

FISCAL YEAR 2021-2022 ANNUAL BUDGET



Reno-Tahoe
Airport
Authority

Reno, Nevada

Reno-Tahoe Airport Authority
FY 2021-22
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Section 1 – Introduction and Summary

**Reno-Tahoe Airport Authority
FY 2021-22 Annual Budget
Section 1 – Introduction**



**Board of Trustees
Reno, Nevada**

Accompanying this introduction is the Reno-Tahoe Airport Authority’s (RTAA) annual budget for Fiscal Year (FY) 2021-22 as approved by the Board of Trustees on May 20, 2021.

This budget represents the fiscal plan for revenues, expenses, and capital improvements to operate the Reno-Tahoe International Airport (RNO) and Reno-Stead (RTS) general aviation airport for FY 2021-22. The approved budget is balanced; meaning revenues and other resources equal or exceed expenditures and other uses. A balanced budget is an integral part of maintaining RTAA’s financial sustainability. The overall objective from the budget is to provide essential resources for operating, maintaining, and developing safe, convenient, and customer-focused facilities.

The budget is structured consistent with conventions and standards as an enterprise fund. As such, RTAA’s day-to-day operating and maintenance expenses are funded almost exclusively from revenues generated through cost recovery from the airlines, rents and concession fees paid by airport tenants, and customers of public parking facilities. No state or local property or sales tax dollars are used to meet RTAA’s obligations. RTAA is solely responsible to ensure its financial stability and viability. Despite the potential for volatility of the airline industry and the impacts due to the COVID-19 pandemic, RTAA continues its commitment to ensure financial stability, maintain liquidity and to position the organization with flexibility to strategically respond to challenges and opportunities.

Background

The discussion of the preliminary FY 2021-22 budget and outlook was conducted during the Board’s annual strategic retreat combined with the budget workshop on April 30, 2021. The retreat provided a general assessment of current operational and fiscal conditions, proposed capital improvement program, and a budget outlook of the upcoming fiscal year. The FY 2021-22 outlook envisioned continuation of airline traffic recovery after the severe disruption caused by the COVID-19 pandemic. As more Americans get vaccinated, and travel restrictions are lifted air travel is expected to rebound, especially in the vacation destination markets such as the Reno-Tahoe region.

The preliminary budget proposed increased funding to address priorities in our operating departments, needed improvements in our facilities, and staff’s professional development. The prior fiscal year budget was reduced by approximately \$8 million at the onset of the pandemic, and additional funding was needed as we embarked on the road to recovery.

The FY 2021-22 preliminary budget included total revenues of \$71.716 million to fund operating expenses, annual debt service, equipment purchases, and the capital improvement program at

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both RNO and RTS. Of total revenues, \$48.087 million are operating revenues derived from airline and non-airline revenue sources. Operating revenues were forecasted to increase \$10.493 million or 27.9% from the prior year budget. The revenue forecast assumed 1.509 million annual enplaned passengers, a 59.4% increase from the FY 2020-21 budget, and 45.8% increase from the updated traffic forecast. The operations and maintenance (O&M) preliminary budget was \$49.694 million, an increase of \$5.301 million, or 11.9% from the prior year budget.

A key element in sustaining airport operations, and recovery from the pandemic while maintaining the reasonably low-cost structure for airlines operating at RNO is the federal funding allocated to airports through the Coronavirus Aid, Relief and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and American Rescue Plan Act (ARPA). The three acts combined provided approximately \$20 billion of relief for airport sponsors, including allocations of \$56 million for RNO and \$112,000 for RTS. The preliminary budget anticipated utilizing approximately \$11.359 million of CARES Act to fund RTAA payroll and other operating expenses, equipment purchases, and debt service payments. A combined \$7.676 million CARES Act funds were used in the prior two fiscal years (FY 2019-20 and FY 2020-21) by RTAA to maintain signatory airline rates and charges flat – no increase from the pre-pandemic FY 2019-20 adopted budget.

After a year of business closures and travel restrictions, on April 30, 2021, Governor Sisolak announced the next steps in the State’s COVID-19 response toward the goal of full economic reopening by June 1 and encouraged Nevadans to get vaccinated. The month of May saw a relaxing of mask mandates, and social distancing requirements. Passenger traffic at RNO has seen strong signs of recovery, and airlines were signaling increased bookings for the summer travel season. As leisure travel started to rebound, casinos were able to return to 100% capacity.

On May 22, 2021, the Board heard and adopted the FY 2021-22 proposed budget. In addition to the budget presented on April 30, the final budget includes additional funding for salary increases for all three represented bargaining units: International Brotherhood of Teamsters (Teamsters), Reno Airport Fire Fighters Association (RAFFA), and the Airport Authority Police Officers’ Protective Association (AAPOPA). No salary increases were budgeted for Civil Service Plan (CSP) and Management employees. As labor negotiations are expected to continue, additional funding was added for a labor relations consultant. Also added at the direction of the Board was an administrative workspace study to identify potential solutions to the need for office space in the terminal building. Marketing of the RTAA’s liability and property insurance coverage continued in May, and the approved budget reflects significant savings compared to the preliminary budget. A detailed description of these changes can be found in Section 7 – Expenditures.

As of June 2021, RTAA provided to some of the concessionaires operating at RNO five financial relief packages totaling more than \$234,000 in RTAA funds. Staff is preparing a sixth relief package for Board discussion and possible action in August. The sixth package will include

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additional financial relief directly from RTAA funds as well as \$1,852,390 in additional federal relief under ARPA.

After a soft launch early this spring, the RTAA’s new advertising campaign – *Ready Jet Go* - is in full swing throughout the summer. The “We Move You Safely” theme transitioned to this new call to action to fill the record flights at RNO this summer. Traveler sentiment surveys have shown that people are ready to fly again, so locals can see airport messaging on TV and digital platforms publicizing the airport’s new and existing non-stop destinations.

On July 27, 2021, the Center for Disease Control and Prevention (CDC) released updated guidance on the need for urgently increasing COVID-19 vaccination and a recommendation for everyone in areas of substantial or high transmission to wear a mask in public indoor places, even if they are fully vaccinated. CDC issued this new guidance due to several concerning developments and newly emerging data signals on the Delta variant. First is a reversal in the downward trajectory of cases. In late June, the seven-day moving average of reported cases was around 12,000. On July 27, the seven-day moving average of cases reached over 60,000. This case rate looked more like the rate of cases seen before the vaccine was widely available. Second, new data began to emerge that the Delta variant was more infectious and was leading to increased transmissibility when compared to other variants, even in vaccinated individuals. Delta is currently the predominant strain of the virus in the United States.

On July 27, 2021, Governor Sisolak issued an emergency directive requiring mask/face covering in a manner consistent with updated guidance issued by the CDC.

Our Structure and Business Model

RTAA is a quasi-municipal corporation that was created by the Nevada State Legislature in 1977 and began operation on July 1, 1978. The nine-member Board of Trustees that governs RTAA is appointed by the City of Reno (Four Trustees), City of Sparks (Two Trustees), Washoe County (Two Trustees) and the Reno Sparks Convention and Visitors Authority (One Trustee). RTAA is an independent entity that is not part of any other unit of any state or local government and does not use property or sales tax revenue to fund its operation. The geographical area served by RNO (the Catchment Area) primarily encompasses the seven Nevada counties of Churchill, Douglas, Humboldt, Lyon, Pershing, Storey, and Washoe, and the major cities of Reno, Sparks, and Carson City (the capital of the State of Nevada). The total catchment area for RNO also includes the Lake Tahoe area and several communities in northeastern California. This combined area represents a population of over 1.5 million.

RTAA is the owner and operator of RNO and RTS. According to the Federal Aviation Administration (FAA), RNO is the 62nd busiest airport in the nation based on the number of enplaned passengers in calendar year 2020. As defined by the FAA, RNO is a medium hub airport which served over 1.9 million passengers in calendar year 2020. RNO was considered a

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small hub through 2019. The disproportionately faster recovery of passenger traffic has pushed RNO to the medium hub category based on 2020 reported passenger numbers. The strong recovery continues at RNO with commercial airline service provided by Alaska Airlines, Allegiant, American Airlines, Delta Air Lines, Frontier Airlines, JetBlue, Southwest Airlines, United Airlines, and Volaris. Commercial cargo carriers include FedEx, United Parcel Service (UPS) and DHL. In calendar year 2020, more than 148 million pounds of air cargo was transported through RNO. Located north of Reno, RTS is a general aviation facility that is home to approximately 200 based aircraft and the famous Reno National Championship Air Races.

Airport business models are typically based on terms established within an airline-airport lease and use agreement between airlines and the airport operator. Such agreements establish the rights, privileges, and obligation of each party. On June 26, 2020, the Board approved an amendment to RTAA's existing airline-airport agreement and extended the original 5-year agreement term by an additional three years through June 30, 2023. This agreement also establishes the methodology for airline rates and charges, and terms associated with the approval by airlines of certain capital investments at RNO. The extension term of the amended agreement covers the planned timeframe to design and construct the RNO ticketing hall improvement project. The design phase is included in the FY 2021-22 capital budget. A provision of the three-year extension includes airline support for this project by way of preapproval to fund up to \$20 million through the rates and charges paid by the airlines. For more information on RTAA's airline-airport agreement, see Section 5 – Financial and Budgetary Policies.

Economic Outlook

The COVID-19 pandemic has had far-reaching consequences beyond the spread itself and efforts to quarantine it. As the virus spread around the globe, concerns shifted from supply-side manufacturing issues to decreased business in the services sector. The pandemic caused the largest global recession in history, with more than a third of the global population being placed on lockdown. Supply and staffing shortages are expected to continue to affect a number of sectors, especially in the service and manufacturing industries.

Vaccines are now widely available in most countries around the world, and world leaders launched campaigns encouraging vaccinations. Although the recovery of international travel is still lagging when compared to domestic, official travel restrictions are mostly lifted around the world and economies are on a path to recovery.

The American economy is strongly rebounding and stock markets are seeing record highs. The Dow Jones Industrial average hit 35,500 on August 12, 2021, a new record – 28% higher than the same day in 2020. S&P 500 recorded 4,461 on the same day, a 32% increase from last year.

According to the Congressional Budget Office's (CBO) projections in July 2021, the current and future economic impact of the COVID-19 pandemic can be summarized as follows:

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- The unemployment rate is expected to decrease from 8.1% in 2020 to 5.5% in 2021. Employment is expected to grow especially in the second half of 2021, reflecting the increased demand for goods and services.
- The federal budget deficit will reach \$3.0 trillion for 2021 as the economic disruption caused by the 2020 – 2021 coronavirus pandemic continues. At 13.4% of gross domestic product (GDP), the deficit in 2021 would be the second largest since 1945, exceeded only by the 14.9% shortfall recorded in 2020.
- New legislation enacted after January 12, 2021 - primarily the American Rescue Plan Act (ARPA) – added \$1.1 trillion, or 5.0% of GDP to the deficit in fiscal year 2021 and \$0.5 trillion, or 2.0% of GDP in fiscal year 2022.
- Federal debt held by the public totals 103% of GDP at the end of 2021 in CBO’s projections.

As the pandemic eases and demand for consumer services surges, real (inflation-adjusted) GDP in CBO’s projections will grow by 7.4% in 2021. Annual GDP growth is expected to average 2.8% from 2021 to 2025, and 1.6% in the 2026 – 2031 period. Employment is expected to surpass pre-pandemic levels by the second half of 2022. Inflation is expected to rise in 2021 to its highest rate since 2008 fueled by the increase in consumer spending.

The greater Reno area’s economic picture has become far more diversified and the growth in recent years has been significant. The Reno-Tahoe regional area economy is no longer relying solely on tourism and gaming, as it was at the time of the 2008 great recession. Northern Nevada’s business friendly environment, proximity to customers, availability of skilled workforce and logistics continues to attract a diverse group of businesses to the area. Companies like Tesla, Panasonic, Switch, Microsoft, Apple, Rackspace, Amazon, Zulily, Patagonia, Urban Outfitters, Thrive Market, and Petco all call Northern Nevada home for critical business functions.

The diversity of industry in Northern Nevada is expected to provide a solid foundation for recovery and long-term growth following the COVID-19 pandemic. The June unemployment rate dropped to 7.8% compared to the 29.5% reached at the height of the pandemic in April 2020 according to the Nevada Department of Employment, Training and Rehabilitation (DETR). The April unemployment rate was the highest level of any state in any period for which data is available going back to 1976, according to DETR.

Reno Metropolitan Statistical Area (MSA) industry trends for the month of June, as published by Ekay Consulting:

- Business Activity Index – provides historical and current trends for business activity in the Reno MSA region. It includes data on employment, gaming revenue, taxable sales, and airline activity at RNO (passengers and cargo). The Index shows a 2.59% increase between May and June 2021, and 18.88% above the same period last year (June 2020).

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- Construction Index – provides historical and current trends for the construction industry in the Reno MSA region. It includes data on construction employment, commercial permits, commercial permit valuation, residential permit units, and residential permit valuation. The index shows a slight increase of 0.08% between May and June 2021, and 14.27% compared to the same month in the previous year (June 2020). Construction employment declined slightly in June when adjusted for seasonality. Commercial permit values declined compared to the previous month when adjusted for inflation and seasonality but were higher than the previous year. Commercial permits and residential permit values and units increased compared to the previous month and year.
- Housing Affordability Index – based on a ratio of median family income to qualifying family income, or the income necessary to purchase a median priced home in Washoe County. Includes data on median price of new and existing homes in Washoe County, median family income, US 30-year fixed mortgage rate. A ratio of 100 indicates that median family income is sufficient to purchase a median-priced home. The 2Q 2021 index of 81.62 indicates median family income is 18.38% below the income necessary to qualify for median priced home. The index declined by 5.90% between 2Q 2021 and 1Q 2021, making homes in the region less affordable.

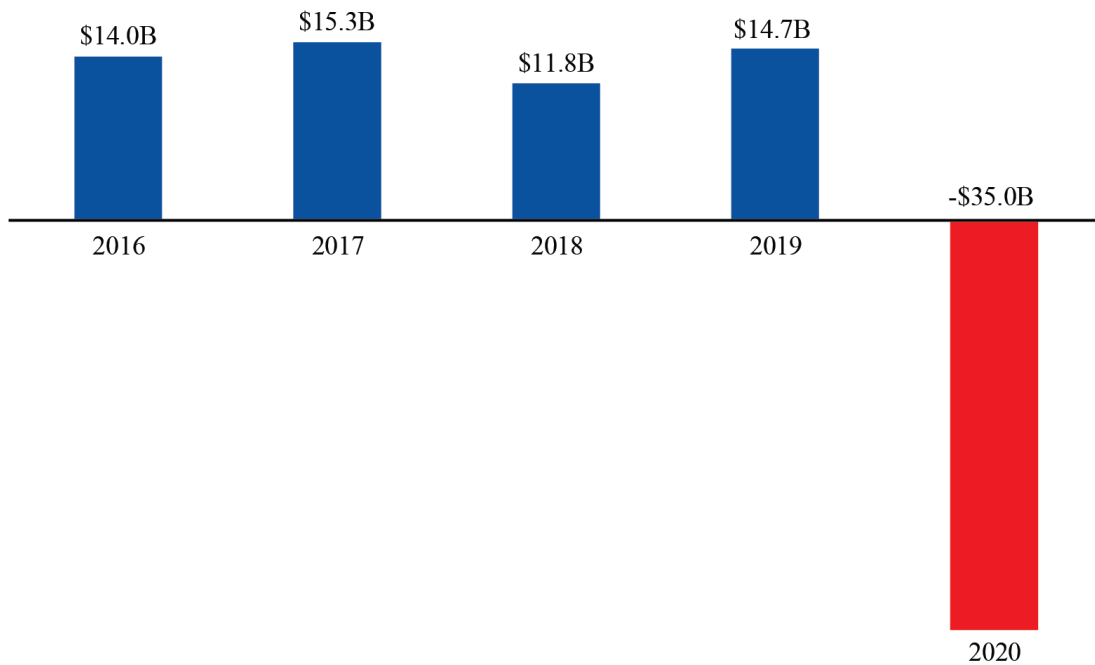
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Air Service Market Update

U.S. scheduled passenger airlines reported an annual 2020 after-tax net loss of \$35.0 billion, declining after seven consecutive annual after-tax profits and a pre-tax operating loss of \$46.5 billion, declining after 11 consecutive annual pre-tax profits.

