phase 1 and 2 Design	ACIP*	928,000		
43	Taxiway D Reconstruction Design	ACIP*	242,000		
	Sub Total		\$ 12,271,000	-	-
	Total		\$ 82,026,276	\$ 161,250	\$ 141,505
		* Grant Dependent			

COST CENTER			Other Funding Sources		
Ground Transportation	Other	Reno Stead Airport	General Purpose Fund	Special Fund	AIP Grant, PFC, Fuel Tax Funds or Other
	167,306				
	84,000				
	101,500				
	43,158				
	62,733				
	125,181				
					118,750
80,000					
175,000					
214,000					
			1,395,000		
					250,000
\$ 469,000	\$ 583,878	\$ -	\$ 1,395,000	\$ -	\$ 368,750
		210,000			
		16,700			
		104,571		627,429	
		-		-	
-	-	331,271	-	627,429	-
			\$ 9,375		\$ 140,625
			143,750		2,156,250
			623,542		9,353,125
			35,750		536,250
			366,175		5,492,631
			286,003		4,290,051
			21,687		325,313
			25,625		384,375
			13,125		196,875
			12,812		192,188
			143,750		2,156,250
			7,750		116,250
			14,875		223,125
			133,333		2,000,000
			333,333		5,000,000
					563,000
					4,520,000
					3,000,000
					22,860,000
-	-	-	\$ 2,170,885	-	63,506,308
				\$ 387,500	\$ 7,362,500
				120,000	2,280,000
				15,900	302,100
				31,650	601,350
				46,400	881,600
				12,100	229,900
-	-	-	-	\$ 613,550	11,657,450
\$ 469,000	\$ 583,878	\$ 331,271	\$ 3,565,885	\$ 1,240,979	\$ 75,532,508

**2007-08
Capital Improvement Projects**

Reno-Tahoe International Airport

1. 1250 Terminal Way Mold/Asbestos Remediation

Determine extent of asbestos and mold remediation necessary in the offices of this building. Abate asbestos and mold, and demolish the interior construction to make way for future tenant improvements.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$167,306
<i>Rate Impact</i>	
Impact on Airline Rates	NA

2. Demolition of Brookside Clubhouse and Fence

Determine extent of asbestos and any mold remediation necessary. Abate asbestos, and mold, schedule electrical and gas meter removal, and abandon/isolate existing utilities. Demolish, and remove existing 60,400 square foot building and install a new 8' security fence.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$84,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

3. Terminal Building Duct Cleaning

Clean existing ventilation system duct work in the Terminal Building lobby, baggage claim, and connector concourse.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$82,905
<i>Rate Impact</i>	
Impact on Airline Rental Rates	\$0.221

4. Construction of Parking Lot Near Old Miami Air Building

Excavate, and prepare site, including electrical conduits, 6 inches of base material, 2 inches of binder, and 1 inch of asphalt topping. Install lighting. And landscape along front curb as necessary or required.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$101,500
<i>Rate Impact</i>	
Impact on Airline Rates	NA

5. Demolition of Hangar 12 Westside Office Area

2007-08
Capital Improvement Projects

Determine extent of asbestos and any mold remediation necessary. Abate asbestos, and mold, schedule electrical and gas meter removal, and abandon/isolate existing utilities. Demolish, and remove existing 40,000 square foot building and install a new 8' security fence.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$43,158
<i>Rate Impact</i>	
Impact on Airline Rates	NA

6. Demolition of Hangar 10

Determine extent of asbestos and any mold remediation necessary. Abate asbestos, and mold, schedule electrical and gas meter removal, and abandon/isolate existing utilities. Demolish, and remove existing 102,400 square foot building and install a new 8' security fence.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$62,733
<i>Rate Impact</i>	
Impact on Airline Rates	NA

7. Building Maintenance Lift and Equipment Storage

Construct 110 feet of 4 foot high concrete block wall in “drive through” under connector concourse. Finish wall with metal studs and metal siding to match existing finish. Install fire sprinklers and three roll up doors.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$42,600
<i>Rate Impact</i>	
Impact on Airline Rental Rates	\$0.011

8. AVA 2 Roof Replacement

Replace 33,426 square feet of roof on the Airport Vassar Annex (AVA) 2 Building.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$125,181
<i>Rate Impact</i>	
Impact on Airline Rates	NA

9. Heated Sand Storage Building

2007-08
Capital Improvement Projects

Acquire a 50 foot x 60 foot fabric covered building for sand used by airfield maintenance during snow removal operations. It is proposed to evaluate various heating systems, as heated sand is recommended by FAA. Heating options may include a radiant floor heating system fueled by natural gas, or a forced air heating system. The total project cost is shown. The RTAA's cost should only be 5 percent or \$6,250 with the balance funded by a Congestion Mitigation and Air Quality grant.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$125,000
<i>Rate Impact</i>	
Impact on Airline Landing Fee Rates	\$0.002

10. Design Overflow Parking Lot (West of 7/25)

Design an approximately 300,000 square foot over-flow public vehicle parking lot located at the West end of Runway 725. Include positive control (entry/exit) facilities compatible with the existing Parking Revenue Control System. This parking lot may be expanded incrementally based on growth and demand factors.

<i>Project Cost</i>	
Design	\$80,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

11. Seal Portion of Parking Garage Roof

Seal 40,000 square feet of the third floor (top floor/roof) of the parking garage. This project will be phased to meet parking demand, and project bid amounts allow.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$175,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

12. Landside Pavement Maintenance Program 2007-08

This project will perform the annual maintenance and repairs of existing landside pavements, pursuant to the recommendations of the annual Landside Pavement Management Program. Repairs typically include, seal coating, asphalt patching, overlays, reconstruction, concrete panel replacement, crack repair, spall repair and joint sealing. Repair areas will be identified and quantified in the 2006 Landside Pavement Management Study.

**2007-08
Capital Improvement Projects**

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$214,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

13. Airfield Pavement Maintenance Program 2007-08

This project will perform the annual maintenance and repairs of existing airfield pavements, pursuant to the recommendations of the annual Airfield Pavement Management Program. Repairs typically include, concrete panel replacement, crack repair, spall repair and joint sealing. Repair areas will be identified and quantified in the 2006 Airfield Pavement Management Study.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$1,550,000
<i>Rate Impact</i>	
Impact on Airline Landing Fee Rates	\$0.040

14. Two Floor Display Platforms

Interested companies have struggled with the affordability of the design, manufacture, and installation of a floor display along with the monthly advertisement cost to display their product. This project will purchase and/or build two floor display platforms that are flexible, allowing numerous types of products to be displayed, while maintaining a professional look that meets RTAA's standards.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$16,000
<i>Rate Impact</i>	
Impact on Airline Rental Rates	\$0.004

15. Repave Portion of Terminal Mini Warehouse Parking Areas

This project will engineer, design, and construct pavement repairs and/or resurfacing of the public parking areas at the front of the Terminal Mini Warehouse complex (outside the access gates). An additional aggregate course is also included for the unpaved Park-n-Fly lot.

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

Reno Stead Airport

**2007-08
Capital Improvement Projects**

16. Replace Roof on Aviation Classics Hangar

Re roof the large airport owned hangar leased to Aviation Classics, and repair/replace the roof access ladders. This project budget amount also includes project management fees.

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

17. Pave Behind Sheriff's Hangar

Pave approximately 2,000 square feet behind the hangar leased to the Washoe County Sheriff's.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$16,700
<i>Rate Impact</i>	
Impact on Airline Rates	NA

18. Vehicle Maintenance Shelter

Acquire and erect a vehicle shelter to house the maintenance equipment used by the Reno Stead Airport maintenance staff. Protecting the equipment from the elements will extend its useful life and reduce maintenance costs.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$732,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

10 Year Plan Projects - Reno-Tahoe International Airport

19. Demolition of Steele/Nash Ranch Structures –

The property has been acquired by the Reno-Tahoe Airport Authority and in full coordination with the State Historical Preservation Office (SHPO) all of the necessary historic structure documentation and permitting processes have been completed. As a result, all of the existing structures will be demolished and removed from the site

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$150,000

**2007-08
Capital Improvement Projects**

<i>Rate Impact</i>	
Impact on Airline Rates	NA

20. Terminal Apron Reconstruction Phase 11 – 14 –

Design for the reconstruction of 74,670 square yards (SY) of Portland Cement Concrete (PCC) apron adjacent to the terminal concourses. Work includes demolition, excavation, stabilizing fill, base, utility relocation, PCC Pavement, lighting, signage, marking and related appurtenances.

<i>Project Cost</i>	
Design	\$2,300,000
<i>Rate Impact</i>	
Impact on Airline Rental Rate	N/A

21. Terminal Apron Reconstruction Phase 10 –

Reconstruction of approximately 24,776 SY of Portland Cement Concrete (PCC) apron adjacent to the terminal concourses. Work includes demolition, excavation, stabilizing fill, base, utility relocation, PCC Pavement, lighting, signage, marking and related appurtenances.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$9,976,667,000
<i>Rate Impact</i>	
Impact on Airline Rates	N/A

22. Airfield Lighting System Upgrade –

Design for reconstruction and upgrade of exiting airfield lighting vaults, equipment, modifications to fiber optic cable system to support new FAA Air Traffic Control Tower.