Payroll protection payments received by airlines are included as net income. Payroll protection payments used for salaries are included as labor expenses.

**Net Income 2016-2020, U.S. Scheduled Passenger Airlines
Billions of Dollars (\$)**



Source: Bureau of Transportation Statistics

The airlines reported a \$46.5 billion pre-tax operating loss in 2020, compared to \$20.7 billion profit in 2019. Total 2020 operating revenue was \$77.3 billion. The airlines collected \$49.9 billion from fares, 64.5% of total operating revenue, \$2.8 billion from baggage fees, 3.7% of total operating revenues. Reservation change fees were \$898 million, or 1.2% of total operating revenues. Total operating expenses in 2020 were \$123.8 billion, of which fuel costs accounted for \$12.1 billion, or 9.8% of total expenses, and labor costs accounted for \$49.1 billion, or 39.7%.

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Passenger Activity

Since its emergence as a global pandemic in February of 2020, COVID-19 has been an unprecedented shock to the airline and travel industries. Travel demand has been decimated by restrictions on broad every-day activities as well as specifically on travel. Although, hard restrictions are in place for international travel, softer regulations and typically voluntary quarantines driven by local governments have allowed for some amount of domestic travel. The impact on demand, now well documented, was dramatic and immediate.

U.S. airlines carried 89% fewer scheduled service passengers in May 2020 than in May 2019, according to data filed with the Bureau of Transportation Statistics (BTS) by 20 airlines that carry more than 90% of the passengers. Despite the large drop from May 2019, U.S. airlines carried more than twice as many passengers in May 2020 than in April 2020. The 89% decline in the number of passengers would be the second largest year-to-year decrease following the 96% decline from April 2019 to April 2020.

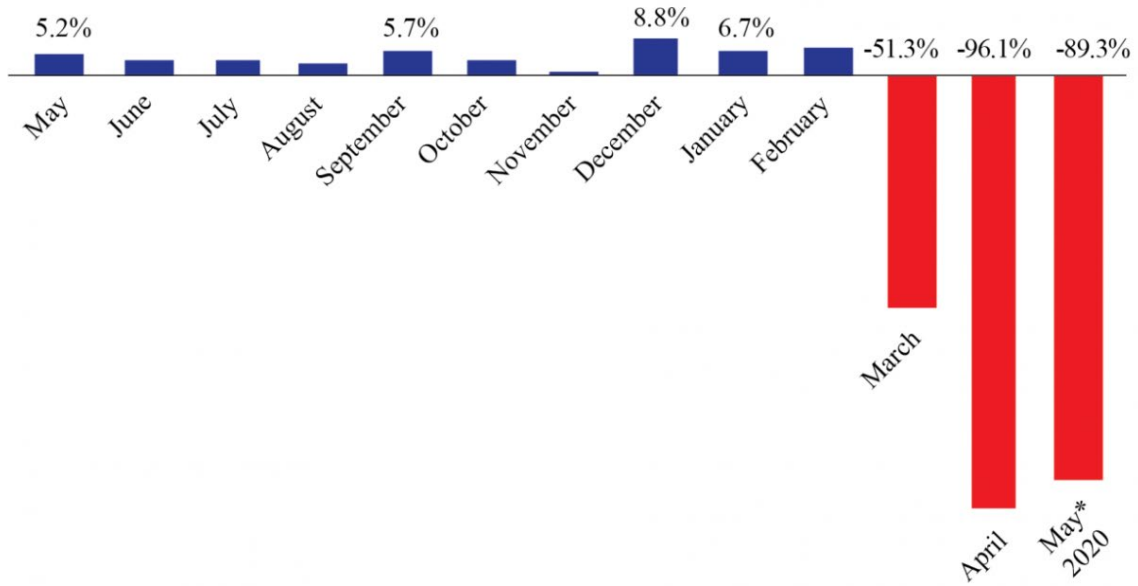
The large airlines carried 7.9 million passengers in May 2020, up from 3.0 million passengers on all U.S. airlines in April, which was the lowest monthly total in BTS records dating back to 1974. The previous low was 14.6 million passengers in February 1975. The 7.9 million passenger estimate for May 2020 (20 carriers reporting) is down 89% from May 2019.

With the 89% drop in U.S. airlines passengers from May 2019 to May 2020 the number of passengers on U.S. airlines fell to the second lowest monthly level on record based on records since 1974. April 2020 was the lowest level. The decline beginning in March followed 29 consecutive months of increases from the same month of the previous year, dating back to October 2017. Domestic passengers on U.S. airlines declined 88% from May 2019 to May 2020, compared to a 96% decline from April 2019 to April 2020. The number of domestic passengers rose year-to-year for 29 consecutive months beginning in October 2017 before the 51% decline in March.

The number of U.S. airlines international passengers declined 98% from May 2019 to May 2020, after a 99% decrease from April 2019 to April 2020. In May 2020, the large airlines carried 182,000 passengers compared to 132,000 in April 2020. The declines beginning in March followed 22 consecutive months of increases from the same month of the previous year, dating back to May 2018.

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U.S. Airlines Passengers
Percent Change from the Previous Year

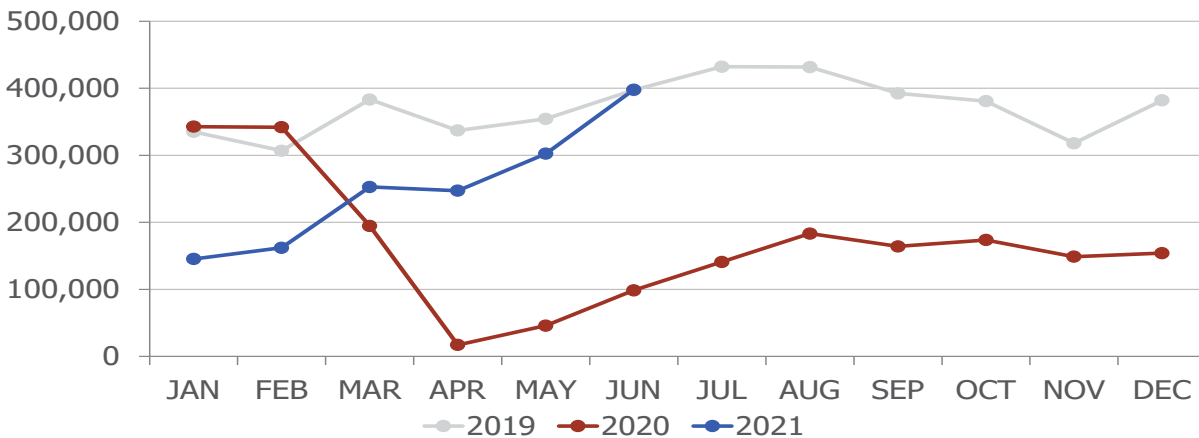


*May 2020 data is preliminary

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RNO Passengers

RNO served 397,906 passengers in June 2021, an increase of 303% versus June 2020, and an increase of 0.2% versus June 2019. The June 2021 total seat capacity was up 185% and the flights increased 211% when compared to June 2020. RNO served 2,472,843 total passengers during Fiscal Year 2021 (12 months ending June 2021), a decrease of 26.8% when compared to Fiscal Year 2020.



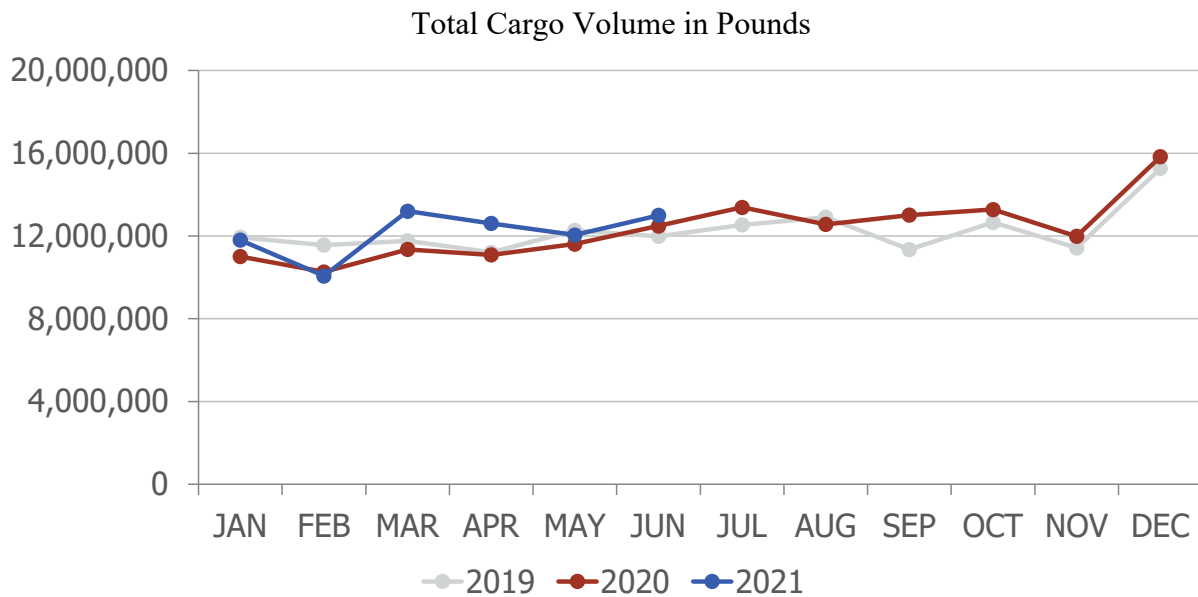
| Total Passengers Jun-21 | | | | | |
|----------------------------|------------------|------------------|---------------|------------------|----------------|
| | Passengers | | % Diff. | Passengers | YOY % Diff. |
| | 2019 | 2020 | | 2021 | |
| JAN | 335,095 | 342,796 | 2.3% | 145,421 | -57.6% |
| FEB | 306,800 | 341,935 | 11.5% | 162,071 | -52.6% |
| MAR | 383,215 | 194,796 | -49.2% | 252,828 | 29.8% |
| 1st QTR | 1,025,110 | 879,527 | -14.2% | 560,320 | -36.3% |
| APR | 337,062 | 17,265 | -94.9% | 247,220 | 1331.9% |
| MAY | 354,311 | 46,015 | -87.0% | 302,403 | 557.2% |
| JUN | 397,211 | 98,619 | -75.2% | 397,906 | 303.5% |
| 2nd QTR | 1,088,584 | 161,899 | -85.1% | 947,529 | 485.3% |
| JUL | 432,188 | 140,986 | -67.4% | | |
| AUG | 431,640 | 183,343 | -57.5% | | |
| SEP | 392,353 | 164,103 | -58.2% | | |
| 3rd QTR | 1,256,181 | 488,432 | -61.1% | 0 | |
| OCT | 380,879 | 173,682 | -54.4% | | |
| NOV | 318,022 | 148,777 | -53.2% | | |
| DEC | 381,897 | 154,103 | -59.6% | | |
| 4th QTR | 1,080,798 | 476,562 | -55.9% | 0 | |
| TOTAL | 4,450,673 | 2,006,420 | -54.9% | | |
| YTD | | 1,041,426 | | 1,507,849 | 44.8% |

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Cargo Airlines

Nevada has become a major west coast distribution hub due to its strategic location with the Reno/Sparks area providing next-day ground service to almost every major U.S. city in the western United States. This sector of the region’s economy includes the presence of major warehousing, pharmaceutical, e-commerce and distribution facilities including such companies as Amazon, Walmart, Petco, Urban Outfitters, eBay, Zulily and 1-800-Flowers.com. This sector of the economy, along with growth in industrial development areas such as the Tahoe-Reno Industrial Center, has played a key role in cargo growth at RNO in recent years.

RNO handled 13,000,085 pounds of air cargo in June 2021, an increase of 4.1% when compared to June 2020. RNO handled 152,807,230 pounds of air cargo in Fiscal Year 2021, an increase of 6.1% when compared to Fiscal Year 2020.



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| Total Cargo Volume in Pounds | | | | | | |
|-------------------------------------|------------------------|--------------------|----------------|-------------------|--------------------|--------------------|
| Jun-21 | | | | | | |
| | 2019 | 2020 | % Diff. | 2021 | | YOY % Diff. |
| | Cargo in Pounds | | | Pounds | Metric Tons | |
| JAN | 11,940,830 | 11,008,444 | -7.8% | 11,805,228 | 5,354 | 7.2% |
| FEB | 11,559,065 | 10,266,728 | -11.2% | 10,068,001 | 4,566 | -1.9% |
| MAR | 11,770,662 | 11,356,256 | -3.5% | 13,204,912 | 5,989 | 16.3% |
| 1st QTR | 35,270,557 | 32,631,428 | -7.5% | 35,078,141 | 15,908 | 7.5% |
| APR | 11,208,216 | 11,090,789 | -1.0% | 12,611,682 | 5,720 | 13.7% |
| MAY | 12,273,193 | 11,613,489 | -5.4% | 12,048,247 | 5,464 | 3.7% |
| JUN | 11,988,693 | 12,488,906 | 4.2% | 13,000,085 | 5,896 | 4.1% |
| 2nd QTR | 35,470,102 | 35,193,184 | -0.8% | 37,660,014 | 17,079 | 7.0% |
| JUL | 12,537,938 | 13,387,102 | 6.8% | | | |
| AUG | 12,909,571 | 12,563,172 | -2.7% | | | |
| SEP | 11,350,614 | 13,014,081 | 14.7% | | | |
| 3rd QTR | 36,798,123 | 38,964,355 | 5.9% | 0 | | |
| OCT | 12,662,270 | 13,281,548 | 4.9% | | | |
| NOV | 11,428,318 | 11,988,995 | 4.9% | | | |
| DEC | 15,270,324 | 15,834,177 | 3.7% | | | |
| 4th QTR | 39,360,912 | 41,104,720 | 4.4% | 0 | | |
| TOTAL | 146,899,694 | 147,893,687 | 0.7% | | | |
| YTD | | 67,824,612 | | 72,738,155 | 32,988 | 7.2% |

RTAA Strategic Plan

On June 14, 2018, the Board of Trustees approved a Strategic Plan for the fiscal years 2018-19 through 2022-23, as amended December 12, 2019. The Strategic Plan reflects extensive input from the Board, RTAA employees, the public and interested stakeholders. The purpose and desired outcomes of the updated plan include the following:

- **Shared Vision:** A strategic vision for the organization that is shared by staff and the Board of Trustees.
- **Strategic Direction:** Core strategies that will help guide RTAA over the next five years.
- **Roadmap:** A high-level plan to guide priority setting and serve as a helpful road map for staff and the Board of Trustees.
- **Planning Structure:** Long-term goals and performance measures that support the strategic priorities and provide a planning structure for objectives setting and annual action plans.
- **Agility/Flexibility:** A living plan that provides direction but is also flexible and broad enough to incorporate constant change in the aviation industry.

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The Strategic Plan consists of the following components, beginning with the broadest, long-term elements to the more specific, short-range, and tactical activities: (1) Vision Statement; (2) Mission Statement; (3) Strategic Priorities and Support Strategies; (4) Long-Term Goals; (5) Key Performance Indicators; and (6) Short-Term/Annual Objectives. The Vision Statement aims to provide modern, safe, convenient facilities and deliver customer satisfaction that is a source of community pride and serves as a significant contributor to regional economic health.

Our Mission Statement of *We Move You! We Bring the World to Reno-Tahoe and Reno-Tahoe to the World* is directed by the following eight (8) adopted Strategic Priorities:

1. Air Service and Cargo: Enhance air service by retaining and increasing passenger and air cargo service.
2. Safety and Security: Safety and security of all is our priority 24/7, 365.
3. General Aviation: Foster an atmosphere to encourage general aviation growth at both airports.
4. Customer Experience: Enhance services and provide a positive and convenient environment for all.
5. People: With our employees being the current and future strength of our organization, our focus is on development, succession planning and making RTAA the employer of choice.
6. Financial Diversification and Growth: Grow and diversify non-airline revenues at both Airports.
7. Facilities for the Future: Optimize infrastructure to address market demand.
8. Sustainability: Operate and manage with a holistic approach reflecting sustainability and environmental stewardship.