<i>Project Cost</i>	
Design	\$15,000
<i>Rate Impact</i>	
Impact on Airline Rates	N/A

23. SIDA Access Control Systems Upgrade Phase 2 – Incorporates state of the art technology at Part 107.14 access control points to ensure compliance with FAA requirements and positive identification upon access to secured areas of the airport. Integration of control system shall be compatible with new technology biometric scanning equipment.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$5,858,806

**2007-08
Capital Improvement Projects**

<i>Rate Impact</i>	
Impact on Airline Rates	N/A

24. RTIA Runway Safety Area Improvements –

Construction of improvements to bring runway safety areas and object free areas for Runway 7/25 and 16L/34R into full compliance with FAA Standards. This project will include declared distances; grading of unpaved airfield areas, inlets, and MALSR; realignment of airside service roads; acquisitions of 0.6 acres of land; and the removal of a gravel road and grading of Runway Safety Areas.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$4,576,054
<i>Rate Impact</i>	
Impact on Airline Rates	N/A

25. Taxiway Q Reconstruction –

Design of reconstruction of approximately 13,335 SY of Portland Cement Concrete (PCC) taxiways connecting Runway 16R – 34L to Taxiways A & B. Work includes demolition, excavation, stabilizing fill, base, utility relocation, PCC pavement, drainage, lighting, signage, marking and related appurtenances.

<i>Project Cost</i>	
Design	\$347,000
<i>Rate Impact</i>	
Impact on Airline Rates	N/A

25. Culvert Ditches – North side of Peckham Lane & Jet West –

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

<i>Project Cost</i>	
Design	\$410,000
<i>Rate Impact</i>	
Impact on Airline Rental Rate	N/A

**2007-08
Capital Improvement Projects**

26. Reconstruct Ground Service Equipment (GSE) Area Pavement –

Design the reconstruction of approximately 36,500 SY of Asphaltic Concrete (AC) GSE apron adjacent to the air cargo building. Work includes demolition, excavation, stabilizing fill, base, AC pavement, fencing drainage, lighting, signage, marking and related appurtenances.

<i>Project Cost</i>	
Design	\$210,000
<i>Rate Impact</i>	
Impact on Airline Rental Rate	N/A

27. Pave Eastside Perimeter and ILS Road–

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

<i>Project Cost</i>	
Design	\$205,000
<i>Rate Impact</i>	
Impact on Airline Rates	N/A

28. Runway 16L Precision ILS Approach –

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

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

29. New Taxi Lane in Northeast Corner –

Design for construction of 12,500 SY of asphalt taxi lane to provide aircraft access from the north end of Taxiway “C” to the northeast corner area. The work includes demolition, excavation, stabilizing fill, base asphalt pavement, utility relocation, drainage, marking, signage and other related appurtenances.

**2007-08
Capital Improvement Projects**

<i>Project Cost</i>	
Design	\$124,000
<i>Rate Impact</i>	
Impact on Airline Landing Fee Rate	N/A

37 Brookside New Taxi Lanes –

Design for the construction of 4,400 LF of 50' wide asphalt taxi lanes for access from Taxiway "L" to the Brookside area. The work includes demolition, excavation, stabilizing fill, base, asphalt pavement, utility relocation, drainage, marking, signage and other related appurtenances.

<i>Project Cost</i>	
Design	\$238,000
<i>Rate Impact</i>	
Impact on Airline Rental Rate	N/A

30. FAR Part 150 Property Acquisition Program –

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

<i>Project Cost</i>	
Acquisition and Relocation	\$2,133,333
<i>Rate Impact</i>	
Impact on Airline Rental Rate	N/A

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

**2007-08
Capital Improvement Projects**

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

10 Year Plan Projects - Reno Stead Airport

- 33. Airport Access Road (Moya Blvd)** – Design and construction of approximately 2,000 LF of the Moya Boulevard extension and 2,600 LF of Alpha Ave. The work includes demolition, grading, drainage, excavation, stabilizing fill, base, paving, utilities, lighting, marking, signage and related appurtenances. This road extension will provide access to future development at the west end of the airport.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$7,750,000
<i>Rate Impact</i>	
Impact on Airline Rates	N/A

- 34. Existing T Hangar Taxi Lanes Reconstruction** – Reconstruction of approximately 27,500 SY of asphaltic cement (AC) pavement taxi lanes. The work includes demolition, excavation, stabilizing fill, base, AC pavement, drainage, marking and related appurtenances.

<i>Project Cost</i>	
Construction (includes materials, equipment, labor)	\$2,400,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

- 35. Runway Safety Area Improvements** – Design of Runway Safety Area Compliance improvements within Runway Safety Areas (RSA) and Obstacle Free Areas (OFA) for Runway 8/26 and 14/32. The RSA include a width of 500 feet from runway centerline and 1,000 feet beyond the end of runway pavement.

<i>Project Cost</i>	
Design	\$318,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

2007-08
Capital Improvement Projects

- 37. Airport Access Road (Moya Blvd) and Utilities Phase 2** – Design for the construction of the Phase II (1,800 LF) Moya Boulevard extension. The work includes demolition, grading, drainage, excavation, stabilizing fill, base, paving, utilities, marking, signage and related appurtenances. The road extension will provide access to future development at the west end of the airport.

<i>Project Cost</i>	
Design	\$633,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

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

<i>Project Cost</i>	
Design	\$928,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

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

<i>Project Cost</i>	
Design	\$242,000
<i>Rate Impact</i>	
Impact on Airline Rates	NA

2007-08
ANNUAL BUDGET
Section 3 – Trust Funds Summary

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

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

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

The Operation and Maintenance Fund is the highest priority. The expenses to operate the airport system will be paid through this fund before any other transfers to lower priority funds. The operating budget of the RTAA flows through this fund. The balance as of June 1, 2007 is for expenses that have not cleared the bank and for June 2007 expenses.

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

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

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

The Operation and Maintenance Reserve Fund is to have on deposit an amount equal to two months of the annual operation and maintenance expense budget. In prior years, this amount was to be four months of the annual operation and maintenance expense budget. During the 2002 and 2003 refinancings, this amount was reduced to two months by an agreement with the bond insurer. Again, if some event reduced airport revenues, this fund is available to pay the operating expenses for two months. The balance of this fund as of June 1, 2007 is \$5,074,019. 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, 2008 of \$5,721,450.

The Renewal and Replacement Fund maintains a balance set by management of \$780,000 for unexpected or emergency repairs. This is another fund with a balance to keep the airport running in the event some major unforeseen repair was needed that was not included in the annual budget. The fund has the required balance as of June 1, 2007.

The Special Fund is the next priority and receives 35% of the gaming concession revenue. The RTAA has used this fund for the Ten-Year Plan capital projects at the Reno-Stead Airport. The balance of this fund at June 1, 2007 is \$6,079,436.

The General Purpose Fund is the last priority and will receive the RTAA's share of the net revenues split with the airlines under the airline agreement. This fund will be used for Ten-Year Plan projects at the Reno-Tahoe International Airport. The balance of this fund at June 1, 2007 is \$21,225,206. The expenditures from this fund are for equipment and capital projects being purchased in the 2007-08 fiscal year that will be included in the airlines rates and charges in subsequent years through amortization and the RTAA's share of Federally funded projects.

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

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

AIRPORT AUTHORITY OF WASHOE COUNTY
 PROJECTED BALANCE OF CASH AND INVESTMENT ACCOUNTS AND SUB-ACCOUNTS
 ESTABLISHED BY REVENUE BOND RESOLUTIONS
 FOR THE YEAR ENDED JUNE 30, 2008

	Issuer Cash and Investment Accounts		Bond Fund				
	Special Fund	Operation & Maintenance Fund	Interest Fund 1996	Interest Fund 2002	Interest Fund 2003	Interest Fund 2005	Principal Fund 1996
Balance June 1, 2007 (Unaudited)	\$ 6,079,436	\$ 2,080,148	\$ 60,666	\$ 251,913	\$ 524,167	\$ 586,957	\$ 788,333
Receipts:							
Gross pledged revenues received:							
Deposits from Airport revenues							
Income received from investments pledged portion							
FAA Grants and other contributions	11,657,450						
Transfer among funds:							
Gaming revenue	1,251,250						
Operation and maintenance expenses		33,265,286					
Debt service requirements			102,124	435,350	1,221,833	1,522,700	996,667
Replenish fund for expenditures							
Maintain reserve requirement							
Equipment and capital projects in airline rates	104,571						
Disbursements:							
Operation and maintenance expenses		(35,345,434)					
Equipment and capital outlay							
Payment of revenue bond interest and principal			(118,990)	(489,544)	(1,187,500)	(1,406,938)	(860,000)
Other capital improvement expenditures	(13,003,000)						
<u>Projected Balance at June 30, 2007</u>	<u>\$ 6,089,707</u>	<u>\$ -</u>	<u>\$ 43,800</u>	<u>\$ 197,719</u>	<u>\$ 558,500</u>	<u>\$ 702,719</u>	<u>\$ 925,000</u>

Bond Fund			Trustee's Cash and Investment Accounts				
Principal Fund 2002	Principal Fund 2003	Principal Fund 2005	Operations & Maintenance Reserve Fund	Renewal & Replacement Fund	General Purpose Fund	Revenue Fund	Totals
\$ 3,586,446	\$ 2,585,000	\$ 91,667	\$ 5,074,019	\$ 780,000	\$ 21,225,206	\$ 2,626,777	\$ 46,340,735
						48,025,623	48,025,623
						1,860,000	1,860,000
					32,563,308		44,220,758
						(1,251,250)	-
						(33,265,286)	-
3,768,554	3,200,000	113,333				(11,360,561)	-
						-	-
			647,431			(647,431)	-
						-	-
					2,458,850	(2,563,421)	-
							(35,345,434)
						(876,517)	(876,517)
(3,585,000)	(2,820,000)	(100,000)					(10,567,972)
							(50,714,526)
						(37,711,526)	
\$ 3,770,000	\$ 2,965,000	\$ 105,000	\$ 5,721,450	\$ 780,000	\$ 17,659,321	\$ 3,424,451	\$ 42,942,667

2007-08
ANNUAL BUDGET
Section 3 - Debt Summary

The debt service amounts appearing in the budget are derived from the revenue bond debt service interest and principal payments. Total debt service for 2007-08 is budgeted at \$10,770,476. Debt service increased by \$5,008 from 2006-07. This essentially level debt service amount from one year to the next is the result of revenue bond refinancing done in 2002, 2003, and 2005. Revenue bonds are refinanced by selling refunding bonds. Just as a homeowner refinances a mortgage to obtain a lower interest rate, the RTAA sold refunding bonds at lower interest rates, to retire bonds sold previously.

Prior to the several bond refinancings discussed below, the scheduled debt service for 2007-08 was to have been \$7,569,952. The refinancings were done to take advantage of historically low interest rates, and the opportunity to restructure the principal repayments. This reduced the debt component of the airline landing fee and rental rate. A portion of the principal repayment was moved to the future providing immediate short-term RTIA landing fee, and rental rate relief to the airlines to help offset their losses incurred subsequent to events of September 11, 2001. This refinancing alternative was done with the understanding, and concurrence of the airlines, knowing that debt service would gradually increase and level off in 2007-08.

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

ALLOWED PURPOSES AND TYPES OF DEBT

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

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

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

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

DEBT LIMIT

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

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

DEBT STRUCTURE

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

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

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

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

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

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

The RTAA’s bond issues are also insured. This is another credit enhancement that results in lower interest rates and lower debt service expenditures. If the RTAA was not able to make a debt service payment, the insurance company would make the payment and seek reimbursement from the RTAA. Insured bond issues carry the AAA credit rating of the insurance company. Fitch Ratings, and Moody’s Investor Services, both rate the RTAA’s insured debt as AAA.

Nevada state law, the bond resolutions, and the bond insurance policies all define the allowable types of investments that can be made with bond proceeds in the Construction Fund during construction, and operating revenues until needed to pay operating expenses. The bond

insurance policies are the most restrictive. Only investments backed by the United States government are allowed.

REFUNDING OF DEBT

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

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

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

2007-08 Debt Service Allocation to Airport Cost Centers

	Principal	Interest		Total		
1979/1992A/2002	2,910,000	302,775		3,212,775		
93B/2002	860,000	92,663		952,663		
1983/1993B/2003	2,965,000	1,117,000		4,082,000		
1996A/2005	105,000	1,405,438		1,510,438		
1996B	925,000	87,600		1,012,600		
Total				10,770,476		
	Airfield	Terminal	Ground Trans	Other	Reno Stead	Total
1979/1992/2002	17%	66%	2%	15%	0%	100%
93B/2002	40%	10%	11%	38%	1%	100%
1983/1993/2003	40%	10%	11%	38%	1%	100%
1996A/2005			100%			100%
1996B				100%		100%
Debt service						
1979/1992/2002	546,172	2,120,432	64,256	481,916	-	3,212,775
93B/2002	381,065	95,266	104,793	362,012	9,527	952,663
1983/1993/2003	1,632,800	408,200	449,020	1,551,160	40,820	4,082,000
1996A/2005	-	-	1,510,438	-	-	1,510,438
1996B	-	-	-	1,012,600	-	1,012,600
Total	\$ 2,560,037	\$ 2,623,898	\$ 2,128,506	\$ 3,407,688	\$ 50,347	\$ 10,770,476
Coverage	640,009	655,974	532,127	851,922	12,587	2,692,619
Cap Interest	-	-	-	-	-	-
DS & Coverage	\$ 3,200,046	\$ 3,279,872	\$ 2,660,633	\$ 4,259,610	\$ 62,934	\$ 13,463,095

2007-08
ANNUAL BUDGET
 Summary of Bonded Indebtedness

	1996B Revenue (Taxable) Bonds	2002 Revenue Refunding Bonds	2003 Revenue Refunding Bonds	2005 Revenue Refunding Bonds	Total Bonded Indebtedness
Amount of original issue	\$ 6,635,000	\$ 17,375,000	\$ 29,215,000	\$ 29,775,000	\$ 83,000,000
Bonds / Notes retired	5,435,000	9,635,000	6,875,000	245,000	22,190,000
Bonds / Notes Outstanding July 1, 2007	<u>\$ 1,200,000</u>	<u>\$ 7,740,000</u>	<u>\$ 22,340,000</u>	<u>\$ 29,530,000</u>	<u>\$ 60,810,000</u>
2006-07 Debt service requirement					
Principal payment due	\$ 925,000	\$ 3,770,000	\$ 2,965,000	\$ 105,000	\$ 7,765,000
Interest payment due	87,600	395,438	1,117,000	1,405,438	3,005,476
Total 2006-07 Debt Service	<u>\$ 1,012,600</u>	<u>\$ 4,165,438</u>	<u>\$ 4,082,000</u>	<u>\$ 1,510,438</u>	<u>\$ 10,770,476</u>

2007-08
ANNUAL BUDGET
Schedule of Debt Service

Bond Year Ended July 1	Airport Revenue (Taxable) Bonds Series 1996B		Airport Revenue Refunding Bonds Series 2002		Airport Revenue Refunding Bonds Series 2003		Airport Revenue Refunding Bonds Series 2005		Total
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
2007	860,000	150,380	3,585,000	583,650	2,820,000	1,258,000	100,000	1,408,438	10,765,468
2008	925,000	87,600	3,770,000	395,438	2,965,000	1,117,000	105,000	1,405,438	10,770,476
2009	275,000	20,075	3,970,000	197,512	3,110,000	968,750	825,000	1,402,288	10,768,625
2010					7,935,000	813,250	1,145,000	1,375,475	11,268,725
2011					8,330,000	416,500	1,185,000	1,335,400	11,266,900
2012							1,245,000	1,276,150	2,521,150
2013							1,310,000	1,213,900	2,523,900
2014							1,355,000	1,161,500	2,516,500
2015							1,420,000	1,101,300	2,521,300
2016							1,475,000	1,044,500	2,519,500
2017							1,550,000	970,750	2,520,750
2018							1,625,000	895,750	2,520,750
2019							1,705,000	814,500	2,519,500
2020							1,790,000	729,250	2,519,250
2021							1,880,000	639,750	2,519,750
2022							1,975,000	545,750	2,520,750
2023							2,075,000	447,000	2,522,000
2024							2,175,000	343,250	2,518,250
2025							2,285,000	234,500	2,519,500
2026							2,405,000	120,250	2,525,250
	<u>\$ 2,060,000</u>	<u>\$ 258,055</u>	<u>\$ 11,325,000</u>	<u>\$ 1,176,600</u>	<u>\$ 25,160,000</u>	<u>\$ 4,573,500</u>	<u>\$ 29,630,000</u>	<u>\$ 18,465,139</u>	<u>\$ 92,648,294</u>

**2007-08
ANNUAL BUDGET**

Net Pledged Revenues Test

	<u>Actual 2005-06</u>	<u>Budget 2006-07</u>	<u>Budget 2007-08</u>
Airport System Revenues			
Scheduled airline fees and rentals			
Landing fees	\$5,794,919	\$6,309,687	\$7,241,647
Terminal building space rental	6,762,695	7,168,798	7,217,135
TOTAL scheduled airline fees and rentals	<u>12,557,614</u>	<u>13,478,485</u>	<u>14,458,782</u>
Concession fees	14,385,595	14,796,411	15,358,520
Other operating revenues	17,449,778	17,830,388	18,208,321
Non-operating revenues	<u>1,220,400</u>	<u>1,900,000</u>	<u>1,860,000</u>
Gross pledged revenues	45,613,387	48,005,284	49,885,623
Transfers - General Purpose Fund for			
LOI Bond debt service	649,727	639,373	641,856
Airline revenue share from prior year	1,537,929	1,700,000	1,300,000
Airport system operation and maintenance expenses	(29,328,473)	(32,237,651)	(33,655,586)
35% of gaming revenue	<u>(1,199,079)</u>	<u>(1,155,000)</u>	<u>(1,251,250)</u>
Net pledged revenues	<u><u>\$17,273,491</u></u>	<u><u>\$16,952,006</u></u>	<u><u>\$16,920,643</u></u>
Debt Service Coverage Required	<u><u>\$12,039,713</u></u>	<u><u>\$13,456,835</u></u>	<u><u>\$13,463,095</u></u>
Debt Service Coverage Requirement is the greater of the following:			
125% of Senior Revenue Bond Debt Service -			
Net of LOI Transfers	<u>12,039,713</u>	<u>13,456,835</u>	<u>13,463,095</u>
100% of All Debt Service - Net of LOI Transfers	<u><u>9,631,770</u></u>	<u><u>10,765,468</u></u>	<u><u>10,770,476</u></u>

**2007-08
ANNUAL BUDGET
Section 4 – Supplemental Data**

Current Events

The tragic events of September 11, 2001, coupled with increased fuel costs, resulted in declining airline and passenger activity nationally, and locally. Increasing federal airport security requirements are also presenting airline and airport operational and financial challenges. Small increases in passenger activity are replacing the previous years of passenger declines for the RTIA. Passenger activity increased by 1.3 percent in the fiscal year 2005-06 as compared to fiscal year 2004-05. Passenger activity growth returned in the last six months of the 2006-07 fiscal year. This return to growth in passenger activity is reflected in the RTIA’s increase in departures, seats and load factor (percentage of airline seats occupied.) As is shown in the table below, RTIA has nine more daily flights and 656 more seats,

	June	2006	2007	Difference
Seats		9,977	10,633	656
Departures		79	88	9
Load Factor		85.3%	88.6%	3.3%

RTIA is fortunate to have Southwest Airlines, one of the nation’s financially healthy airlines, as its largest air carrier. For the fiscal year 2007, Southwest’s market share was 49.2 percent of all the passengers. Airlines do continue to add new air service to RTIA as they evaluate the market. That latest new service is a three times per week flight to Bellingham Washington by Allegiant Airlines. In December 2006 Southwest Airlines added a non-stop flight to Chicago, and in March 2007 twice daily non-stop flights to San Diego. Today, passengers departing RTIA can fly non-stop to 19 destinations and make one-stop connections to virtually any major metropolitan city in the world.