On December 12, 2019, the Board approved an update to the Strategic Plan to incorporate input from the Board and RTAA staff and adjust direction of Facilities for the Future from “substantively” to “transformative” to accommodate the increasing demands and dynamics of the airport and customer experience. A second adjustment in this update elevated Safety & Security from “sustain” to “transformative” to address interests in upgrading public safety and security for all airport stakeholders.

**Reno-Tahoe Airport Authority
 FY 2021-22 Annual Budget
 Section 1 – Introduction**

Budget Process

RTAA, as a quasi-municipal corporation, complies with the Local Government Budget Act, Nevada Revised Statute (NRS) 354 as stipulated in the enabling legislation that created RTAA (Chapter 474, Statutes of Nevada, 1977, as amended (the "Authority Act"). The Act defines RTAA’s fiscal year as July 1 through June 30. The Act also requires a tentative budget to be filled with Nevada Department of Taxation by the 15th day of April and a final budget as adopted by the Board (following a noticed public hearing on the budget) on the Thursday following the third Monday each May. The final budget is filled with the Department no later than June 1. The budget becomes effective on July 1. RTAA has complied with all budget statutory requirements.

FY 2021-22 Budget Calendar

| Date | Action/Description |
|----------------|--|
| April 30, 2021 | Board Retreat/Board Budget Workshop – The Board reviewed and discussed the preliminary RTAA budget for FY 2021-22. |
| April 15, 2021 | RTAA filed a tentative budget with the Nevada Department of Taxation |
| May 10, 2021 | Notice of Budget Public Hearing was published calling for public comment on the proposed RTAA budget for FY 2021-22. |
| May 20, 2021 | Board of Trustees - Following a noticed public hearing to receive public comment, the Board of Trustees voted to approve the RTAA budget for FY 2021-22. |
| July 1, 2021 | The Budget became effective for the Fiscal Year 2021-22. |

The RTAA budget is prepared consistent with the reporting standards established by the Government Finance Officers Association of the United States and Canada (GFOA). Each year RTAA submits for consideration of the GFOA Distinguished Budget Presentation Award and has received this important designation each year beginning in 1997. In order to receive this award, a public agency or quasi-municipal organization must prepare a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. RTAA staff is dedicated to building on the long tradition of excellence in budget reporting and believes the FY 2021-22 annual budget also conforms to the GFOA standards pending their approval.

The budget was prepared with the assistance of a broad group of RTAA employees actively engaged in analyzing the budget, assessing fiscal conditions, and prioritizing requirements for the upcoming fiscal year. The budget utilizes a zero-based budget process in which each expenditure line item is evaluated on its merit each year. The Manager of Finance and Budget provides the budget calendar, forms, and general direction for the budget submittal and review process. Individual department budgets were analyzed and considered for review by the President/CEO, and the Executive Team.

Reno-Tahoe Airport Authority
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The budget sections to follow contain the executive summary, financial overview, and more details on specific allocations of resources to the Board established strategic initiatives. The document then provides a section-by-section discussion on revenues, airline rates and charges, operation and maintenance budgets, personnel, equipment, capital program, and debt service requirements.

Conclusion

Faced with the many challenges brought on by the COVID-19 pandemic and economic uncertainty, RTAA proved its resiliency, is in a strong financial position entering FY 2021-22. The global and regional economy is rebounding, and RNO is experiencing above pre-pandemic level summer traffic volumes unlike many other similar size airports. As we now focus on recovery efforts, we remain committed to ensuring the wellbeing of our employees, the sustainability of business partnerships and meeting our critical operational responsibilities with safety being our first and foremost responsibility.

The FY 2021-22 Board approved budget is balanced, includes increased funding for mission critical airport operations, higher revenues, and the usage of federal funding to maintain flat average signatory airline rates and charges. As the recovery progresses, we continue to closely monitor airline traffic, revenues, and expenses and are prepared to make necessary adjustments if the current forecast does not materialize.

Respectfully submitted,



Daren A. Griffin, A.A.E
President/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

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Budget Presentation
Award*

PRESENTED TO

**Reno-Tahoe International Airport
Nevada**

For the Fiscal Year Beginning

July 1, 2020

Christopher P. Morill

Executive Director

Section 2 – Executive Summary

Reno-Tahoe Airport Authority
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To help guide the future of the Reno-Tahoe Airport Authority (RTAA), the Board of Trustees (Trustees) in June 2018 approved a completely updated and revised Strategic Plan for FY 2018-19 through FY 2022-23. This five-year plan serves as a guide to staff as it faces an ever-changing aviation industry and economic cycles. The plan was created through a public process that invited participation from airport committees, user groups, Trustees, staff, and the public.

The FY 2021-22 Budget summarized below is focused on the achievement of the following strategic initiatives:

1. AIR SERVICE AND CARGO: Expand air service and cargo development.
2. SAFETY & SECURITY: Safety and security of all is our priority 24/7, 365.
3. GENERAL AVIATION: Foster an atmosphere to encourage general aviation growth at both airports.
4. CUSTOMER EXPERIENCE: Enhance services and provide a positive and convenient environment for all.
5. PEOPLE: Our employees are the current and future strength of our organization.
6. FINANCIAL DIVERSIFICATION AND GROWTH: Grow and diversify non-airline revenues at both Airports.
7. FACILITIES FOR FUTURE: Optimize infrastructure to address market demand.
8. SUSTAINABILITY: Operate and manage with a holistic approach reflecting sustainability and environmental stewardship.

A detail discussion of the Strategic Plan is provided in Section 3 of this report.

The budget also takes into account requirements of the Revenue Bond Resolution, various contractual agreements including the Airline Use and Lease Agreement, and the RTAA's obligations under state and federal law. In addition, the adoption of the RNO Master Plan and implementation of the capital projects identified as needed in the short-term impact the work plan of multiple departments.

The following summary provides a financial overview of the RTAA's budget for the 2021-22 fiscal year, which begins on July 1, 2021, and ends June 30, 2022.

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Airline Activity Forecast

Developing the RNO airline activity forecast continued to be a challenging process for FY 2021-22. The COVID-19 pandemic has had devastating effects on the airline industry, and full recovery to pre-pandemic levels could take two to three years. Passenger airlines were hit the hardest, with the number of enplaned passengers dropping by as much as 95% in April 2020 from the same period in the prior year. Mask and social distancing mandates along with travel restrictions significantly reduced the demand for air travel. Cargo airlines did not see a similar negative impact, in some cases traffic improved with most of the population using online shopping for groceries and other essential items.

Early spring 2021 traffic numbers at RNO were encouraging, and airlines were reporting strong bookings for the summer travel season. Staff started developing the FY 2021-22 Budget in January 2021. RTAA based its passenger traffic forecast on actual results for the first half of the FY 2020-21 fiscal year, and published schedules for the second part of the year. A base schedule was developed for passenger airlines, then adjusted for seasonality, and anticipated service modifications. Airline scheduling is still clouded by uncertainty as airlines work to adapt to volatile passenger demand and implement passenger safety measures.

In April 2021, RTAA staff in collaboration with our airline partners finalized the FY 2021-22 passenger airline traffic forecast of 1.509 million passenger enplanements (passengers boarding an aircraft), a 59.4% increase from the FY 2020-21 adopted budget and 10.7% decrease as compared to the actual results in FY 2019-20. The approved forecast is 22.5% higher than the actual results reported for FY 2020-21.

The following table compares the enplaned passenger traffic used to develop the FY 2021-22 Budget as compared to FY 2019-20 and FY 2020-21 actual results.

Reno-Tahoe International Airport
Enplaned Passenger Forecast
FY 2021-22 Adopted Budget

| | FY 2020-21 Adopted Budget | FY 2021-22 Adopted Budget | Variance to Prior Year | % Change |
|------------|--------------------------------------|--------------------------------------|-----------------------------------|---------------------|
| FY 2019-20 | 2,191,960 Budget | 1,690,171 Actual | (459,588) | (21.4%) |
| FY 2020-21 | 946,737 Budget | 1,231,616 Actual | (458,555) | (27.1%) |
| FY 2021-22 | | 1,508,886 Budget | 277,270 | 22.5% |

Reno-Tahoe Airport Authority
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The cargo airline traffic forecast was developed based on actual results recorded in the prior twelve months. There are no published traffic schedules available for cargo airlines. RTAA staff did solicit input from signatory cargo airlines (FedEx and UPS) during the April budget discussion.

Aircraft Landed Weight Forecast

RTAA recovers almost 100% of its net Airfield costs through the landing fees paid by commercial airlines operating at RNO. Landing fees are charged to passenger and cargo carriers for each aircraft landing based on the Maximum Gross Landed Weight of each aircraft. Therefore, the higher the overall landed weight at RNO, the lower the unit cost for each aircraft landing.

The FY 2021-22 landed weight forecast of 2,701,967 thousand pounds is a 32.4% increase from the FY 2020-21 Budget and a 12.4% increase from the FY 2020-21 actual results. The increase as compared to prior year budget reflects the anticipated recovery of air traffic at RNO, with increases in landed weight forecasted for all scheduled carriers. As discussed earlier, cargo airlines were not as impacted by the COVID-19 pandemic as were the passenger airlines. The increase in cargo landed weight forecast compared to last year's budget is 3.9%.

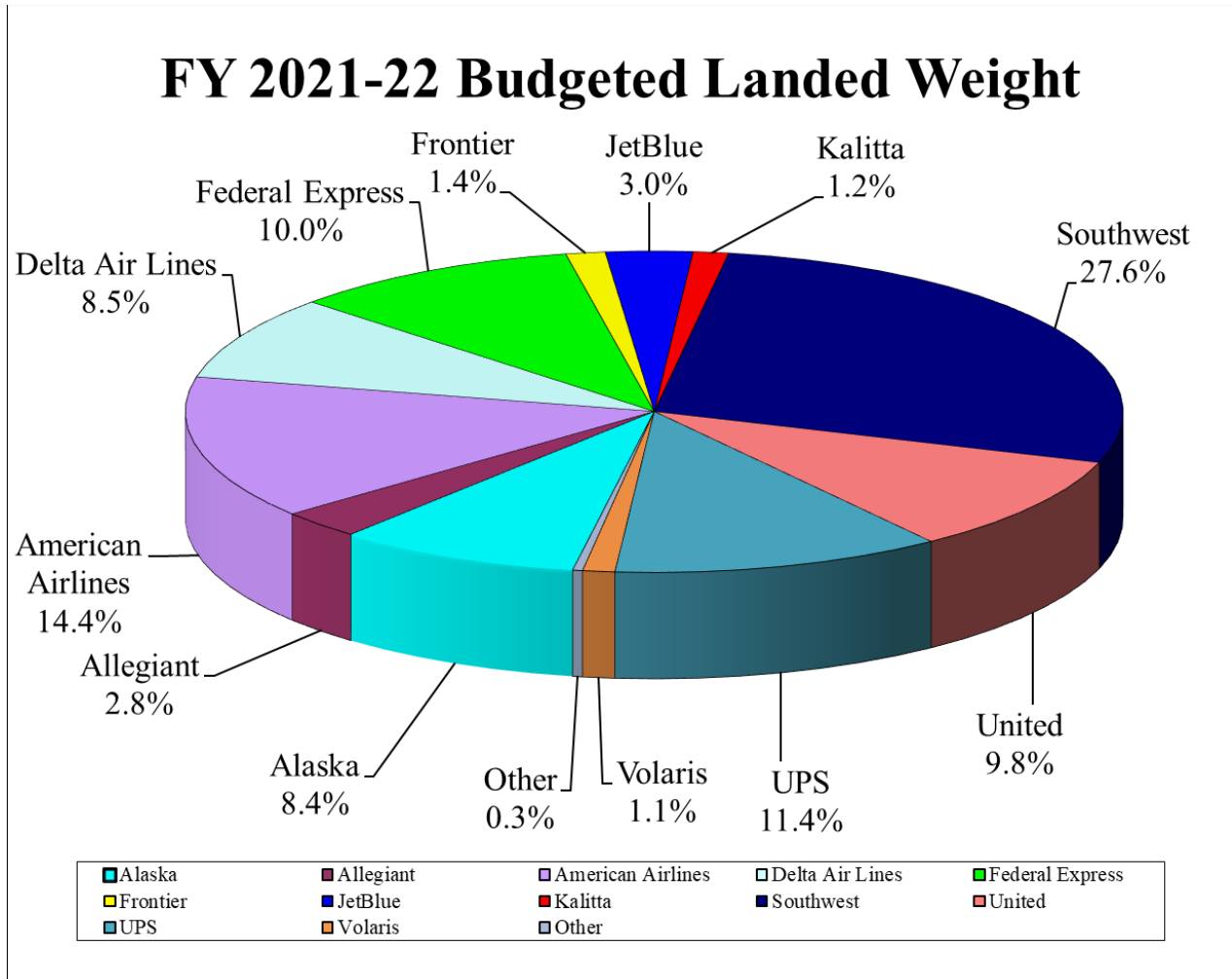
The table and graph below outlines RNO actual passenger and cargo aircraft landed weight, in thousand pounds, along with the forecast incorporated into the FY 2021-22 Budget:

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LANDED WEIGHT BY CARRIER (000 Lbs. Units)

| Landed Weight by Airline | FY 2019-20 Actual | FY 2020-21 Actual | Variance | FY 2021-22 Budget | Variance from FY 2020-21 Actual |
|------------------------------|----------------------|----------------------|------------------|----------------------|------------------------------------|
| Signatory Airlines | | | | | |
| Alaska | 220,316 | 171,489 | (48,827) | 226,952 | 55,463 |
| American | 412,245 | 334,152 | (78,093) | 390,305 | 56,153 |
| Delta | 166,235 | 241,266 | 75,031 | 229,333 | (11,933) |
| Jet Blue | 70,163 | - | (70,163) | - | - |
| Southwest | 883,824 | 626,539 | (257,285) | 745,872 | 119,333 |
| United | 317,803 | 241,228 | (76,575) | 265,244 | 24,016 |
| Other | - | - | - | - | - |
| | 2,070,586 | 1,614,674 | (455,912) | 1,857,706 | 243,032 |
| Federal Express | 273,322 | 284,219 | 10,897 | 270,999 | (13,220) |
| UPS | 316,735 | 313,617 | (3,118) | 307,157 | (6,460) |
| Other Cargo | 39,365 | 42,846 | 3,481 | 42,128 | (718) |
| | 629,422 | 640,682 | 11,260 | 620,283 | (20,399) |
| | 2,700,008 | 2,255,356 | (444,652) | 2,477,989 | 222,633 |
| Non-Signatory Carrier | | | | | |
| Allegiant | 40,800 | 45,311 | 4,511 | 76,519 | 31,208 |
| Frontier | 20,019 | 30,273 | 10,254 | 36,686 | 6,413 |
| Jet Blue | - | 33,396 | 33,396 | 80,911 | 47,515 |
| Volaris | 21,948 | 22,392 | 444 | 29,862 | 7,470 |
| Other | 7,212 | 17,091 | 9,879 | - | (17,091) |
| | 89,979 | 148,463 | 58,484 | 223,978 | 75,515 |
| | 2,789,987 | 2,403,819 | (386,168) | 2,701,967 | 298,148 |
| Percent Change | | | -13.8% | | 12.4% |

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Financial Summary

The FY 2021-22 Budget forecasts \$7.650 million in net revenue or discretionary funding to the RTAA generated by the airport system, an increase of \$3.387 million or 79.5% as compared to the prior year budget.

The table below provides a summary level comparison of the FY 2019-20 actual results, the FY 2020-21 Budget, and the FY 2021-22 Budget.

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| Budget Category | FY 2019-20 | FY 2020-21 | FY 2021-22 | Budget to Budget | |
|-------------------------------|------------------|------------------|------------------|------------------|--------------|
| | Actual | Budget | Budget | \$ Change | % Change |
| Operating Budget: | | | | | |
| Revenues | \$ 50,669,725 | \$ 37,593,629 | \$ 48,081,224 | \$ 10,487,595 | 27.9% |
| Expenses | (45,191,925) | (44,392,102) | (49,931,626) | (5,539,524) | 12.5% |
| Revenues over Expenses | 5,477,800 | (6,798,474) | (1,850,403) | 4,948,071 | -72.8% |
| Other Sources (Uses): | | | | | |
| Property, Plant and Equipment | (1,544,210) | (449,861) | (1,006,041) | (556,180) | 123.6% |
| Debt Service | (2,249,125) | (2,247,975) | (2,250,450) | (2,475) | 0.1% |
| CARES/CRRSA | 562,281 | 12,857,475 | 11,745,950 | (1,111,525) | -8.6% |
| Interest Income | 2,324,420 | 642,000 | 797,700 | 155,700 | 24.3% |
| Other Non-Operating Revenue | 346,247 | 260,100 | 213,700 | (46,400) | -17.8% |
| Total Other Sources (Uses) | (560,387) | 11,061,739 | 9,500,859 | (1,560,880) | -14.1% |
| Net Sources over Uses | 4,917,413 | 4,263,265 | 7,650,456 | 3,387,191 | 79.5% |
| Other Revenues: | | | | | |
| Passenger Facility Charges | 7,607,924 | 3,532,700 | 5,564,200 | 2,031,500 | 57.5% |
| Customer Facility Charges | 4,891,406 | 3,061,700 | 5,693,000 | 2,631,300 | 85.9% |
| Total Other Sources | 12,499,330 | 6,594,400 | 11,257,200 | 4,662,800 | 70.7% |
| Capital Budget | 8,315,962 | 7,439,500 | 8,455,573 | 1,016,073 | 13.7% |

| Description | FY 2019-20 | FY 2020-21 | FY 2021-22 | Budget to Budget | |
|----------------------------|------------|--------------|--------------|------------------|----------|
| | Actual | Budget | Budget | \$ Change | % Change |
| Enplaned Passengers | 1,690,171 | 946,737 | 1,508,886 | 562,149 | 59.4% |
| Cost Per Enplanement | \$8.56 | \$12.76 | \$9.57 | \$ (3.20) | -25.0% |
| Landed Weights (000's) | 2,789,386 | 2,040,504 | 2,701,967 | 661,463 | 32.4% |
| Landing Fees | \$3.23 | \$3.23 | \$3.23 | \$ - | 0.0% |
| Terminal Rental Rate (avg) | \$53.38 | \$55.31 | \$55.31 | \$ - | 0.0% |
| Debt Service Coverage | 5.10 | 4.12 | 6.18 | 2.06 | 50.2% |
| CARES/CRRSA | \$562,281 | \$12,857,475 | \$11,745,950 | \$ (1,111,525) | -8.6% |
| Workforce (FTEs) | 264 | 280.5 | 275.5 | (5.00) | -1.8% |

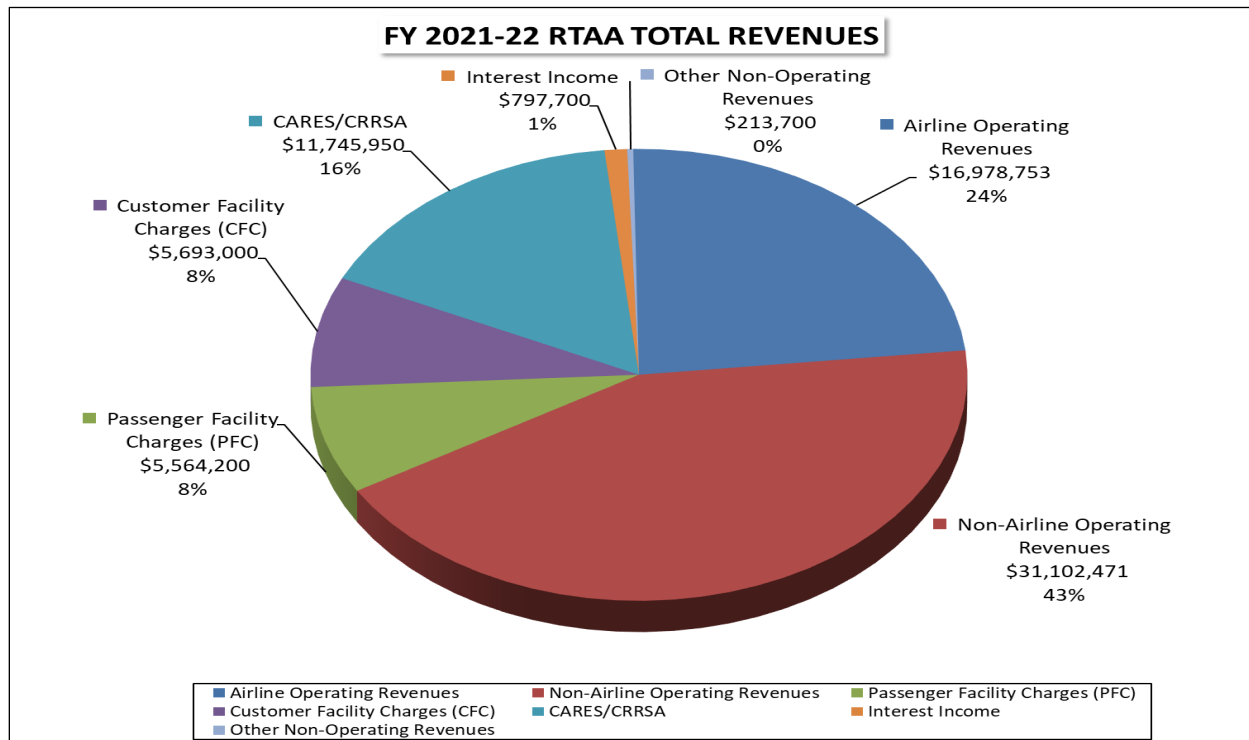
A key element in sustaining airport operations, and recovery from the pandemic while maintaining the reasonably low-cost structure for airlines operating at RNO is the federal funding allocated to airports through the Coronavirus Aid, Relief and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and American Rescue Plan Act (ARPA). The three acts combined provided approximately \$20 billion of relief for airport sponsors, including allocations of \$56 million for RNO and \$112,000 for RTS. The preliminary budget anticipated utilizing approximately \$11.359 million of CARES Act to fund RTAA payroll and other operating expenses, equipment purchases, and debt service payments. A combined \$7.676 million CARES Act funds were used in the prior two fiscal years (FY 2019-20 and FY 2020-21) by RTAA to maintain signatory airline rates and charges flat – no increase from the pre-pandemic FY 2019-20 adopted budget.

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Revenue Forecast

Total Revenues are composed of Operating Revenues (Airline and Non-Airline Revenues), and Non-Operating Revenues. In the FY 2021-22 Budget, Total Revenues are forecasted to be \$72.096 million, an increase of \$14.148 million or 24.4% from the FY 2020-21 Budget. The table below provides a comparison of the FY 2019-20 actual results, the FY 2020-21 Budget, and the FY 2021-22 adopted Budget:

| Budget Category | FY 2019-20 | FY 2020-21 | FY 2021-22 | Budget to Budget | |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|--------------|
| | Actual | Budget | Budget | \$ Change | % Change |
| Operating Revenues: | | | | | |
| Airline Revenues | \$ 17,025,777 | \$ 14,246,729 | \$ 16,978,753 | \$ 2,732,024 | 19.2% |
| Non-Airline Revenues | 33,643,948 | 23,346,900 | 31,102,471 | 7,755,571 | 33.2% |
| Total Operating Revenues | 50,669,725 | 37,593,629 | 48,081,224 | 10,487,595 | 27.9% |
| Non-Operating Revenues: | | | | | |
| Passenger Facility Charges | \$ 7,607,924 | \$ 3,532,700 | \$ 5,564,200 | \$ 2,031,500 | 57.5% |
| Customer Facility Charges | 4,891,406 | 3,061,700 | 5,693,000 | 2,631,300 | 85.9% |
| CARES/CRRSA | 519,403 | 12,857,475 | 11,745,950 | (1,111,525) | -8.6% |
| Interest Income | 2,324,420 | 642,000 | 797,700 | 155,700 | 24.3% |
| Other Non-Operating | 519,403 | 260,100 | 213,700 | (46,400) | -17.8% |
| Total Non-Operating Revenues | 15,862,556 | 20,353,975 | 24,014,550 | 3,660,575 | 18.0% |
| Total Revenues | \$ 66,532,281 | \$ 57,947,604 | \$ 72,095,774 | \$ 14,148,170 | 24.4% |



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The Total Operating Revenue budget for FY 2021-22 is \$48.081 million. This represents an \$10.488 million or 27.9% increase from the FY 2020-21 Budget. Operating Revenues are summarized in two major categories:

- Airline related revenues, which for FY 2021-22, are anticipated to be \$16.979 million or approximately 35.3% of the Total Operating Revenues. Revenues attributed to the passenger and cargo airlines are in the form of landing fees and terminal building rents. The passenger airline derived revenue per enplaned passenger is forecasted to decrease from \$12.76 in the FY 2020-21 Budget to \$9.57 in the FY 2021-22 Budget.
- Non-Airline Revenues represent \$31.102 million or approximately 64.7% of the FY 2021-22 Total Operating Revenues. The major non-airline revenue sources are the following: (1) Terminal Concessions including Car Rental, Gaming, News and Gift, and Food and Beverage; (2) Public Parking and Ground Transportation Revenues; (3) various Building, Hangar, and Land rents; (4) Reimbursed Services associated with cost recovery of maintenance of the Baggage Handling System (BHS), and (5) other non-airline revenues.

The table below provides a comparison of operating revenues between the FY 2019-20 actual results, the FY 2020-21 Budget, and the FY 2021-22 adopted Budget:

| Budget Category | FY 2019-20 Actual | FY 2020-21 Budget | FY 2021-22 Budget | Budget to Budget | |
|-----------------------------------|------------------------------|------------------------------|------------------------------|-------------------------|-----------------|
| | | | | \$ Change | % Change |
| Airline Revenues: | | | | | |
| Landing Fees | \$ 10,077,732 | \$ 6,390,829 | \$ 8,527,353 | \$ 2,136,524 | 33.4% |
| Terminal Building Rents | 9,855,740 | 7,855,900 | 8,451,400 | 595,500 | 7.6% |
| Total Airline Revenues | 19,933,472 | 14,246,729 | 16,978,753 | 2,732,024 | 19.2% |
| Non-Airline Revenues | | | | | |
| Concession Fees | 11,301,837 | 6,080,587 | 10,592,343 | 4,511,756 | 74.2% |
| Parking/Ground Transport | 10,012,455 | 5,746,700 | 8,853,300 | 3,106,600 | 54.1% |
| Building, Hangar and Land | 6,678,948 | 6,508,649 | 6,540,846 | 32,197 | 0.5% |
| Reimbursed Services | 2,397,717 | 1,789,364 | 2,194,932 | 405,568 | 22.7% |
| Other Revenues | 345,296 | 3,221,600 | 2,921,050 | (300,550) | -9.3% |
| Total Non-Airline Revenues | 30,736,253 | 23,346,900 | 31,102,471 | 7,755,571 | 33.2% |
| Total Operating Revenues | \$ 50,669,725 | \$ 37,593,629 | \$ 48,081,224 | \$ 10,487,595 | 27.9% |

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Airline Revenues

The airline agreement, discussed in further detail in Section 5 Financial and Budgetary Policies, sets forth the rate setting formula by which airlines pay for the facilities and services they use. RTAA is currently operating under a three (3) year airline agreement as an extension of the five (5) year airline agreement and business arrangement that went into effect July 1, 2015. The current agreement ends on June 30, 2023. The FY 2021-22 Annual Budget was developed based on the business arrangement specified under this agreement.

The total FY 2021-22 Airline Revenues are forecasted to be \$16.979 million, an increase of \$2.732 million or 19.2% from the FY 2020-21 Budget. This reflects higher cost recovery in the airline cost centers due to operating budget increases.

Landing Fee

Pursuant to the airline agreement, landing fees are determined by the cost recovery requirements in the Airfield Cost Center. Landing fees are charged to passenger and cargo carriers for each aircraft landing based on the Maximum Gross Landed Weight of each aircraft.

Landing Fee revenues of \$8.527 million budgeted for FY 2021-22 represent an increase of approximately \$2.137 million or 33.4% as compared to the FY 2020-21 Budget.

The landing fee rate of \$3.23 per thousand pounds of landed weight budgeted for FY 2021-22 remains flat from FY 2020-21, and FY 2019-20. With the anticipated increase in the cost of operating the airfield, the fee was projected to increase, however, RTAA allocated a portion of CARES Act funding to maintain rates flat and avoid adding a strain to the still struggling airline industry.

The following are factors impacting the requirements in the Airfield cost center and the calculation of the landing fee in the FY 2021-22 Budget:

- Landed weight forecasted at RNO for FY 2021-22, is 2.702 million-thousand-pound units, an increase of 32.4% from the FY 2020-21 Budget and 22.7% above the updated forecast. The significant increase as compared to the prior year budget reflects the 44.2% higher landed weights forecasted for the passenger airlines operating at RNO. Cargo airlines are forecasting a combined increase of 3.9%.
- The operation and maintenance costs allocated to the Airfield cost center are estimated to increase by \$1.663 million or 16.5% above the prior year budget. This increase is due to both the overall decrease in direct costs and the allocation of indirect operating budget assigned to the Airfield cost center. Considering the COVID-19 pandemic, RTAA has undertaken significant budget cuts to limit the cost increases passed on to its airline partners, and to

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maintain its cash reserves. Some of those budget cuts were restored in the FY 2021-22 Budget as airline, and passenger traffic continues progressing towards pre-pandemic levels.

- Fixed assets and capital project cost recovery of \$735,000 represents an increase of a combined \$426,100 from the FY 2020-21 Budget and \$340,000 above the current year updated forecast. The FY 2021-22 Budget primarily reflects an investment in purchasing a water truck, a backhoe, and one defibrillator. In addition, the Part 139 database is programmed to be replaced in FY 2021-22. A detailed presentation of the FY 2021-22 fixed assets and capital projects program is in Section 8 – Capital Budget.
- RTAA has allocated an estimated \$2.9 million of CARES Act funding as a credit against the total cost recovery requirement in the Airfield cost center.

Indirect or administrative cost allocations are assigned under the airline agreement based on actual or budgeted costs identified to the six direct cost centers (Airfield, Terminal, BHS, Ground Transportation, Other and Reno Stead Airport).

The detailed landing fee rate calculation and variance analysis appears in Section 6 – Revenues.

Terminal Rental Rate

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

The Revenue Sharing Credit is calculated as 50% of the gross revenues less allocated expenses, debt service requirements, bond ordinance reserve requirements, repayment of loans to the capital account, special fund, and amortization requirements. The remaining 50% of the airport system net revenues is transferred to the RTAA's general purpose fund.

Rentable Terminal Space is the total area of the terminal building available for lease and dedicated to the sole use of the airlines, rental car companies, concessions, aviation service providers, various government agencies, and the RTAA for purposes of generating revenue and supporting operations. This rentable terminal space square footage is divided into the net terminal cost to calculate the rental rate in the airline agreement.

Total airline (signatory and non-signatory) terminal space rental revenue is estimated to be \$8.451 million in FY 2021-22, an increase of \$595,500 or 7.6% from the FY 2020-21 Budget.

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The average terminal building rental rate is set pursuant to the airline agreement, based on the requirements of the Terminal Building Cost Center. The following are significant factors impacting the requirements in the Terminal Building Cost Center and the calculation of the terminal rental rate in the FY 2021-22 Budget:

- The operation and maintenance budget allocated to the Terminal Building is increasing \$1.661 million, or 8.6% above the FY 2020-21 Budget. In light of the significant reductions in air traffic due to the pandemic, RTAA adopted a “bare bones” budget approach for FY 2020-21. All non-essential expenses were trimmed from the budget, and several vacant positions were frozen. The FY 2021-22 budget added back some of those budget cuts as air traffic, and passenger traffic through the terminal building is approaching pre pandemic levels.
- Fixed asset and capital project expenditures of \$864,400 represent an increase of a combined \$716,000 or 482.4% above the FY 2020-21 Budget and \$653,900 or 310.6% above the updated forecast. A detailed presentation of the FY 2021-22 fixed assets and capital projects program is in Section 8 – Capital Budget.
- The estimated airline portion of net revenue sharing for FY 2021-22 is \$2.907 million, an increase of \$843,200 or 40.9% above the prior year budget.
- CARES Act funding of up to \$1.050 million is used as a direct offset of cost reimbursement requirement in the Terminal cost center.