Keeping airline rates low, especially for low fare airlines, such as Southwest Airlines and Frontier, is critical. In the airline industry, “yield” refers to the revenue an airline generates flying one passenger one mile. The latest Department of Transportation surveys, calendar year 2006, show that airline yields at RTIA are \$0.126. This is an increase from RTIA’s 2005 airline yield of \$0.110. The more revenue an airline generates in a specific market, the more likely it will add air service in the future. The increasing average airline yield is partially due to an increase in the portion of higher fare business travel at RTIA as the local economy diversifies.

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

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

Three major air cargo carriers, FedEx, United Parcel Service (UPS), and DHL (ABX) serve RTIA. Air cargo activity increased 7.6 percent from fiscal year 2004-05 to 2005-06. As the national economy improves, air cargo activity will increase due to the major warehousing and distribution facilities in the region. In addition, more companies such as Amazon.com, Barnes & Noble, and Dell Computers have established distribution centers in the Reno area that use air cargo to distribute their products. Growing local companies, such as gaming machine manufacturer IGT, also use RTIA's air cargo carriers to distribute their product.

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

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

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

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

The second airport operated by the RTAA is the Reno-Stead Airport, a general aviation airport. General aviation airports typically do not have scheduled air service, but do provide other aviation related facilities. The Reno-Stead Airport has military, helicopter, charter, and private aircraft operations. Aircraft owners or aviation related businesses lease land or buildings at

Reno-Stead from the RTAA. Reno-Stead is also the home of the annual National Championship Air Races, a Bureau of Land Management base for fire fighting aircraft, and a Nevada Army National Guard helicopter base.

Economic Diversification

Reno, Sparks, and Lake Tahoe area developments have a significant impact on air service demand in this market. The City of Reno's downtown redevelopment process is making visible progress. Old buildings in the core downtown area were acquired and demolished to make way for a new events center, a court house, a condominium tower, and a theater complex. One downtown block, adjacent to the Truckee River, is being left as open space through development as a park and ice skating rink. The Reno City Hall was relocated to the city center, adjacent to the park, in a 15 story former bank building. Construction was completed on a \$264 million 2.1 mile trench project that lowered railroad tracks 33 feet. The trench eliminated 11 grade crossings in the center of town and improved vehicle and pedestrian flow. It also eliminated a traffic interruption that would become more frequent as rail traffic from the expanding Port of Oakland increases. The project was on schedule, on budget, and trains were using the tracks in the trench by November 2005 as scheduled.

The Hilton, the largest hotel in Reno, was recently purchased by Grand Sierra Resort, a group proposing to change and expand the property by converting hotel rooms to condominiums, and constructing more hotel and condominium towers, a large retail area, and the nation's biggest indoor water park. This project will give Reno its first high end resort, in which the hotel becomes the attraction as well as the lodging site for the tourist. The project is underway with six of the floors remodeled. The resort complex has a five to seven year development plan. Several other casinos in the downtown Reno core are also converting from hotels to residential condominiums. The Comstock Hotel has completed its conversion, and the financing is in place for the Flamingo Hilton/Golden Phoenix conversion. A purpose built condominium tower in the downtown core is also nearing completion. The Peppermill Hotel will complete in 2008 a new tower with 600 rooms, and a 65,000 square foot convention center.

South Lake Tahoe is also upgrading its recreational facilities as a \$1 billion redevelopment project nears completion that includes new lodging and timeshare properties, retail shopping, restaurants, and a new 2.5 mile gondola from South Lake Tahoe to the Heavenly Valley Ski resort. The Ritz-Carlton Hotel Company will operate Lake Tahoe's first five-star luxury hotel at a new hotel to be constructed at the Northstar ski resort. This new \$300-million resort project is slated to open in late 2009. On the California side at the south end of the lake, small old motels and shops are being razed to become parks and open areas to enhance the perception of Lake Tahoe's alpine setting. A \$410 million proposal to build a 12-acre complex near Stateline at the south shore of Lake Tahoe is now making its way through the governmental review, and approval process. This complex would include a convention center, two condominium hotels, and retail space. These changes are designed to enhance the area's visual, environmental and economic qualities.

Reno Sparks Convention & Visitors Authority (RSCVA) operates a downtown events center, and a recently expanded convention center. They promote the area to attract conventions and trade shows to the RTIA area. Two large events, the Safari Club and an annual Volleyball Festival, have signed multi year agreements to use the RSCVA facilities. The Safari Club will have 16,000 attendees over a one week period. The Volleyball Festival is scheduled to attract

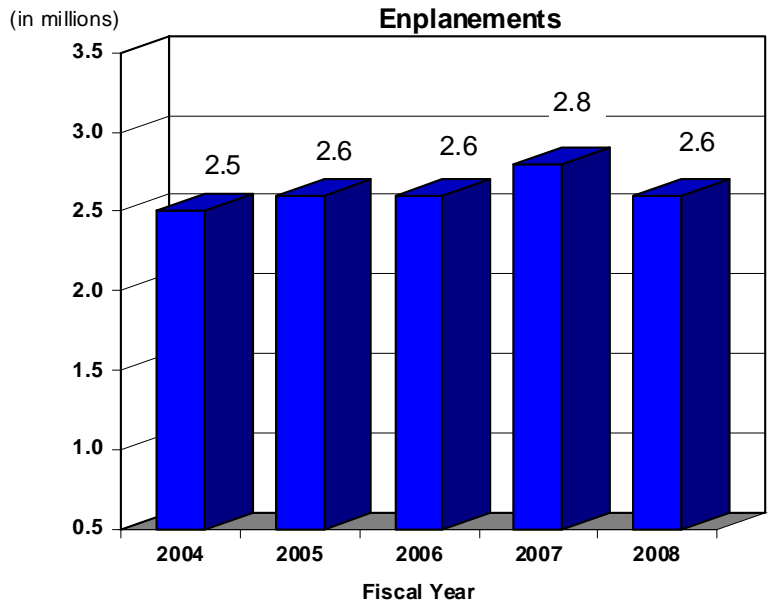
22,000 participants over a two week period. RSCVA also operates the National Bowling Stadium in Reno. The stadium hosts three-month long bowling competitions with 70,000 to 90,000 bowlers.

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

Even with economic diversification, gaming remains a significant portion of the Nevada economy. Nationally, Indian gaming is greater than all gaming in Nevada. The national rate of Indian gaming growth fell to 11 percent in 2006, after growing an average of 15 percent the previous 10 years. The impact of California Indian gaming on Nevada gaming revenues is difficult to quantify. Nevada gaming revenues continue to increase over the previous fiscal year, 8.1 percent in 2004-05, and 11.25 percent in 2005-06. Clark County, which includes Las Vegas, had a 12.50 percent increase. Washoe County which includes Reno, Sparks, and North Lake Tahoe, had a 5.34 percent increase. While the Washoe County increase was smaller, it was still an increase even with the Indian gaming establishments in place in California. It appeared that Indian gaming may just be slowing the rate of gaming revenue growth in Washoe County. One year later, for the 12 months, through April 2007, Nevada gaming revenues increased 4.08 percent over the 2006. Clark County again leads with a 4.83 percent increase. Washoe County's revenues were essentially unchanged, with a decline of 0.0003 percent. The Washoe County gaming revenue decline is associated with the very low snow fall amounts at the Lake Tahoe area ski resorts resulting in a poor winter tourist season.

Economic diversification also continues in the RTIA area. Several "Silicon Valley" companies have relocated to the RTIA area. Dell Computers, Cisco Systems, Intuit, Oracle, and Microsoft have been attracted by the favorable business climate and the livability of the northern Nevada region. The Reno Sparks area is repeatedly ranked as one of the best places to live and do business in the United States. The most recent evidence of significant diversification is the start of construction of a Cabela's, an "outdoor gear" retailer. Their facility will be a 150,000 square foot super store. These stores have become major tourist destinations in other areas. Wal-Mart recently constructed a 1 million square foot distribution center in a nearby major industrial park. The growth of the business community will ultimately increase the demand for higher yield business travel for the airline.

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



Enplaned Passengers

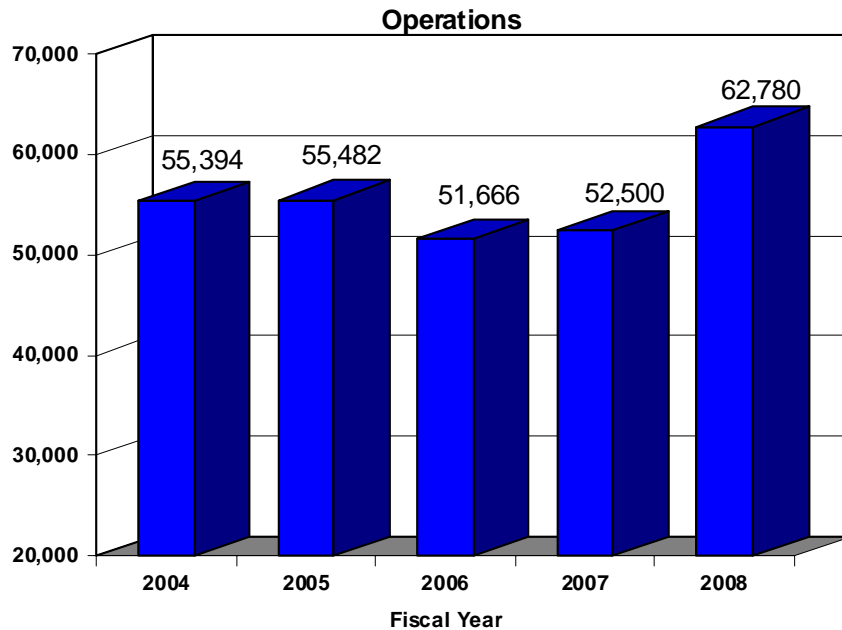
Fiscal 2008 enplaned passengers at Reno-Tahoe International Airport are projected to be 2.6 million, or two percent more than the projected amount for 2007. The rate of growth has slowed slightly due to airlines using smaller aircraft that offer less seating capacity. With the events of September 11th and the sluggish economy, passenger traffic stagnated but rebounded in fiscal 2005. Based on proposed schedule changes and new air service possibilities, enplaned passengers are estimated to continue to increase in fiscal 2008 as compared to projected.