The average signatory terminal rental rate for FY 2021-22 is \$55.31 per square foot per year, no increase from FY 2020-21 and FY 2019-20. This is due to RTAA allocating CARES Act funding to the Terminal and other cost centers to maintain signatory rental rates flat. Non-signatory airlines typically pay higher rental rates than signatory airlines, as they not party to the airline use and lease agreement.

The detailed terminal building rental rate calculation and variance analysis appears in Section 6 – Revenues.

Non-Airline Revenues

Total Non-Airline Operating Revenues are forecasted to be \$31.102 million in FY 2021-22 Budget. This represents an increase of \$7.756 million or approximately 33.2% from the FY 2020-21 Budget.

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The increase in non-airline revenues is driven by the anticipated recovery in passenger traffic. The FY 2021-22 RNO enplaned passenger forecast is 1,509 million, a 59.4% increase as compared to the FY 2020-21 budget of 946,700 enplaned passengers.

Concession revenues of \$10.592 million forecasted for FY 2021-22 are increasing \$4.512 million or 74.2% from the FY 2020-21 Budget, and \$1.863 million or 21.3% above the updated forecast. Concession revenues represent 22.0% of total non-airline operating revenues, and consist of gaming, food and beverage, specialty retail/travel essentials, advertising, rental cars, and other concession revenues.

Auto parking and ground transportation revenues of \$8.853 million are forecasted to increase by \$3.107 million or 54.1% from the FY 2020-21 Budget. Auto parking and ground transportation represent 18.4% of the FY 2021-22 non-airline operating revenue budget.

A detailed breakdown of the FY 2021-22 Non-Airline Revenues appears in the Section 6 – Revenues.

Non-Operating Revenues

The FY 2021-22 revenue budget also includes non-operating revenues of \$24.015 million, an increase of \$3.661 million or 18.0% from the FY 2020-21 Budget. This category primarily consists of Passenger Facility Charge (PFC) revenues, Customer Facility Charge (CFC) revenues, aviation fuel taxes and interest earnings on funds RTAA has available for investment. Recently added to this category are grant reimbursements from the Coronavirus Aid, Relief, and Economic Security Act (CARES), Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and American Rescue Plan Act (ARPA) funding.

A detailed breakdown of Non-Operating Revenues appears in Section 6 – Revenues.

Operation and Maintenance (O&M) Budget

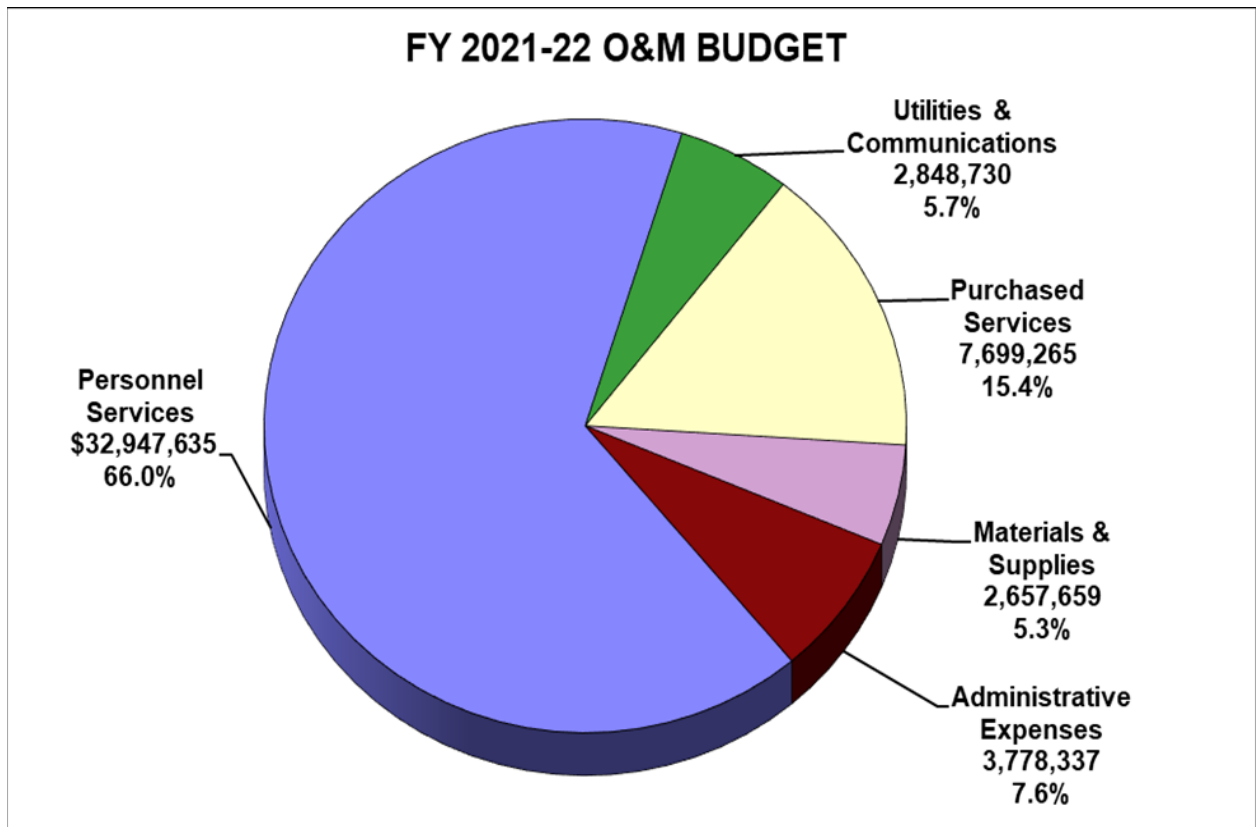
The FY 2021-22 adopted O&M budget of \$49.932 million is increasing \$5.540 million or 12.5% from the prior fiscal year as the organization plans its return to normal operations after a year of significant budget cuts. The budgets allocated to all major expense categories, except for Utilities and Communications are increasing in FY 2021-22.

RTAA has undergone a reorganization under the leadership of President/CEO Daren Griffin. The new organization has six divisions led by chief officers reporting directly to the President/CEO: Chief Operations and Safety Officer, Chief Infrastructure and Planning Officer, Chief Finance and Administration Officer, Chief Commercial Officer, Chief Marketing and Public Affairs Officer, and Chief People, Culture and Equity Officer.

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The following table provides an overview of the FY 2021-22 adopted budget as compared to the FY 2019-20 actual results, and FY 2020-21 Budget:

| Budget Category | FY 2019-20 | FY 2020-21 | FY 2021-22 | Budget to Budget | |
|------------------------------|-------------------|-------------------|-------------------|------------------|--------------|
| | Actual | Budget | Budget | \$ Change | % Change |
| Operating Expenses: | | | | | |
| Personnel Services | \$ 32,120,112 | \$ 31,147,425 | \$ 32,947,635 | \$ 1,800,210 | 5.8% |
| Utilities and Communications | 2,881,068 | 2,891,714 | 2,848,730 | (42,984) | -1.5% |
| Purchased Services | 5,418,705 | 5,558,177 | 7,699,265 | 2,141,089 | 38.5% |
| Materials and Supplies | 2,340,685 | 2,397,307 | 2,657,659 | 260,353 | 10.9% |
| Administrative Expenses | 2,431,355 | 2,397,480 | 3,778,337 | 1,380,857 | 57.6% |
| Total Expenses | 45,191,923 | 44,392,103 | 49,931,626 | 5,539,524 | 12.5% |



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The following are key drivers and significant changes incorporated into the FY 2021-22 O&M Budget:

Personnel Services

The Personnel Services budget of \$32.948 million includes the cost of salaries, wages, and benefits for RTAA's employees. The approved budget includes funding for 265.5 full time equivalent (FTE) positions. In comparison to the prior fiscal year budget, expenses for personnel services are approximately \$1.8 million or 5.8% higher.

The budget allocated to salaries and wages increased by approximately \$1.306 million or 6.8% compared to the prior fiscal year. The approved budget includes a placeholder for salary increases for all three bargaining units: International Brotherhood of Teamsters (Teamsters), Reno Airport Fire Fighters Association (RAFFA), and the Airport Authority Police Officers' Protective Association (AAPOPA). Existing bargaining agreements Teamsters, RAFFA, and AAPOPA expired on June 30, 2021. An agreement for a one-year contract extension was reached with AAPOPA and RAFFA after the FY 2021-22 budget was approved. Teamsters will enter into full negotiations in FY 2021-22.

Overtime budget has increased by approximately \$137,200 or 10.9% compared to prior fiscal year primarily due to Airport Rescue and Fire Fighting department overtime to address higher training and operational requirements.

Employee benefits, comprised primarily of health, dental, vision insurance and workers' compensation but excluding retirement contributions, are projected to increase by \$4,700 or 0.01% compared to the prior fiscal year due primarily to estimated increases in health insurance, and workers' compensation rates.

Retirement contributions are projected to increase by \$352,400 or 5.8% compared to the prior fiscal year. The contribution rates effective July 1, 2021 are: 29.8% for regular employees, an increase of 0.5% from the prior rate of 29.25%; for Police and Fire the new contribution rate increased to 44.0% or 1.5% from 42.5%. These rates are set by the Public Employees' Retirement System (PERS) based on an actuarial valuation report adopted by the Retirement Board and formally established by the Nevada Legislature during its biennial session that occurs during odd number years.

Utilities and Communication

The Utilities and Communications budget includes the RTAA's electricity, water, and natural gas. The cost of telephone and data communication services is also budgeted in this section. The

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FY 2021-22 budget allocated \$2.849 million to this expense category, a slight decrease of \$43,000 or 1.5% compared to the FY 2020-21 Budget.

Purchased Services

The Purchased Services budget represents funds to obtain legal and professional services necessary to cover expertise not available within the RTAA as well as maintenance and repair services for specialized systems and equipment. Equipment rental is also included in this budget category. The FY 2021-22 Budget is \$7.699 million, an increase of approximately \$2.141 million or 38.5% from the FY 2020-21 Budget. Approximately \$544,800 of the funding for this category is from Customer Facility Charges (CFCs) collected from rental car customers in support of property management and repair and maintenance of rental car facilities owned by RTAA.

Materials and Supplies

Materials and Supplies are used primarily for the items needed by the Facilities and Maintenance staff to maintain both airports, as well as the office supplies used by administrative staff. The FY 2021-22 Budget estimates a total funding need of \$2.658 million for this category, an increase of \$260,400, or 10.9% above the prior year budget. Budgeted allocations for office supplies, general supplies, and equipment have been significantly reduced in FY 2020-21 as a response to the COVID-19 pandemic and efforts to reduce cost. Some of those cuts were added back in FY 2021-22 as the RTAA continues the path of recovery. Notable increases are in small tools and minor equipment, operating supplies, repair and maintenance supplies, and office supplies.

Administrative Expenses

Administrative Expenses are used for staff training, conference sponsorship and registration fees, travel, air service development and route maintenance, airport economic development, conference sponsorship and airport community relations. Also in this section are property and liability insurance premiums and credit card processing fees.

The FY 2021-22 Budget for Administrative Expenses increased by \$1.381 million or 57.6% from the prior year budget. At the onset of the COVID-19 pandemic, RTAA implemented significant cost cutting measures, especially in the non-mission-critical expense categories. Hardest hit were administrative expenses. The FY 2021-22 Budget restored funding for staff professional development, air service and economic development, etc.

A detailed analysis of the FY 2021-22 Operating and Maintenance Expense budget can be found in Section 7 – Expenditures.

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Personnel Complement

The total budgeted and/or authorized positions for FY 2021-22 is 275.5 full time equivalent (FTE) positions, a net decrease of five (5) from the prior budget year. With the change of leadership in FY 2020-21, RTAA has undergone a reorganization at the direction of President/CEO Griffin resulting in a consolidation of some exiting divisions and the elimination of Chief Operating Officer (COO) department. In addition, the Airside Operations department was separated into two: Airside Operations and Airport Communications. A specific explanation of changes, frozen positions and the personnel complement by division is provided in Section 4 – Organizational Guide.

Debt Service

Total debt service for FY 2021-22 is budgeted to be \$2,250,450, a slight decrease of \$2,475 from the FY 2020-21 Budget. The FY 2021-22 approved budget anticipates all RTAA debt service payments will be reimbursed from CARES Act funding.

As of July 1, 2021, RTAA has \$10,380,000 of debt outstanding on the 2015 Bonds. RTAA does not anticipate issuing any new bond debt in FY 2021-22. The current amount of debt represents \$6.88 of debt outstanding per budgeted FY 2021-22 enplaned passenger. This compares to the 2018 average median debt outstanding per origin and destination (O&D) enplaned passenger for U.S. Airports of \$102.65 as reported by Moody's Investor Services in 2019.

The 2015 Bonds reflect the remaining outstanding debt from the 1996 Bonds issued to construct the three story, 2,400 space parking garage, a new terminal access roadway system to accommodate the parking garage, and a passenger skyway to connect the parking garage to the terminal.

RTAA debt is limited by the Bond Resolution requirement that Net Pledged Revenues (gross revenues of the Airport System less operating expenses) pledged to pay debt service must exceed 125% of annual debt service.

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The following table outlines the estimated debt service coverage that meets the requirements outlined above:

| DEBT SERVICE COVERAGE | | FY 2020-21 Budget | FY 2020-21 Forecast | FY 2021-22 Budget |
|--------------------------------------|----------------|--------------------------|----------------------------|--------------------------|
| Total Revenue Before Revenue Sharing | A | \$53,307,903 | \$51,440,425 | \$63,541,974 |
| O & M Expenses | B | (43,935,002) | (42,605,002) | (49,386,803) |
| Transfers ^(a) | C | (119,280) | (149,905) | (245,140) |
| Net Pledged Revenue | A+B+C=D | \$ 9,253,621 | \$8,685,548 | \$ 13,910,030 |
| Debt Service | E | \$ 2,247,975 | \$ 2,247,975 | \$ 2,250,450 |
| Debt Service Coverage | D/E | 412% | 386% | 618% |

(a) Per the Bond Resolutions, the following transfers are provided prior to debt service coverage: (i) 35% of Gaming Revenue and (ii) Gain or Loss on Sale of Capital Assets.

If the minimum lien coverage requirement is not met, the airline landing fee and rental rates will need to be increased until net revenues equal 125% of the bond debt service.

A complete explanation of the outstanding senior lien bond is provided under Section 9 – Debt.

Property, Plant and Equipment (PP&E)

A PP&E item is an asset with a useful life exceeding one year and a cost greater than \$5,000. Any equipment purchase greater than \$300,000 is reported as a Capital Project and amortized in the airline rates and charges over its estimated useful life.

The total PP&E budget for FY 2021-22 is \$1.006 million, an increase of \$556,200, or 123.6% from the FY 2020-21 Budget. With the forecasted recovery of airline traffic at RNO, and significant budget cuts in the prior fiscal year due to the COVID-19 pandemic, RTAA is planning on more than the usual annual investments in PP&E for FY 2021-22. Most of the budget allocated to PP&E purchases consists of vehicle purchases for a total \$554,000.

The specific items approved in the FY 2021-22 Budget are presented in Section 8 – Capital Budget.

Capital Projects

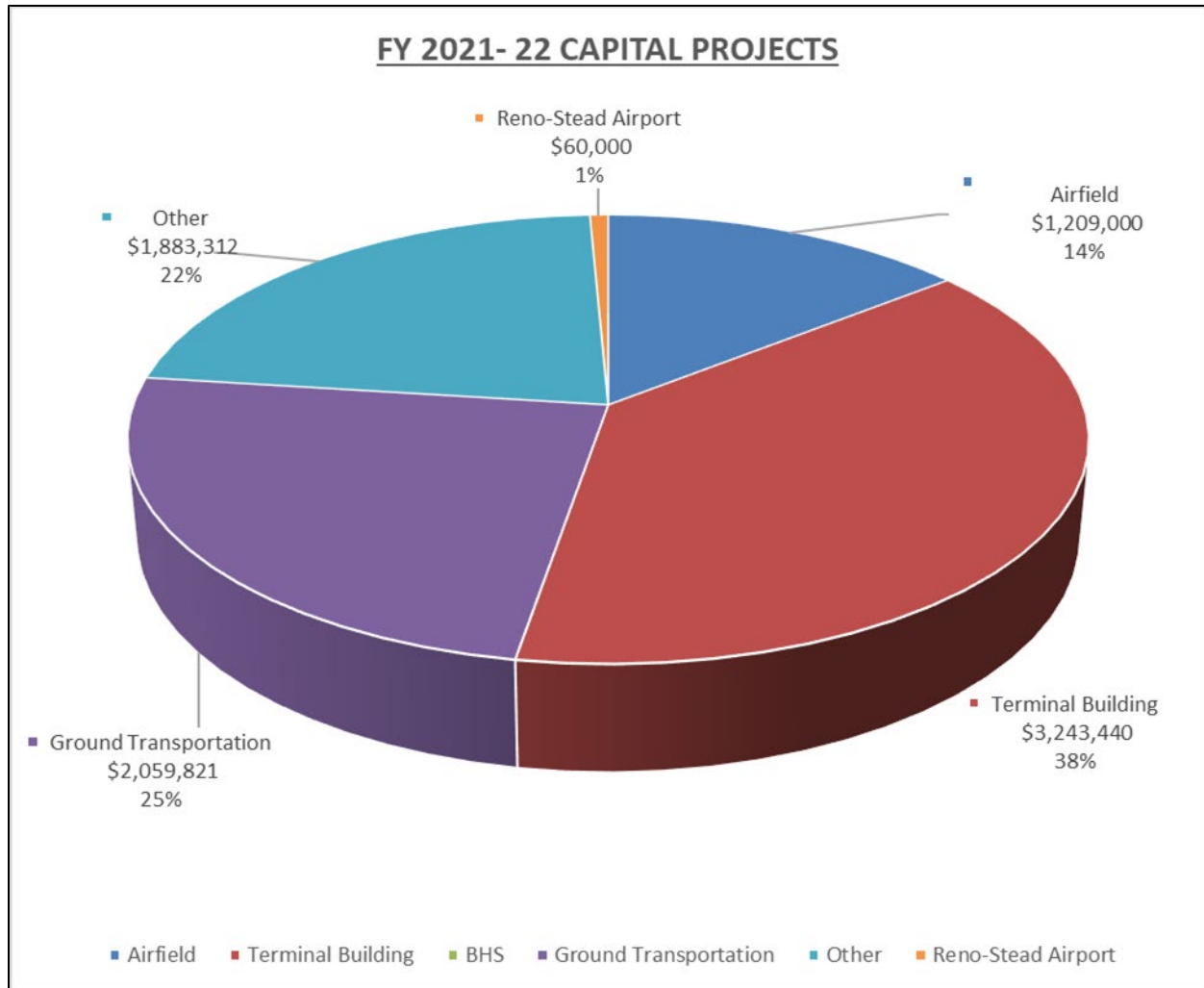
Capital Projects for RNO and RTS in FY 2021-22 funded from RTAA internally generated revenues, and other local funds (primarily the general purpose account, the special account, and the CFC account), are estimated to be \$8.456 million. This budget represents an increase of \$1.016 million or 13.7% above the FY 2020-21 Budget.

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During the budget process all capital projects were prioritized and evaluated based on the following three criteria:

1. High Priority – Life safety, security or regulatory requirement;
2. Moderate Priority – Preventative maintenance and customer service enhancement;
3. Low Priority – Not Urgent; could be deferred to a future budget year.

The following chart shows the classification by cost center of the FY 2021-22 capital projects using RTAA funding:



A detailed list and discussion of the capital projects is provided under the Section 8 – Capital Budget.

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Revenue Sharing Credit

All revenues are assigned to a cost center (Airfield, Terminal, Baggage Handling, Ground Transportation, Other and Reno Stead Airport) with expenses netted against revenues for the cost center. In the airline agreement, 50% of net revenues (pledged revenues less operating expenses, debt service, and other requirements) for the fiscal year are applied to reduce signatory airlines' terminal rental rate in the current fiscal year. The remaining 50% of the RTAA's net revenues for the year are transferred to the General Purpose Fund.

Prior to calculation of the net revenue sharing credit, 35% of gaming revenues in each fiscal year are retained by the RTAA to fund capital projects at RTS and are not available to be used as part of the reduction for the signatory airline terminal rental rate.

Total net revenues in FY 2021-22 are estimated to be \$5.814 million as compared to \$4.127 million in the FY 2020-21 Budget, an increase of approximately \$1.687 million, or 40.9%. The increase in FY 2021-22 reflects approximately \$10.488 million or 27.9% in higher operating revenues. Operating expenses are also forecasted to increase by \$5.540 million, or 12.5%. Due to the significant increase in operating expenses forecasted for FY 2021-22, there is a \$643,600 O&M reserve requirement charged to airlines in the revenue sharing calculation. In addition, \$1.772 million in higher cost recovery associated with fixed assets and capital projects reduced net revenues in the FY 2021-22 Budget. RTAA has allocated up to \$11.746 million of Coronavirus federal funds (CARES/CRRSAA/ARPA) to help mitigate the effects of the COVID-19 pandemic on the airlines and concessionaires operating at RNO.

A detailed breakdown of the calculation is included in Section 5 – Financial and Budgetary Policies.

Section 3 – Strategic Initiatives and Budget Goals

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The Reno-Tahoe Airport Authority (RTAA) operates two of the most important economic catalysts for our region – the Reno-Tahoe International Airport (RNO) and the Reno-Stead Airport (RTS). Together, these airports generate over \$3 billion in annual economic benefit for the region.

RTAA’s airports bring travelers to and from our businesses, distribution centers, manufacturing facilities, casinos, ski resorts, and families. In addition, RTAA provides facilities and services critical to air cargo transportation and provides a base of operations for the Nevada Air National Guard, general aviation, and the National Championship Air Races. RTAA is committed to providing the region with the highest level of services and facilities, while positioning the airports to be a catalyst for further economic growth.

To help guide the future of RTAA, on June 14, 2018, the Board of Trustees approved an updated Strategic Plan for FY 2018-19 through FY 2022-23. With the significant improvement in the regional economy and an ever-changing aviation industry, the updated plan reflects input from the public and user groups as part of the current Master Plan update and direct input from airport committees, the Board, and staff.

The RTAA strategic planning process took place in 2018, and it can be reviewed on the RTAA website at www.renoairport.com or by clicking [RTAA Strategic Plan](#).

The purpose and desired outcomes of the adopted RTAA FY 2019-23 Strategic Plan are the following:

- **Shared Vision** – A strategic vision for the organization that is shared by staff and the Board of Trustees.
- **Strategic Direction** – Core strategies that help guide RTAA over the next 5 years.
- **Roadmap** – A high-level plan to guide priority setting and serve as a helpful road map for staff and the Board of Trustees.
- **Planning Structure** – Long-term goals and performance measures that support the strategic priorities and provide a planning structure for setting objectives and annual action plans.
- **Agility/Flexibility** – A living, breathing plan that provides direction, but is also flexible and broad enough to incorporate constant changes in the aviation industry.

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Strategic Plan Methodology

The RTAA Strategic Plan consists of the following components, beginning with the broadest, long-term elements to the more specific, short-range, and tactical activities:

- **Vision Statement** – A short, concise, vivid statement of RTAA’s future, answering the question: “what will RTAA look like in 10-20 years?”
- **Mission Statement** – An overarching, timeless expression of RTAA’s purpose and aspiration, addressing both what RTAA seeks to accomplish and the manner in which to accomplish it. A mission statement is a declaration of an organization’s core purpose that answers the question, “why do we exist?”
- **Strategic Priorities and Support Strategies** – These items represent the long-term, continuous strategic focus areas that move the organization closer to achieving the vision. Strategic Priorities serve a five-year or more time horizon.
- **Long-Term Goals** – Explain how RTAA will accomplish the strategic priorities over the life of the plan with clear results associated with the objectives.
- **Key Performance Measures** – These are quantifiable measures that show evidence of movement toward the RTAA’s Strategic Priorities, and ultimately to achieving the Vision. Key Performance Measures are the most important performance measure for a strategic priority/goal (based on a strategy or major initiative).
- **Short-Term/Annual Objectives** – These objectives explain what RTAA will do in the short-term to accomplish long-term goals. Short-term objectives are developed by staff and included in department operating budgets with supporting action plans and resource needs.

The update to the Strategic Plan and the FY 2021-22 Budget focused on the following key questions:

- Why do we exist? (**Mission**)
- How will we behave? (**Values**)
- What do we do? (**Business Description**)
- What does success look like? (**Vision**)
- How will we succeed? (**Strategic Priorities & Long-Term Goals**)
- What is most important right “now”? (**FY 2022 Objectives**)
- How will we measure success? (**KPIs and Performance Measures**)
- Who must do what? (**Initiatives/Actions Items**)

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Mission Statement – “Why do we exist?”

We Move You! We Bring the World to Reno-Tahoe and Reno-Tahoe to the World.

People – We not only move individuals from place-to-place, but we MOVE them by providing a memorable, positive travel experience. This speaks to customer service, as well as the cleanliness, safety, and efficiency of our facilities. We Move You!

Businesses – We help businesses meet their objectives by affording them efficient, cost-effective and convenient travel routes. We also offer facilities for tenants and vendors. We also bring customers to them. This speaks to our marketing and business development functions. We Move You Forward!

Air Transportation Industry – We help our industry advance by actively participating in development of new equipment, processes, and technology such as Unmanned Aircraft System (UAS) development. We provide facilities for UAS testing. We Move You Upward!

Communities – We provide and stimulate economic opportunity and growth for the communities in our catchment area. We serve the community by bringing goods and resources into the region. We are the community’s gateway to the rest of the world. In direct and indirect ways, we improve life and living in the Reno-Sparks-Tahoe community. We Move Together!

Employees – We invest in our employees, and we treat them with respect. Through career development, wages and benefits, health programs and benefits, team building activities and employee assistance programs, we help our employees achieve their goals and to live healthy and happy lives. We Move as One!

Values – “How do we behave?”

With the concept initiated and developed by staff, RTAA has adopted the acronym of “THRIVE” to represent the organization’s values- (1) Teamwork for Results; (2) Honesty and Integrity; (3) Respect and Recognition; (4) Inspire and Innovate; (5) Versatility; and (6) Enthusiasm for Excellence. These values as outlined below represent the guiding principles to answer the question of how we behave:

Teamwork for Results

Teamwork is the foundation of any successful organization. In the working world, teamwork means staff needs to be able to trust one another in order to perform at the highest level and achieve the greatest results – regardless of what we are working on. This means that everyone on the team is empowered to do their best work, knowing that support is there when needed and that

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they have the autonomy to use their best judgment in any given situation. Working hard and having fun can be achieved simultaneously.

Honesty & Integrity

Honesty and Integrity are the first cousins of Trust. When staff operates from a position of honesty and integrity, all our interactions are more effective because we are working on an even playing field. Each employee trusts that other's words and actions are spoken and performed with good intentions for the individual as well as the organization. When all employees do the right things for the right reasons, everyone benefits. All employees are enabled to communicate their opinions and ideas honestly and directly.

Respect & Recognition

Respect and Recognition are both given and received. In a respectful environment, communication is open and courteous regardless of the subject matter or circumstance because every person who works here is of critical importance to the mission. The RTAA team will recognize and celebrate the good things employees do, both individually and as a team. Staff seeks to understand other viewpoints before arriving at decisions.

Inspire & Innovate

All RTAA employees have the capacity to Inspire and Innovate. With our respective talents and passions, every time we interact with another person, everyone can start the ripple effect that moves through the organization, igniting each of us with the remembrance that each of us does important work and impacts the lives of our co-workers and the community on a daily basis. With this in mind, RTAA recognizes that each employee actively participates in the success of the organization and contributes by freely sharing great ideas. With innovation and good intentions, the occasional outcome is failure. RTAA and its employees will use failures to learn.

Versatility

Versatility and agility, in an organization our size, is key to adapting to an ever-changing work environment. While clear direction is important, so too is the ability to be flexible in the way staff approach tasks, challenges, and opportunities. There is rarely only one way to do something, and each of us may need to explore various options in order to achieve the greatest success. Versatility provides the flexibility for all employees to support and assist each other during operational necessity and/or emergency situations.

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Enthusiasm for Excellence

A positive attitude can really take you places. By choosing to bring an enthusiasm for excellence to every task staff undertakes, RTAA recognizes the value of each employee’s work and a spirit of continuous improvement. In a collaborative environment, where each person’s contribution matters, a spirit of continuous improvement is achieved, and our best efforts lie in the next opportunity. This value aspires to create standards that others in the airport industry want to duplicate.

Business Description – “What do we do?”

RTAA provides/maintains air transportation facilities and delivers safe customer support services for the benefit of the region, while being financially self-sustaining.

Vision Statement – “What does success look like?”

By 2036, RTAA will provide modern, safe, convenient facilities and deliver customer satisfaction that is a source of community pride and serves as a significant contributor to the region’s economic health.

- **Nationally respected** because RTAA staff are innovative and adaptive, positioning the organization to embrace and pivot to changes through adapting to new technology, consumer trends and regional needs.
- **Modern, safe, and convenient facilities** because the facilities are customer focused, adhere to the highest safety and security standards, and are environmentally sustainable.
- **Customer satisfaction** because RTAA staff provides “real value” to customers and enable tenants to prosper.
- **Community’s pride** because the organization is the best place to work that demonstrates forward thinking, employee-focused values with a highly skilled, engaged workforce.
- **Significant contributor** because RTAA is a valued community partner and highly respected as the hub of the community, with RNO being easily accessible, meeting the community’s needs of convenience and ease of travel.

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Strategic Priorities and Long-Term Goals – “How will we succeed”?

The RTAA Board of Trustees and staff, through the Strategic Plan process, established a vision for the future with an emphasis on eight (8) Strategic Priorities. The Priorities focus on elements the Board and staff deem critically important to the long-term viability of RTAA with maintaining existing and adding new air services. In addition, RTAA intends to further develop air cargo, optimize general aviation services, and expand and diversify non-airline revenue sources. This focus on business development, however, is impossible without a fundamental focus on customer service and creating a positive airport experience for our customers, tenants, and employees.

1. AIR SERVICE AND CARGO: Expand air service and cargo development.
2. SAFETY & SECURITY: Safety and security of all is our priority 24/7, 365.
3. GENERAL AVIATION: Foster an atmosphere to encourage general aviation growth at both airports.
4. CUSTOMER EXPERIENCE: Enhance services and provide a positive and convenient environment for all.
5. PEOPLE: Our employees are the current and future strength of our organization.
6. FINANCIAL DIVERSIFICATION AND GROWTH: Grow and diversify non-airline revenues at both Airports.
7. FACILITIES FOR FUTURE: Optimize infrastructure to address market demand.
8. SUSTAINABILITY: Operate and manage with a holistic approach reflecting sustainability and environmental stewardship.

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Strategic Priorities – Detailed View

The eight strategic priorities provide the framework for the strategic direction of RTAA over the next several years. With a holistic focus across the whole organization, the strategic priority explanations below further clarify the intent of how RTAA will achieve its vision:



Air Service and Cargo

1. Air Service and Cargo - *Retain and increase air service and cargo.*

Retaining and increasing commercial air service and cargo activities at RNO are essential to the region’s economic growth and RTAA’s long-term success. Growth in commercial air service greatly depends on three pillars - Air Carriers (supply), the Airport (infrastructure and facilities), and the Tourism and Business Communities (demand) - to stimulate demand and *sustain* it. RTAA needs to support and nurture these pillars throughout RNO’s catchment area, which extends to Lake Tahoe, Susanville, Gardnerville, and Elko.