Scheduled Airline Passenger Market Share

Southwest	1,114,604	49.4%
United	216,451	9.6%
American	185,705	8.2%
USAirways	168,445	7.5%
Skywest	107,641	4.8%
Alaska	101,651	4.5%
Horizon	96,745	4.3%
Delta	94,444	4.2%
Continental	63,502	2.8%
Mesa	37,139	1.6%
Frontier	29,545	1.3%
Aloha	24,105	1.1%
Others	15,614	0.7%
Total	<u>2,255,591</u>	<u>100%</u>

Airline Market Share

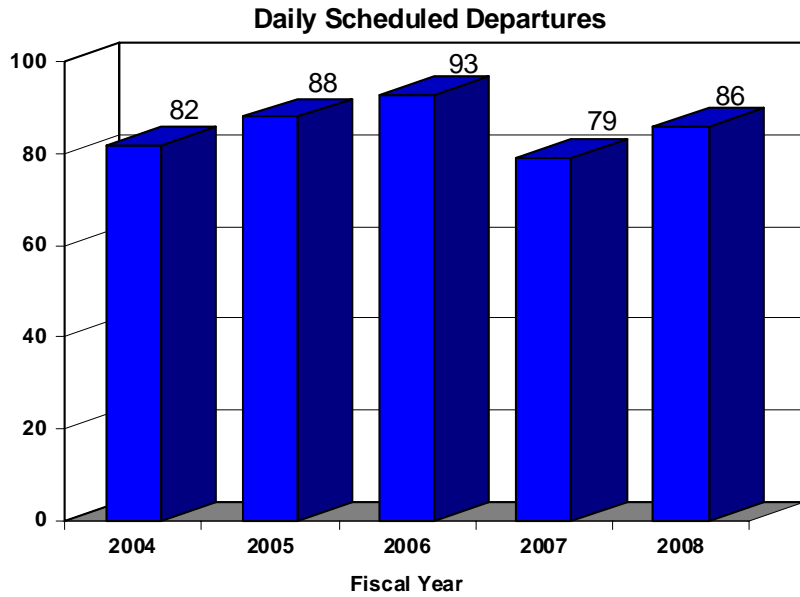
The more diverse an airport's airline market the less susceptible that airport is to the effects of an airline having financial problems or changing flight activity. This table shows that the RTIA has eight main carriers providing 92.5 percent of the flights with another six carriers making up the balance. This table is based on the scheduled enplaned passenger numbers for the period July 1, 2006 through May 31, 2007. In last year's chart, Southwest had 49.2 percent of the passengers, United had 7.1 percent, American had 9.5 percent, USAirways had 8.1 percent, and Skywest had 6.0 percent. One airline having such a large share of the passenger traffic might be a concern. In this case though, that airline is one of the few airlines earning a profit in today's difficult air travel market.



Scheduled Annual Operations

An operation is the term used to describe an aircraft landing or taking off. The operation numbers include both landings and takeoffs. Scheduled annual operations are the landings and takeoffs of the scheduled airline flights for an entire year. Operations are projected to increase slightly in fiscal 2008 as compared to fiscal 2007 projections of approximately 55,000. This amount does not include the other non-scheduled operations at the airport such as charter flights, military, or general aviation.

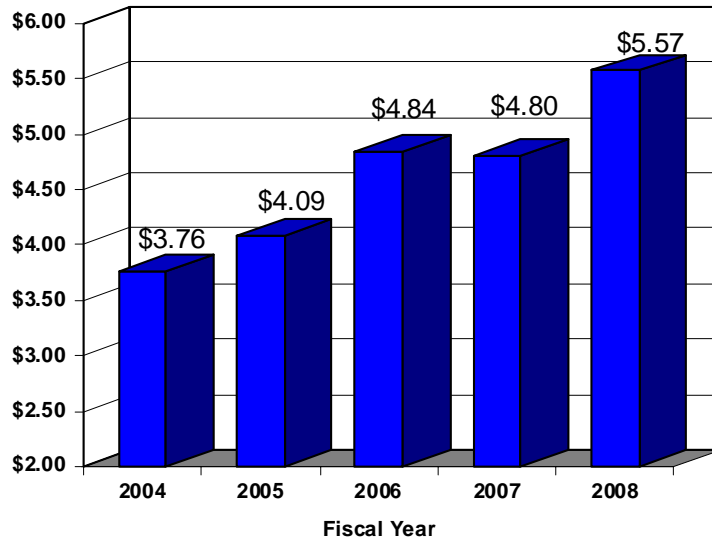
Operations did not decrease at same rate as passengers, and when the economy and air travel market improved the airlines serving the airport had the seat availability to serve the marketplace and therefore they were able to carry more passengers on the same number or fewer flights. This results in fewer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



Daily Scheduled Departures

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

Cost Per Enplanement



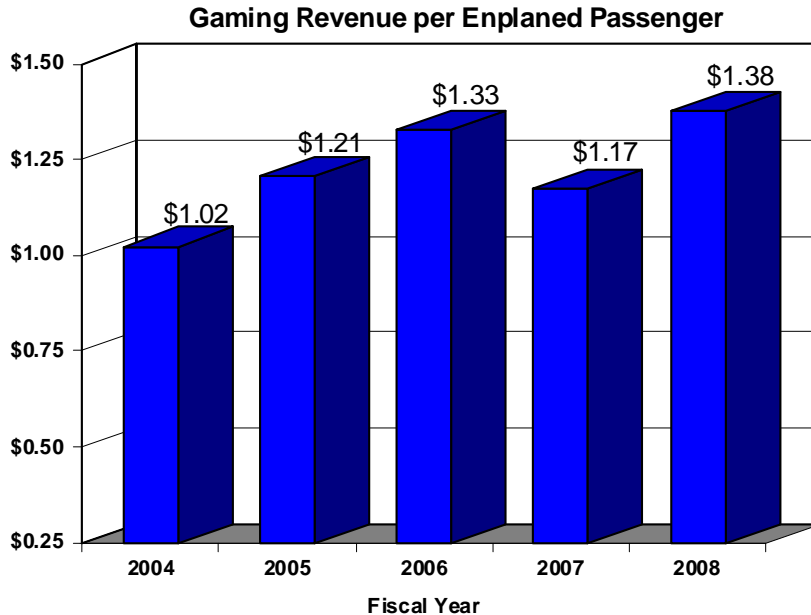
Cost Per Enplaned Passenger

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

As can be seen from the graph above, the RTAA has been successful keeping this cost stable despite the increasing costs of operating the airport. An increase was experienced in fiscal year 2002 and 2002 as a result of the increase in security costs due to the events of September 11, 2001. The reduced passenger traffic levels contributed to this amount per passenger rising. In fiscal years 2004 and 2005, expenses were deferred in an effort to reduce airline costs. The increase in fiscal years 2006, 2007 and 2008 is due to the inclusion of necessary expenses that had been previously deferred. A subsequent chart shows how RTIA's cost per enplanement compares to other airports.

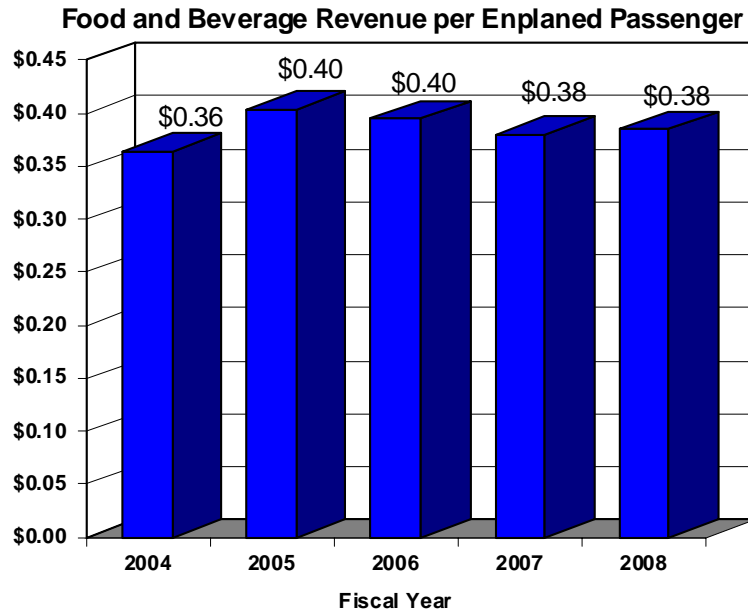
Concession Revenue Per Enplaned Passenger

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



Gaming Concession Revenue per Enplaned Passenger

Few other airports have gaming revenues to compare. The gaming revenues are budgeted at \$3.6 million for 2008 and are projected to be \$3.5 million for 2007. The minimum annual guarantee was lowered effective December 1, 2003 based on a new agreement with the gaming concessionaire, IGT. The increasing revenue per enplaned passenger levels is due to revenues outpacing the growth in passenger levels. For fiscal year 2008 it is estimated that revenue will continue to outpace passengers due to the vendor continually updating the gaming machines and increasing gaming activity will increase the revenue per enplaned passenger amount.

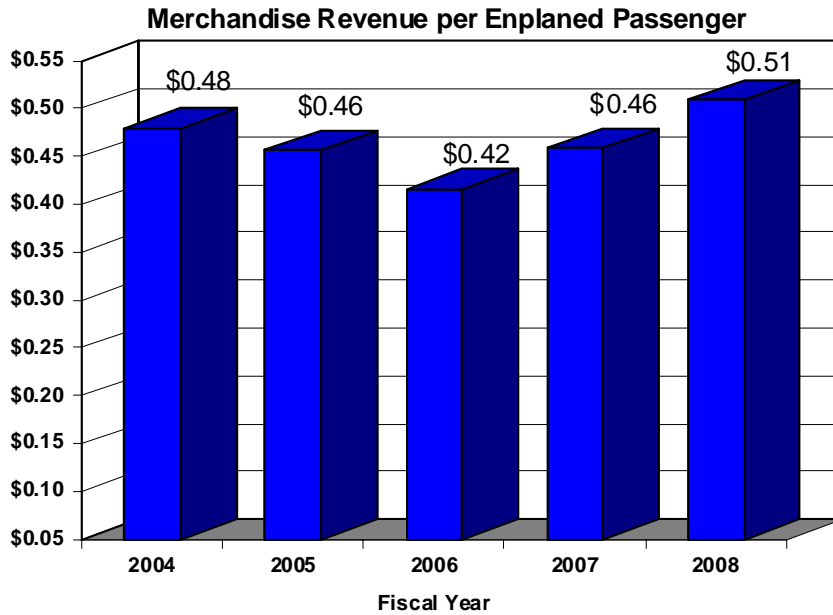


Food and Beverage Concession Revenue per Enplaned Passenger

The food and beverage concession agreement currently pays the Airport Authority the greater of a minimum guaranteed amount or a percentage of gross revenues. With the October 1, 2001, implementation of the new concession agreement, the minimum annual guarantee increased to \$800,000 for the operation by the new concessionaire, Creative Host Services. The minimum annual guarantee amount is set annually at 85% of prior years payments, or \$800,000, whichever is greater. Revenues are budgeted at \$1,000,000, assuming a 4 percent increase as compared to the fiscal 2007 projection, which will be 6 percent below the fiscal 2007 budget amount. The increase of 4 percent compared to projected correlates to the estimated increase in passengers.

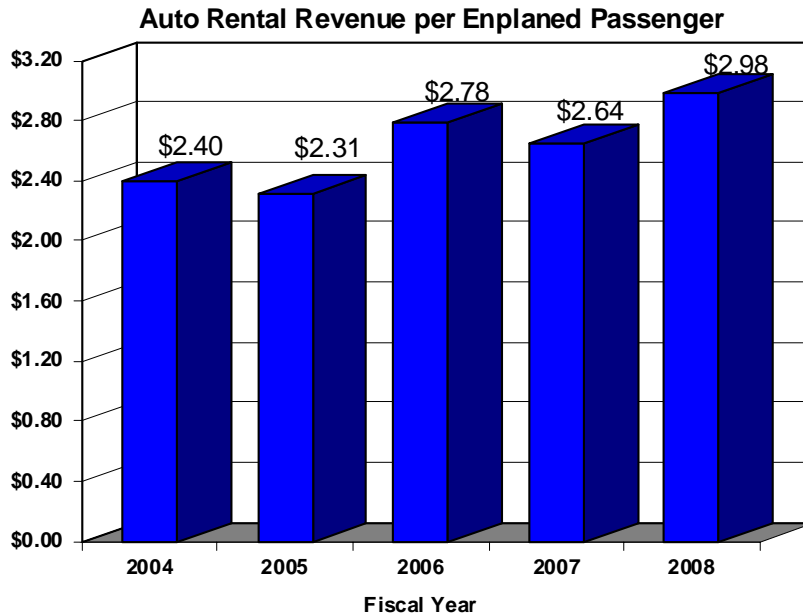
The slight decline of revenue per enplaned passenger at Reno-Tahoe to \$0.38 is primarily due to revenues stabilizing and not keeping pace with the increase in passengers anticipated in fiscal year 2007. The stabilization at these levels is due to security requirements causing the passengers to spend more time passed the security checkpoints, near the airline boarding areas, but away from the major concession areas at the airport before the security checkpoints.

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



Merchandise Concession Revenue per Enplaned Passenger

The merchandise concession stores have furnishings that would fit in any upscale shopping mall. A PGA Tour Golf Shop and a duty free shop add to the mix of shops found in the most airports. The higher priced items in these stores are contributing to the increase in the concession revenue per passenger. The increase in the revenue per enplaned passenger in 2008 is due to an estimated increase in sales due to construction being completed on the refurbishment of merchandising concessions. Conservative estimates in merchandise revenues have been made due to the ever changing nature of the air travel industry. At \$0.51 Reno-Tahoe remains near the industry average amount per enplanement.

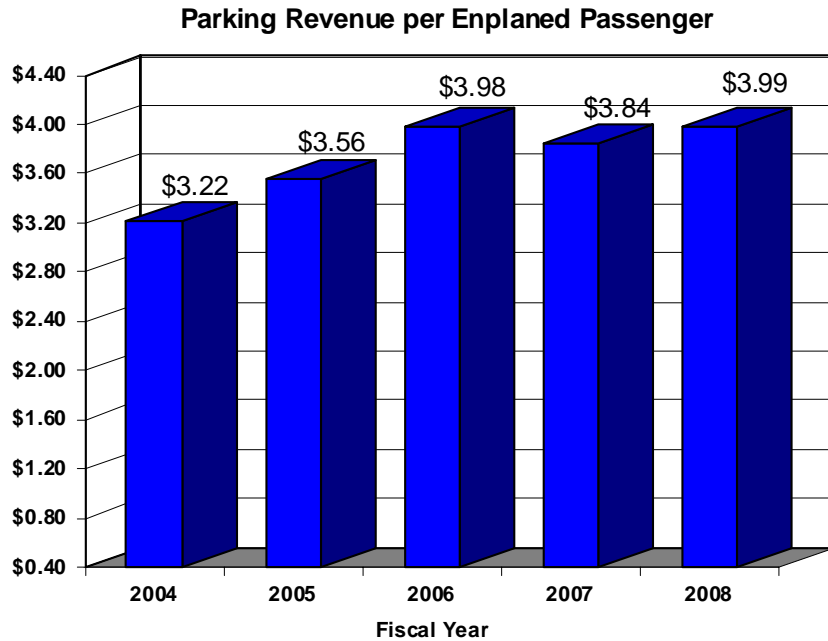


Rental Car Concession Revenue per Enplaned Passenger

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

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

For the fiscal year 2005, 10 percent of gross revenues was received from the rental car companies as a new concession agreement was being negotiated. The actual revenues for fiscal 2007 are expected to exceed the budget amount and are also expected to increase 6 percent in fiscal 2008. This increase is due to the new agreement with the rental car companies effective July 1, 2005 that increases the minimum annual guarantee on an annual basis as well as an estimated increase in passenger activity.

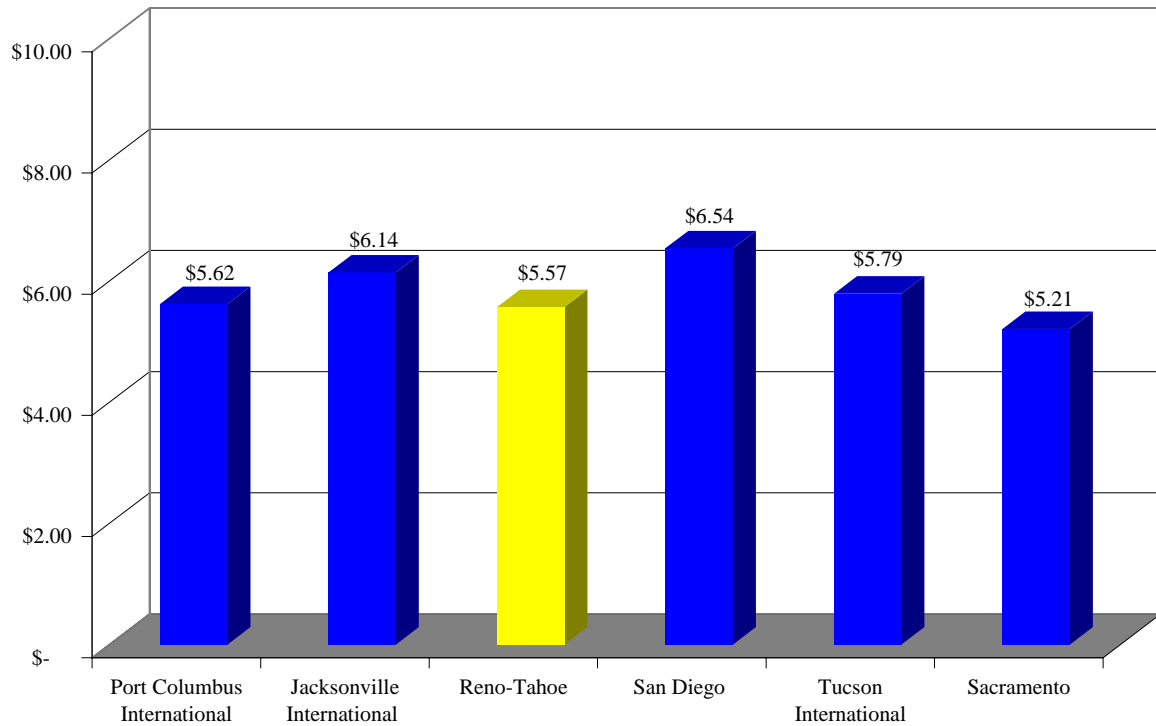


Parking Revenue per Enplaned Passenger

The parking rates at the airport are not budgeted to increase in fiscal year 2008, while the revenue per enplaned passenger is expected to increase. At \$3.99, the vehicle parking revenue per enplaned passenger at the Reno-Tahoe International Airport continues to increase as passenger activity improves.

The fiscal year 2008 budgeted per enplaned passenger amount of \$3.99 is consistent with the fiscal year projected amount of \$3.89. It is anticipated that the fiscal year 2007 projected amount will be exceeded in 2008 with the parking transactions increasing and length of stay per transaction also continuing to increase.