The supporting strategies to retain and increase air service and cargo activities over the next five years are as follows:

Retain and expand existing Air Service. The airline industry expansion and consolidation will continue to be uncertain and volatile. To mitigate volatility risk and market changes, RNO will make every effort to retain current routes and existing carriers, which represent over 90% of the total U.S. domestic market share. Going forward, the strategic intent is to sustain the current diversification of airlines with a balance of ultra-low-cost, low-cost and legacy carriers. With existing air service, RNO offers one-stop options to virtually anywhere in the United States. There is also a presence of all three global alliances at RNO that provide numerous one-stop opportunities for international destinations. RTAA will continue to work with incumbent airline partners, regional partners, and other stakeholders to retain and expand (capacity in served markets) current air service.

Pursue NEW opportunities that are operationally viable. RNO has several domestic “bubble markets,” or markets that are on the cusp of warranting non-stop service. RNO must continue to work with airlines (incumbent and potential new) and regional partners to attract new air service. At RNO, high-density altitude and terrain will continue to put some constraints on long-haul opportunities. The current U.S. Customs and Border Protection rules and regulations, and facility constraints limit RNO’s international targets (airlines and destinations). A new Customs and Border Protection Facility is part of an updated terminal building under the 20-year RNO Master Plan, which would increase the ease of processing international passengers. There is an

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interim possibility to upgrade the current facility to accommodate 400 passengers an hour that will be explored (see Strategic Priority: Facilities for the Future). An upgrade could expedite travel and attract new international carriers. RNO will continue to pursue narrow body aircraft flights from Mexico/Central America and target pre-cleared non-stop flights from Canada.

Anticipate market shifts/demands through data-based decision making. RNO utilizes several data sources to monitor flight schedules, market demand/shifts, airline route health, airline strategies, etc. In addition to traditional air service sources, RNO partners with local stakeholders to identify leisure and business market demand for the Reno-Tahoe region.

Strengthen community awareness and support. An increase in passenger and cargo services is dependent upon ongoing partnerships, communication, and marketing to the entire catchment area. RTAA will continue to add new partnerships and strengthen current relationships with the regional conventions and visitors' authorities, the Economic Development Authority of Western Nevada (EDAWN) and Nevada Commission on Tourism (Travel Nevada) to grow and sustain air service. RNO will continue the community awareness program that includes air service educational sessions, local presentations/meetings, etc. RNO will find opportunities to inform the community on which target markets are operationally viable to pursue, given the high-density altitude, terrain, and other constraints. RNO will continue to work very closely with the Regional Air Service Corporation and assist the leadership to increase membership, which benefits air service development. RNO will continue to promote air service to the general public in the Reno-Tahoe catchment area by creating and executing an annual "Marketing Campaign." Unlike the tourism industry, this "Marketing Campaign" is focused on Reno originating traffic.

Increase airline regional awareness. It is very important for airlines to understand the true potential of markets they serve or are interested in serving. Airlines look at several sets of assumptions and forecasts consistent with the emerging trends taking place within the aviation industry. Most importantly, they look at the local demand and economic environment of the market they're interested in serving. RNO will focus on bringing airline representatives to the Reno-Tahoe region as guests to showcase the area using private invitations, in participation with community air service educational sessions, special event attendance and more, in order to assist airlines to understand the true RNO market potential.

Retain and expand air cargo. In addition to dedicated cargo carriers, such as FedEx and UPS, certain passenger airlines carry belly freight, which offers an opportunity for increased revenue. Cargo demand drivers need to be better understood to ensure current weight and volumes are sustained. Cargo expansion may be drastically altered with a fourth cargo carrier entering the market. RNO has airfield capacity and land available in the RNO's southwest quadrant to support cargo expansion and regional distribution needs.



Safety and Security

2. Safety and Security - *Maintain high levels of safety and security for everyone who utilizes our airports.*

RTAA has a very successful record of managing and implementing RNO safety and security measures required of a commercial airport as well as those required of a 24/7 facilities operation (e.g., worker and customer safety) without negatively impacting the RNO’s customer experience priority. RTAA will strive to continually improve methods and systems to respond to, and improve the effectiveness of, programs related to safety and security for the well-being of all employees and the traveling public.

The strategic approach is to increase safety and security as follows:

Extend RNO security and safety plans, training, etc. beyond what is legally required. As safety and security risks evolve and expand beyond the traditional response to an aircraft accident, it is imperative RNO be prepared. This plan includes not only an appropriate response to the initial emergency, but also continuity of operations for situations that can have a longer lasting impact.

Be inclusive. Since a catastrophic event can quickly exhaust the available resources of RTAA, we must continue to train in emergency preparedness with our RNO tenants and other community partners to enhance the effectiveness of our response.

Consider design and technology as opportunities. New technologies are continually being developed to increase safety and security and to provide positive customer experience and continuity of operations during an emergency. As such, RTAA should evaluate the benefits of those new tools and incorporate them as appropriate.

Continue to maintain security at RTS. In compliance with GA airport requirements, RTAA will evaluate opportunities to enhance or improve airport operations and facilities safety and security.



General Aviation

3. General Aviation - *Foster an atmosphere to encourage general aviation growth at both airports.*

General Aviation (GA) includes all civil and military aviation operations other than scheduled passenger and cargo airline operations. GA flights are conducted for pleasure, private business and public service that need more flexible transportation than scheduled commercial airlines offer. General Aviation is a key contributor to regional economic growth; it supports business growth not only from this region but also to this region (through jet services/MRO's, FBO's, etc.)

To continue to foster an atmosphere to encourage GA services, facilities and operations growth, the strategic approach is as follows:

Maintain existing facilities at both RNO and RTS and support third-party private investment. RTAA has a significant investment in existing airfield infrastructure at both Airports. To optimize and extend the useful life of these assets, staff will continue its ongoing program of preventive maintenance and major rehabilitation programs. In addition, RTAA has several lands, GA services, hangar, and industrial development opportunities that are “market-driven” and dependent upon private party investment. RTAA will provide support and assistance to facilitate this investment in facilities at both Airports.

Balance all user needs at Reno-Stead Airport: RTAA will promote the quiet enjoyment of GA at the RTS, leveraging the value of the terminal and encouraging private investment in facilities and businesses that meet changing demands. RTAA supports and recognizes the important balance between the GA community, development of vacant land into a business park and the National Championship Air Races at the RTS - all of which have local economic impact.

Proactively engage with GA Community: RTAA is in a position to promote and support GA changes with RNO and RTS tenants, visiting users, industry groups, and neighbors, including UAS, and accommodating user needs and preferences. RTAA will work with tenants and users to promote common rules and business policies that contribute to a strong, safe GA community and sustainable airport facilities.



Customer Experience

4. Customer Experience - *Provide a positive environment and experience for all.*

Both Airports makes the ultimate first and last impression when people come and go from our region. RTAA’s goal is to provide a welcoming environment that inspires a positive, lasting impression. First-class customer service is part of RTAA’s DNA, and it is a goal to continue an environment reflective of the service-oriented culture. RTAA views everyone at the Airports as RTAA’s customer, including airlines, tenants, concessionaires, general aviation, the military, our regional business community, and anyone doing business with our family of tenants. This strategic priority focuses on enhancing the holistic customer experience for all stakeholders by:

Maintain RNO’s ease of access: The central location of RNO is a competitive advantage to the airport itself and the region overall. Under the current 20-year RNO Master Plan, the RNO’s location will be maintained in the center of the Reno-Sparks region. Strategies and collaboration with community partners will be leveraged to increase the ease of access from the I-580 interchange. Ease of access also includes customer flow. Surveys highlight customer appreciation for the convenient facilities that make travel quick and easy. Proximity of the parking garage to rental cars, ticket lobby, checkpoint, and bag claim must be maintained, in accordance with the Master Plan, to continue to meet and exceed customer expectations.

Empower RNO passengers to control their travel experience. Technology enhancements and connectivity will continue to empower passengers to control and influence their own experience. Technology enhancements, especially common use facilities, must be considered to reduce passenger anxiety while making current processes more efficient.

Provide amenities that delight customers. Consistently measure and monitor the changing needs and preferences of customers to enhance facilities and services targeted at delighting and invigorating a wide range of customers. Partner with stakeholders and tenants to utilize customer data to help guide future decisions on enhancements.

Strengthen RTAA’s community leadership & branding. We Move You and We Move You Safely. Create a multifaceted marketing campaign to raise the community’s awareness of RTAA’s value to the community and the services we offer. Broaden RTAA’s government relations engagement with regional, state, and federal partners to maintain and enhance the RTAA brand. Strengthen community leadership through robust community outreach.

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Continue to provide memorable positive travel experiences at RNO. RTAA is known throughout the industry as a leader for being creative, innovative, and spontaneous. We have award-winning customer service programs and innovative event planning. We will continue to adopt proactive innovations to create a travel experience that delights passengers with above-and-beyond welcomes to our community, engaging social media posts, and creative media events.



5. People - *Our employees are the current and future strength of our organization.*

RTAA staff recognizes that the organizational team is the foundation of maintaining a world-class airport. In order to stay proactive in a changing industry, it is critical to invest in people while enhancing the respectful organizational environment. This effort will focus on training and innovation to strengthen the professional development, skills, and abilities of RTAA staff and the Board of Trustees, maintaining and enhancing the positive RTAA environment and organizational values, and fostering a collaborative and supportive working relationship between staff as well as the Board of Trustees.

The strategic approach to achieve this priority will focus on:

Continue to build a strong culture. RTAA will continue its focus on fueling our vibrant workplace by continuing to engage and value our employees, enhance their employment experience, and perpetuate the passion for our THRIVE values.

Encourage and invest in leadership development. RTAA is committed to developing dynamic leaders who pursue constant growth, consider the needs of the organization before self or division, champion accountability, have a willingness to be self-critical and provide intentional mentorship.

Enhance workforce planning. RTAA will nurture a forward-focused framework to ensure that the workforce is appropriately aligned to efficiently and effectively support the present and future needs of the organization.



Financial Diversification and Growth

6. Financial Diversification and Growth – *Grow and Diversify Non-Airline Revenues at both airports.*

RTAA is an independent entity that is not part of any other state or local government and does not use property or sales tax revenue to fund its operations. RTAA must be financially self-sufficient, with revenues generated at both Airports paying operating expenses, debt service, and various capital asset needs. The long-term focus on revenue diversification and growth is a foundational priority. Standard approaches to revenue generation, such as parking and rental cars, may shift over the next five to ten years.

Therefore, the strategic approach to optimizing long-term diversification is:

Continue competitive airline cost-per-enplanement focus to retain and attract air service.

Due to the nature of the airport’s financial structure and financial partnership with the airlines, revenue derived from the airlines are based on a cost recovery methodology outlined in the use and lease agreement. One important factor in the ability of RTAA to attract air service is keeping a competitive cost structure, which requires prudent cost management. In addition, passenger airline costs to operate at RNO are reduced through a revenue sharing credit that is directly impacted by the growth and diversification of non-airline revenue sources. Any deterioration of obtaining fair market value rents from tenants will have a negative impact on affordability and financial viability for the airlines to retain existing or provide new air serve.

Encourage and foster new services and product offerings to address evolving market segments and customer expectations.

Non-airline operating revenues comprised of public parking fees, rents collected from airport tenants, rental car and terminal concessions, and hangar and land leases generate 65% of total RTAA operating revenues. The net revenues allow RTAA to reinvest back into facilities at both Airports in equipment that serve our customers and fund the other initiatives in the Strategic Plan. As the “baby boomers” enter retirement and “millennials” move into their working years and begin household formation, each generation will be looking for targeted services and facilities to enhance their travel experience. RTAA has an opportunity to offer new services to meet changing consumer needs and preferences, which in turn can generate additional non-airline revenue.

Evaluate public parking/rental car services as demand may decline due to competing businesses and emerging technologies.

Public Parking and Rental Car Concession and Facility leases are the main source of non-airline revenue. With the introduction of transportation

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network companies (Uber, Lyft, etc.) and the potential future for autonomous vehicles, the uses of public parking/rental car services may decrease these key non-airline revenue sources. In this new emerging environment, RTAA will need to evaluate market segmentation and other dynamic parking/price options, as well as establishing strategies to best repurpose existing facilities, if needed.

Enhance the revenues generated at Reno-Stead Airport (RTS) through land development. Through the existing Master Developer Agreement, RTS has the potential to become an industrial hub for aviation and non-aviation related businesses, including unmanned aircraft, manufacturing, logistics and other businesses that prefer to be at a general aviation airport or located within Washoe County. With the intent to create a business park campus and employment center, RTS is 37% or 2,400 acres of the total vacant industrial land in Washoe County and 60% of the City of Reno land zoned for industrial or mixed use. Land leases offer the opportunity to be a significant solution to diversifying revenue sources from traditional non-airline revenue sources. To ensure alignment with the General Aviation Strategic Priority, RTS development is currently restricted to approximately 1,700 non-contiguous acres to ensure its ability to host the Reno Air Races.

Develop and implement strategies to expand customer base to more than airline passengers. One current trend is for commercial airports to be a regional destination for local residents, beyond air travel. Some airports are enhancing services to create an attractive destination for local residents. The RNO Gateway offers an opportunity to attract additional revenue from the local community through a development partner that plans to construct a new hotel, restaurant, and office facilities. In addition, RNO pre-security terminal services offer an opportunity to attract local residents to shop and take advantage of business services not solely focused on passenger needs and preferences. With the relocation of rental car operations, public parking availability will increase and its convenient proximity to the terminal facilities will support the local destination concept, which can be integrated into the planning and design features of the concourse replacement program. See Strategic Priority #3 - Facilities of the Future.

Engage RNO Land Development Opportunities. Through industry participation and developer relationships, continue to actively engage with prospective tenants, developers, and capital investors.



Facilities for the Future

7. Facilities for the Future – *Optimize existing facilities and construct new infrastructure at both Airports to address market demand and implement the RNO Master Plan.*

As an integral element to all Strategic Priorities, RTAA must not only support but also proactively respond to market demands. Infrastructure needs outlined in the RNO Master Plan provides a proactive response to the projected growth of passenger traffic at RNO by nearly 60% from 2017 to 2036, which is on top of a 10% increase from 2016.

The RTAA’s master plan can be viewed on the RTAA website at www.renoairport.com or by clicking [RTAA Master Plan](#).

The strategic approach to create facilities for the future is:

Relieve congestion in RNO public parking and rental car facilities. RNO’s growth over the last five years has resulted in congestion in the public parking facilities requiring RTAA to implement overflow procedures more frequently during peak periods. Additionally, the Short-Term Parking area on the first floor of the garage fills to capacity during peak periods multiple times per week due to constraints caused by sharing the space with the rental car companies. Moreover, the rental car companies are requesting additional ready/return space to meet their growth in demand. To address these issues, RTAA needs to fund and construct a new Consolidated Rental Car Facility (CONRAC) to move rental cars out of the public parking structure, which will increase parking capacity and improve customer service.

Replace RNO terminal concourses and provide a new Customs and Border Protection facility. With the existing concourses being 40 years old, RTAA needs to replace RNO terminal concourses with new and larger concourses to address existing constraints, such as limited space for new amenities and concessions, and allow for future growth and expansion for both domestic and international travel. This effort will focus on development of the first phase of the following recommendations:

- Provide 24 gates, with a clear path of future expansion to achieve a total of at least 27 gates;
- Provide taxi-lanes sized to accommodate aircraft similar in size to the Boeing 757 (B757);
- Provide a new Customs and Border Protection (CBP) facility sized to process 400 passengers per hour and provide an improved passenger experience;

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- Provide administrative office space sized and located to meet current and future needs;
- Provide expanded spaces for amenities, concessions and hold rooms.