2007 Airline Cost Per Enplanement



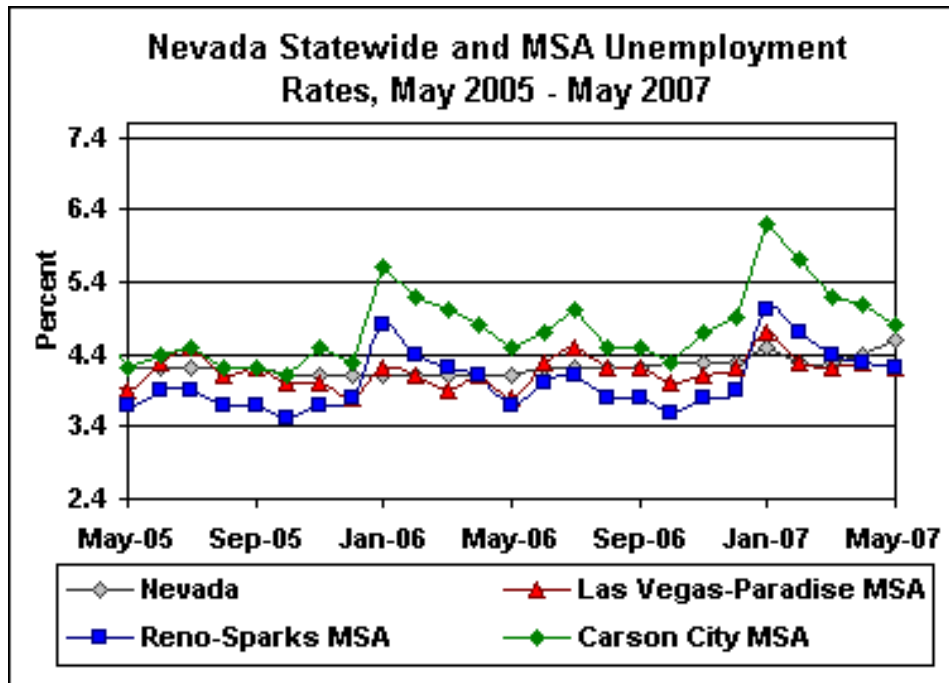
Airline Cost per Enplanement

The chart above shows airports that are comparable to RTIA as medium hub airports operated by independent authorities. The amounts are for fiscal year 2007 and were provided as a courtesy by the respective airports. The 2007-08 budgeted cost per enplanement for RTIA is \$5.57, which is below the 2006 average of \$5.81 for the airports sampled. Having a low cost per enplanement is of significance to RTIA because it is a low fare, tourism based travel destination with low cost carrier, Southwest Airlines, as its number one carrier.

Nevada Job Growth					
Nonfarm Payroll Employment, in Thousands					
	May 2007	May 2006	Change	Percent Change	April 2007
Total	1,313.3	1,285.6	27.7	2.20%	1,310.0
Natural Resources & Mining	12.0	11.4	0.6	5.30%	12.0
Construction	142.2	146.4	(4.2)	-2.90%	141.3
Manufacturing	51.8	50.5	1.3	2.60%	51.9
Trade, Transportation & Utilities	232.3	224.3	8.0	3.60%	231.5
Information	15.6	15.1	0.5	3.30%	15.6
Financial Activities	66.0	65.3	0.7	1.10%	66.0
Professional & Business Services	162.8	158.0	4.8	3.00%	163.6
Education & Health Services	91.5	86.9	4.6	5.30%	91.2
Leisure & Hospitality	341.2	338.7	2.5	0.70%	339.4
<i>Casino Hotels & Gaming</i>	<i>214.8</i>	<i>217.8</i>	<i>(3.0)</i>	<i>-1.40%</i>	<i>214.1</i>
Other Services	37.7	36.2	1.5	4.10%	37.3
Government	160.2	152.8	7.4	4.80%	160.2

Employment Statistics

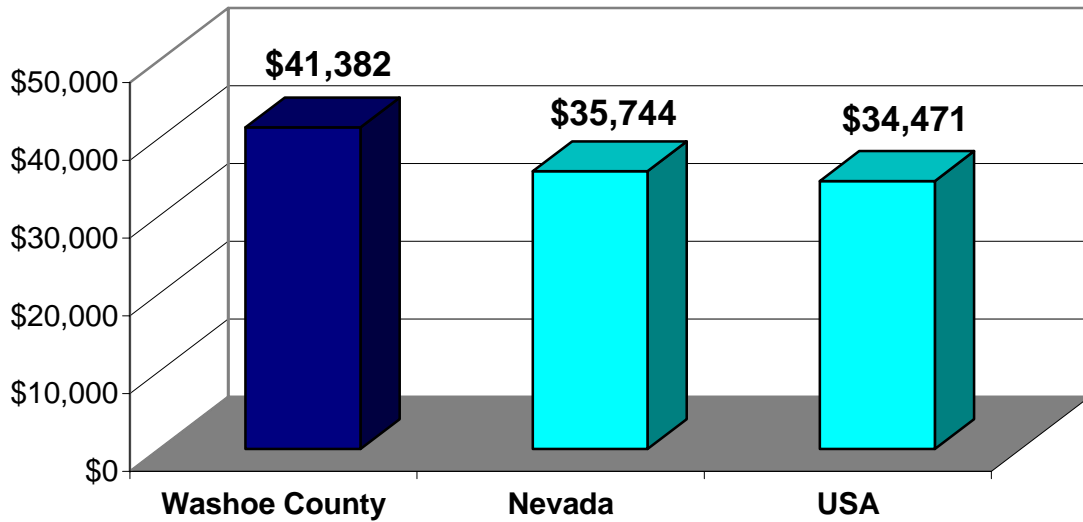
The chart above demonstrates Nevada's success at diversifying its economy. Diversification of the local economy will lessen any future negative economic impact as Indian gaming increases in the states surrounding Nevada. The chart above shows that employment in the Leisure and Hospitality sector had a low level of growth compared to other sectors of Nevada employment.



Unemployment Statistics

This chart shows that the Reno-Tahoe area also has a favorable message regarding unemployment. The Reno unemployment statistics are usually below not only the Las Vegas statistics for Southern Nevada, but also the state as a whole.

Per Capita Income



Per Capita Income

Another aspect of Reno-Tahoe area employment is Per Capita Income. As the chart above of the latest data available for 2005 demonstrates, the Reno-Tahoe area of Washoe County, has not only a higher per capita income than the state in general, but also a level higher than the national average per capita income level.

Domestic Airline Passengers

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

	2005	2006	2005- 2006 Pct. Change	2007	2006- 2007 Pct. Change
January	48.0	48.9	1.8	50.0	2.3
February	47.1	47.4	0.6	47.7	0.8
March	58.8	58.3	-0.9	58.6	0.6
April	54.9	55.8	1.7		
May	57.3	57.2	-0.3		
June	59.7	59.3	-0.8		
July	62.4	60.8	-2.5		
August	59.1	58.3	-1.4		
September	50.6	50.0	-1.3		
October	53.7	55.1	2.5		
November	52.8	53.9	2.1		
December	52.8	53.5	1.4		
3 Mo Total	153.9	154.5	0.4	156.4	1.2
Yr. Total	657.3	658.4	0.2		

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

Note: Percent changes based on numbers prior to rounding.

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

Airline Profitability

Table 2: System* Quarterly Operating profit/loss margin (in percent)

Network Carriers

Ranked by 1st Quarter 2007 Margin

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

1Q 2007 Rank	Network Carriers	1st Quarter 2006 (%)	2nd Quarter 2006 (%)	3rd Quarter 2006 (%)	4th Quarter 2006 (%)	1st Quarter 2007 (%)	1st Quarter Operating Profit/Loss \$(Millions)
1	Northwest	-0.2	9.2	11.1	3.7	7.2	\$ 205.0
2	US Airways	2.4	12.6	5.9	7.4	4.4	\$ 84.0
3	Delta	-12.8	8.0	3.0	-0.1	3.5	\$ 147.0
4	American	1.0	7.0	3.8	2.3	3.4	\$ 183.0
5	Continental	-0.1	6.8	4.9	0.2	1.5	\$ 45.0
6	United	-3.8	5.1	6.6	0.3	-2.0	\$ (89.0)
7	Alaska	-25.1	6.3	0.5	-0.7	-2.7	\$ (18.0)
	Seven-Carrier Total	-3.3	7.5	5.4	1.7	2.5	\$ 559.0

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

Table 3: System* Quarterly Operating profit/loss margin (in percent)

Low-Cost Carriers

Ranked by 1st Quarter 2007 Margin

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

1Q 2007 Rank	Low-Cost Carriers	1st Quarter 2006 (%)	2nd Quarter 2006 (%)	3rd Quarter 2006 (%)	4th Quarter 2006 (%)	1st Quarter 2007 (%)	1st Quarter Operating Profit/Loss \$(Millions)
1	Spirit	-7.3	-3.2	-20.3	-20.1	7.0	\$ 12.0
2	America West	9.4	5.9	-11.2	-7.9	5.1	\$ 46.0
3	Southwest	4.9	16.4	11.2	7.6	3.8	\$ 84.0
4	AirTran	-1.1	10.3	-0.7	0.5	2.7	\$ 14.0
5	Frontier	-3.4	3.5	1.0	-6.9	-2.1	\$ (6.0)
6	JetBlue	-5.1	7.7	5.5	9.6	-2.2	\$ (13.0)
7	ATA	-13.1	-0.7	2.2	-6.6	-16.9	\$ (27.0)
	Seven-Carrier Total	2.5	10.8	3.3	2.7	2.3	\$ 109.0

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

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

RENO-TAHOE AIRPORT AUTHORITY

FINAL BUDGET 2007-2008

INDEX

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

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

REVENUES	GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS				
	ACTUAL PRIOR YEAR 06/30/06 (1)	ESTIMATED CURRENT YEAR 06/30/07 (2)	BUDGET YEAR 06/30/08 (3)	PROPRIETARY FUNDS BUDGET YEAR 06/30/08 (4)	TOTAL (MEMO ONLY) COLUMNS 3+4 (5)
Property Taxes	\$	\$	\$	\$	\$
Other Taxes					
Licenses and Permits					
Intergovernmental Resources					
Charges for Services					
Fines and Forfeits					
Miscellaneous				62,188,623	62,188,623
TOTAL REVENUES				\$ 62,188,623	\$ 62,188,623
EXPENDITURES-EXPENSES					
General Government					
Judicial					
Public Safety					
Public Works					
Sanitation					
Health					
Welfare					
Culture and Recreation					
Community Support					
Intergovernmental Expenditures					
Contingencies					
Utility Enterprises					
Hospitals					
Transit Systems					
Airports				52,905,586	\$ 52,905,586
Other Enterprises					
Debt Service - Principal					
Interest Cost				3,005,476	\$ 3,005,476
TOTAL EXPENDITURES-EXPENSES				\$ 55,911,062	\$ 55,911,062
Excess of Revenues over (under)					
Expenditures-Expenses				\$ 6,277,561	\$ 6,277,561

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

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

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/06	ESTIMATED CURRENT YEAR ENDING 06/30/07	BUDGET YEAR ENDING 06/30/08
General Government			
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support			
TOTAL GENERAL GOVERNMENT			
Utilities			
Hospitals			
Transit Systems z			
Airports	260.0	261.5	269.5
Other			
TOTAL	260.0	261.5	269.5

POPULATION (AS OF JULY 1, 2006)			409,085
SOURCE OF POPULATION ESTIMATE*			
Assessed Valuation (Secured and Unsecured Only)			
Net Proceeds of Mines			
TOTAL ASSESSED VALUE			
TAX RATE			
General Fund			
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund			
Other			
TOTAL TAX RATE			

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

RENO-TAHOE AIRPORT AUTHORITY
(Local Government)

SCHEDULE S-2 - STATISTICAL DATA

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/08	
	ACTUAL PRIOR YEAR ENDING 6/30/2006	ESTIMATED CURRENT YEAR ENDING 6/30/2007	TENTATIVE APPROVED	FINAL APPROVED
OPERATING REVENUE				
Landing and Aircraft Fees	\$ 7,545,675	\$8,197,828	\$9,956,015	\$9,153,540
Gaming Concession	3,425,940	3,500,000	3,500,000	3,575,000
Food & Beverage Concession	1,019,313	964,500	975,000	1,000,000
Merchandise Concession	1,070,924	1,298,210	1,208,000	1,323,000
Auto Rental Concession	7,176,936	7,287,194	7,734,120	7,755,020
Parking/Traffic Control	10,253,964	10,151,827	10,245,100	10,363,300
Rents	11,352,662	10,994,105	12,840,760	12,177,363
Other Concessions/Misc.	2,547,570	2,689,040	2,678,400	2,678,400
TOTAL OPERATING REVENUE	44,392,984	45,082,704	49,137,395	48,025,623
OPERATING EXPENSE				
Personnel Services	\$ 19,929,337	\$ 20,613,358	\$ 23,702,750	\$ 23,612,300
Utilities and Communications	2,457,764	2,980,610	3,007,218	2,990,213
Purchased Services	3,232,102	3,464,640	4,281,818	3,319,893
Materials and Supplies	1,649,492	1,418,200	1,645,336	1,540,536
Administrative Expenses	2,261,031	2,222,681	2,638,813	2,192,644
Depreciation/Amortization	18,564,621	18,750,000	19,250,000	19,250,000
TOTAL OPERATING EXPENSE	48,094,347	49,449,489	54,525,935	52,905,586
OPERATING INCOME OR (LOSS)	(3,701,363)	(4,366,785)	(5,388,540)	(4,879,963)
NONOPERATING REVENUES				
Interest Earned	1,723,481	2,635,836	\$2,595,000	\$2,595,000
Jet Fuel Tax Revenue	414,874	434,820	400,000	400,000
Reimbursements/Miscellaneous	-	6,768	-	-
PFC Revenues (Passenger Facility Chg.)	11,029,218	11,285,421	11,168,000	11,168,000
Gain (Loss) on sale of capital assets	496,591	-	-	-
Insurance Settlement Proceeds	-	-	-	-
Subsidies				
TOTAL NONOPERATING REVENUES	13,664,164	14,362,845	14,163,000	14,163,000
NONOPERATING EXPENSES				
Jet Fuel Tax Expenses	-	-	-	-
Interest Expense	3,608,057	3,400,468	3,005,476	3,005,476
TOTAL NONOPERATING EXPENSES	3,608,057	3,400,468	3,005,476	3,005,476
NET INCOME BEFORE OPERATING TRANSFERS	6,354,744	6,595,592	5,768,984	6,277,561
OPERATING TRANSFERS (Schedule T)				
IN				
OUT				
NET OPERATING TRANSFERS	-	-	-	-
NET INCOME	\$ 6,354,744	\$ 6,595,592	\$ 5,768,984	\$ 6,277,561

RENO-TAHOE AIRPORT AUTHORITY

(Local Government)

SCHEDULE F-1 REVENUES, EXPENSES, AND NET INCOME

FUND: AIRPORTS

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/08	
	ACTUAL PRIOR YEAR ENDING 06/30/06	ESTIMATED CURRENT YEAR ENDING 06/30/07	TENTATIVE APPROVED	FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ (3,701,363)	\$ (4,366,785)	\$ (5,388,540)	\$ (4,879,963)
Depreciation/Amortization	18,564,621	18,750,000	19,250,000	19,250,000
Provision for Bad Debt	-	-	-	-
Loss on Sale of Property and Equipment	-	-	-	-
Changes in Current Assets and Liabilities	(2,079,167)	2,000,000	2,500,000	2,500,000
a. Net cash provided by operating activities	12,784,091	16,383,215	16,361,460	16,870,037
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Jet Fuel Tax Revenue	414,874	377,268	400,000	400,000
b. Net cash provided by non capital financing activities	414,874	377,268	400,000	400,000
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Federal Grant Proceeds	21,191,090	18,000,000	44,220,758	44,220,758
Proceeds from sale of Capital Assets	831,804	600,000	500,000	500,000
Proceeds from sale of Revenue Bonds	29,775,000	-	-	-
Bond Premium	1,553,562	-	-	-
Acq. & Const. of Capital Assets	(34,157,209)	(28,000,000)	(48,669,264)	(46,896,276)
Principal/Interest Payments	(7,833,626)	(10,765,468)	(10,770,476)	(10,770,476)
Receipts of PFC Revenue	11,029,218	11,285,421	11,168,000	11,168,000
Cash paid for Bond Issue Costs	(656,297)	-	-	-
Cash paid to refunding escrow agent	(30,550,498)	-	-	-
c. Net cash used for capital and related financing activities	(8,816,956)	(8,880,047)	(3,550,982)	(1,777,994)
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Receipt of Interest	1,662,456	2,400,000	\$2,595,000	\$2,595,000
Purchase/Sale of Investments	(5,795,205)	(5,000,000)	(3,000,000)	(3,000,000)
d. Net cash used in investing activities	(4,132,749)	(2,600,000)	(405,000)	(405,000)
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	249,260	5,280,436	12,805,478	15,087,043
CASH AND CASH EQUIVALENTS AT JULY 1, 20XX	51,650,277	51,899,537	57,179,973	57,179,973
CASH AND CASH EQUIVALENTS AT AT JUNE 30, 20XX	\$ 51,899,537	\$ 57,179,973	\$ 69,985,451	\$ 72,267,016

RENO-TAHOE AIRPORT AUTHORITY

Schedule F - 2 - Statement of Cash Flows

FUND: AIRPORTS

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

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)		(10)	(11)
NAME OF BOND OR LOAN List and Subtotal By Fund	*	TERM	ORIGINAL AMOUNT OF ISSUE	ISSUE DATE	FINAL PAYMENT DATE	INTEREST RATE	BEGINNING OUTSTANDING BALANCE 7/1/2007	INTEREST PAYABLE	PRINCIPAL PAYABLE	REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/08	(9) + (10) TOTAL
FUND: AIRPORTS											
AAWC, AIRPORT REVENUE (TAXABLE) BONDS, SERIES 1996B	4	30	6,635,000	04/01/96	07/01/09	VARIOUS	1,200,000	87,600	925,000		1,012,600
AAWC, AIRPORT REVENUE REFUNDING BONDS SERIES 2002	4	7	17,375,000	05/16/02	07/01/09	VARIOUS	7,740,000	395,438	3,770,000		4,165,438
AAWC, AIRPORT REVENUE REFUNDING BONDS SERIES 2003	4	8	29,215,000	04/10/03	07/01/11	VARIOUS	22,340,000	1,117,000	2,965,000		4,082,000
RTAA, AIRPORT REVENUE REFUNDING BONDS SERIES 2005	4	21	29,775,000	08/18/05	07/01/26	VARIOUS	29,530,000	1,405,438	105,000		1,510,438
TOTAL ALL DEBT SERVICE			\$ 83,000,000				\$ 60,810,000	\$ 3,005,476	\$ 7,765,000		\$ 10,770,476

SCHEDULE C-1 INDEBTEDNESS

RENO-TAHOE AIRPORT AUTHORITY Budget Fiscal Year 2007-2008

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

Glossary

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CUPPS – Common Use Passenger Processing System

CUSS – Common Use Self Service

CUTE – Common Use Terminal Equipment

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

Deplaning Passenger – An arriving passenger.

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

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

Enplaning Passenger – A departing passenger.

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

FAR – Federal Aviation Regulations

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

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

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

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

FOD – Foreign Object Debris or trash on the airfield.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Reno Stead Airport - RSD

Reno-Tahoe Airport Authority - RTAA

Reno-Tahoe International Airport - RTIA

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

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

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

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

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