Modernize the RNO Terminal Building to accommodate future technologies and enhance customer experience and wayfinding. The terminal building consists of the functional areas in the non-sterile zone, including the ticketing hall, main lobby, security-screening checkpoint (SSCP) and baggage claim areas. The facility requirements analysis in the RNO Master Plan shows these areas are sufficient in size through the projected 2036 planning period. However, RNO currently experiences congestion, queuing, and wayfinding issues. This effort will focus on the following areas:

- **Ticketing Hall** – Expand circulation by relocating the existing entry outside of the existing terminal building envelope into the curbside public space to improve queuing and circulation and build new restrooms near the ticket hall area.
- **Arriving Passengers** – Currently, arriving passengers move from the level 2 concourses to level 1 of the terminal building at the northwest corner of the SSCP area. This point of arrival at level 1 happens to coincide with the formal entry to the SSCP area causing potential confusion and congestion during regular operations, but even more so when SSCP queuing overflows. RTAA will evaluate new terminal concourses and consider the option of a new arriving passenger experience at the north end of the existing baggage claim area.
- **Intuitive Wayfinding** – The basic layout at RNO allows for intuitive passenger wayfinding. However, the current organization of concessions, art, gaming, and other amenities has relied heavily on signs to communicate wayfinding. The execution of this signage diminishes the intuitive nature of the airport layout. RTAA will focus on enhancing clarity through a number of improvements.

Modify the RNO Airfield to FAA Compliance. The runway and taxiway system are in good condition and meets FAA standards, except for some non-standard geometry that should be addressed as new airfield projects are implemented. The following are identified airfield improvements:

- **Runway 16R CAT II Approach:** Site the location of an additional Runway Visual Range (RVR) on Runway 16R to enhance instrument approach capabilities.
- **Deicing Aprons:** Examine dedicated deicing or anti-icing areas at ends of Runways 16R/L and 34L/R to help facilitate operations during winter storms.

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- Address taxiway hot spots and intersections: The FAA has designated three areas on the airfield as being areas of high potential for incursion and improvements to these areas need to be evaluated to enhance safety.
- Develop airfield geometry improvements to address non-standard taxiway geometry and intersections that do not comply with FAA taxiway design guidance.
- Consider moving aircraft hold short positions to 294 feet from runway centerlines. RTAA will coordinate with FAA Airport District Office to clarify the need for compliance with new standards.
- Run-Up Aprons: Evaluate areas to locate pavement where propeller aircraft can perform system checks prior to departure.

Develop a Plan of Finance and Negotiate Business Agreements. In order to provide funding for RNO Master Plan facility improvements, RTAA staff, in conjunction with a complete Financing Team, will review each project to identify funding sources and eligibility. The funding sources that do not affect airline rates and charges are Customer Facility Charges (CFC) from rental car customers, Airport Improvement Program (AIP) Grants from the FAA and Passenger Facility Charges (PFC) collected on each airline customer’s ticket. Subject to providing funding for critical asset preservation and ongoing equipment replacement needs, these funding sources can be used on an either a “pay-as-you-go” basis or CFCs and PFCs can be leveraged to support debt issuance. In addition, RTAA will explore options for public-private partnerships (P3) and tenant financing associated with terminal development and landside concession opportunities where appropriate.

RTAA also has internal funds derived from operations and the ability of RTAA to issue airport system revenue bonds. RTAA is currently in a strong liquidity position and has a very low debt to enplaned passenger ratio as compared to other small and medium hub airports. Subject to airline approval, RTAA has bonding capacity available to help meet this strategic priority.

For each capital project, a plan of finance will be developed based on a detailed programmatic study, design, and cost estimate. Each key stakeholder impacted by the project will be integrated in the design process. If a tenant is obligated to lease space in the facility and be impacted by fees and rents collected by RTAA, a business agreement will be negotiated and executed prior to notice to proceed with construction.

Maintain existing facilities at both RNO and RTS and support third-party private investment. RTAA has a significant investment in existing infrastructure at both Airports. To optimize and extend the useful life of these assets, staff will continue its ongoing program of preventive maintenance and major rehabilitation programs. RTAA will also provide support and facilitate third-party private investment in facilities at both Airports.



Sustainability

8. Sustainability – *Operate and manage both airports with a holistic approach reflecting sustainability policies and practices along with environmental stewardship.*

Sustainability is a state of existing that can be supported and maintained at a specific level, indefinitely. It all boils down to living within our limits and making decisions with a long-term perspective to ensure the continued viability and future of the organization and the community we serve. RTAA employs the Airport Council International’s EONS approach to help guide sustainability policies and practices. Airport Sustainability is a holistic approach to managing an airport to ensure the integrity of the Economic Viability, Operational Efficiency, Natural Resource Conservation and Social Responsibility (EONS). Aviation industry research and sources validate that the environmental and energy-based sustainability initiatives, already being implemented and practiced at RTAA, are in line with industry standards, expectations or any mandates required by regulatory agencies.

The RTAA’s annual sustainability report can be viewed on the RTAA website at www.renoairport.com or by clicking [RTAA Sustainability Plan](#).

The strategic approach to sustainability and environmental responsibility is as follows:

Maintain a healthy balance between economic viability and environmental responsibility. Economic health ensures the future operations and continued viability of our Airports. RTAA staff strives to enhance economic viability by increasing revenue generation, decreasing costs, and investing in long-term projects with a return on capital investment. RTAA’s economic viability is the fundamental operational requirement underlying all aspects of sustainability.

Prioritize operational efficiency to do more with less as a first place to start. Operational efficiency, in its simplest terms, is doing more with less because of effective management and creative ideas. RTAA operates under the expectation that well-run facilities cost less to operate and maintain. Less, in this case, refers to any number of items, from staff hours to vehicle fuel to heating and cooling costs.

Conserve natural resources through policies, technology, recycling, and reuse. Conserving and protecting our natural resources is the most easily identifiable sustainability focus area. RTAA has long been committed to promoting environmental policies that endeavor to use less of our natural resources, to protect our resources from contamination, to reuse whenever possible, and to recycle. RTAA will strive to expand on this philosophy and incorporate new technologies, as appropriate.

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Be exceptional community stewards and leaders in social responsibility. Airports function in a social setting. Our customers include passengers, pilots, tenants, and employees, in addition to the residents and businesses in the surrounding community. Our social responsibility lies in enhancing the customer experience, while fostering an understanding of the value that airports provide to the community.

Key Performance Indicators (KPIs) and Performance Measures – “How do we measure success?”

The following long-term goals and performance measures were established in the adopted in FY 2019-23 Strategic Plan:

FY2019-23 Long-Term Goals and Performance Measures

| Strategic Priority | Long-Term Goals | Performance Measures |
|------------------------------|--|---|
| AIR SERVICE AND CARGO | Maintenance of Existing Air Service Routes | Number of average daily seats Total number of airlines Total number of airline meetings |
| | Domestic Destination Growth | Number of non-stop domestic destinations Attend RASC Marketing Committee and Board meetings |
| | International Destination Growth | Number of non-stop international destinations |
| | Community Awareness | Number of educational sessions in the community Number of airline visits to the Reno-Tahoe region Number of and scope of community outreach/marketing program (Weekly RNO Explorer) |
| | Air Cargo Growth | Number of meetings with airlines Total pounds carried (dedicated cargo flights and belly cargo on commercial passenger flights) |

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| | Long-Term Goals | Performance Measures |
|----------------------------|--|---|
| SAFETY AND SECURITY | FAA Part 139 Compliance | Pass FAA Part 139 Annual Certification with less than “x” number of discrepancies Thermoplastic airfield marking program - % of annual program completion |
| | TSA Part 1542 Compliance | Pass TSA Annual Inspection with less than “x” number of discrepancies |
| | Risk Management and Business Continuity | Risk Assessment and Prioritization Business Continuity Matrix Development |
| | Emergency-Response Preparedness | Plan Development - Annual rehearsal drills for RTAA staff and tenants Number of emergency drills Number of participants in emergency drills |
| | Safety/Security System Compliance/ Enhancements | Determine system needs, System Implementation Cyber Security Plan Implementation Payment Card Industry (PCI) Compliance Data Loss Prevention System Implementation |
| GENERAL AVIATION | GA Community Relationships | GA Community attends, participates, and partners in meetings and events GA Community engages in Airport projects and informs project goals and other users GA Community sentiment via survey/canvassing |
| | RNO and RTS GA Providers and Private-Sector Capital Investment | RFP for 2nd FBO, MRO and/or hangar development on the east side of RNO RFP for FBO, MRO and other market-driven GA facilities at RTS |
| | GA User Needs and Market Demand | RNO GA facilities at % occupancy RTS GA facilities at % occupancy Annually assess facility conditions and budget at both Airports RTS % accommodation of requests for airfield use |
| | Military Community Relationships | Military community attends, participates and partners in meetings and events Military community engages in Airport projects and informs project goals and other users |

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| Strategic Priority | Long-Term Goals | Performance Measures |
|----------------------------|---|---|
| CUSTOMER EXPERIENCE | Ease of access to RNO facilities | Adopt Master Plan initiatives for RNO Parking/Rental Cars Number of presentations to public entities about RNO facilities and air service |
| | Passenger Empowerment | Airline terminal common use study Social Media followers |
| | Passenger Empathy | Number of hours P4P (dog teams) volunteer Number of Kindness Takes Flight activities Number of annual Ask the Airport, social media responses |
| | RTAA Brand & Community Leadership | Dollar value of media Number of government presentations Number of civic group presentations New lobbyists Number of Community Outreach Committee meetings |
| | Positive Travel Experience | Customer satisfaction score |
| | Landside Operational Improvements | Programmatic Study of Landside Improvements |
| PEOPLE | Employee Satisfaction | Implementation of improvement opportunities based on items identified in the Employee Engagement Survey |
| | Employee Engagement | Maximize the effectiveness of our teams through annual departmental moral building activities |
| | THRIVE Organizational Values are Active | Provide ongoing support of THRIVE values through relevant activities |
| | RTAA Leadership Program | Facilitate targeted feedback of performance measures Demonstrate a more united leadership team to RTAA staff |
| | Employer of Choice | Conduct salary surveys, establish employment branding, highlight employee stories, maintain competitive benefits |
| | Succession Planning | % Completion of Talent Profiles % Of employees being promoted Specific development goals identified on performance reviews Development of an internship program; number of internships |
| | Workforce Diversity | Development of a Diversity Program Progress towards approximating measures for local demographics as outlined in the RTAA Diversity Plan |

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| Strategic Priority | Long-Term Goals | Performance Measures |
|---|---|--|
| FINANCIAL DIVERSIFICATION AND GROWTH | Competitive Airline Cost per Enplaned Passenger | Prior to implementation of Phase 1 of the Master Plan: Airline cost per enplaned passenger (CPE) below the median U.S. airport average After implementation of Phase 1 of the Master Plan improvements: CPE competitive with SMF, OAK and SJC |
| | Land Development at both Airports | RFP for RNO new private-sector capital investment in a 2nd Fixed Based Operator (FBO) and/or Hangar Development Number of meetings with prospective tenants, developers, and capital investors Opening of new Hotel and execution of a ground lease for Office and/or other RNO Gateway site development |
| | Public Parking/ Rental Car and Ground Transportation Revenues (New Competing Business Models/Technologies) | Baseline of Revenue Ratios by Business Unit Number of new Product/Pricing Options |
| FACILITIES FOR THE FUTURE | Plan of Finance and Business/ Intergovernmental Agreements | Prepare RFPs and select firms to serve on the Finance Team Complete Plan of Finance and execute agreements by project prior to NTP of construction Prepare RFP/RFQ solicitation and select governmental lobbyists |
| | Facility Infrastructure Enhancements | Increase Customer Facility Charge Funding Consolidated Rental Car Facility (CONRAC) design Terminal Concourse replacement, Phase 1 |
| | Facility Attractiveness and Functionality Advancement | Upgrade of Facility Asset Management System (FAMS) |
| | Technology Integration | Integrate Part 139 tracking software, FAMS, and Geographical Information Systems Total cost of ownership of major systems analysis |
| SUSTAINABILITY | Environmental Responsibility and Awareness | Additional water bottle refill stations Number of outside tenants, GA participating in Recycling Program Number of tenant meetings promoting recycling Environmental practices into facility design standards Terminal Building Recycling as a percent of total waste |
| | Natural Resource Conservation | Implement LED lighting projects funded in the RTAA Capital Improvement Budget Reassess current lighting control system Implement Water Audit Recommendations Construction project recycling as a percentage |
| | Operational Efficiency | Upgrade of the HR/Payroll and Financial Systems |

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FY 2021-22 Objectives – “What is most important right now?” and “Who must do what?”

Each of the department initiatives and work plans are linked to the Strategic Priorities outlined in this section. The department initiatives are the specific work plans and key steps RTAA staff are undertaking to achieve the strategic priorities adopted by the Board of Trustees.

In Section 7 - Expenditures, each department within RTAA is discussed in detail, including its mission statement, key responsibilities, a progress report on initiatives outlined in the adopted FY 2020-21 Budget and new FY 2021-22 Budget initiatives.

Accountability Structure

The following accountability structure indicates who owns the outcome of each component of the strategic plan, as well as the planning period for each.

| <u>Accountability Structure</u> | <u>Strategic Plan Structure</u> | <u>Planning Time Frame</u> |
|---|---|---|
| Board of Trustees | Mission, Vision | Every 5 Years Reviewed annually |
| | Strategic Priorities | Every 5 Years Reviewed annually |
| | Long-Term Goals & Performance Measures | Every 3-5 Years Reviewed annually |
| President/CEO & Executive Team | Short-Term Objectives, Core Values | Every 1-3 Years Established annually |
| Individual Contributors | Supporting Action Plans w/ Milestones | Annually |

Strategic Plan Integration

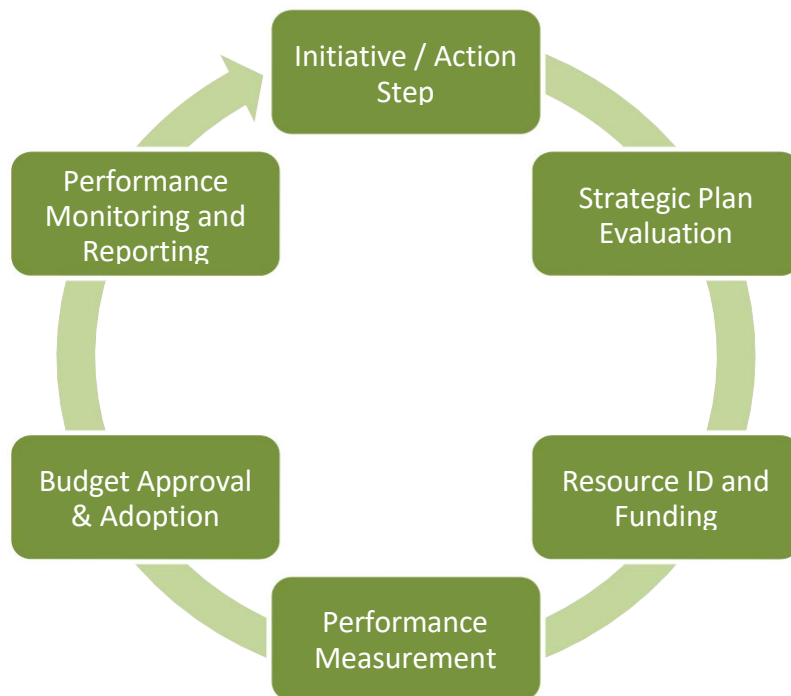
The Strategic Management Process is fully integrated as a key management system within the organization. Importantly, the Strategic Plan and the Annual Budget process are tightly aligned.

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On an annual basis, the planning and budgeting process flows as follows and specifically guides decision making for staff priorities & resource allocation:

- All budget initiatives and President/CEO Goals are tied to the Strategic Plan.
- The Strategic Plan and its integration with the Annual Budget are extensively outlined in the annual Budget Book.
- The annual funding of each Strategic Plan priority is outlined in the Annual Budget Book.
- Staff reports quarterly progress to the Board of Trustees.
- All employees have performance measures tied to the Strategic Plan incorporated into evaluations.
- Each Board Memo includes a specific tie to how the action supports the Strategic Plan.

FY 2021-22 Budget – Resource Identification



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In order to achieve the goals of the Board directed Strategic Initiatives, staff identified resources needed to implement the work plans as outlined. This included the engagement of consultants with subject matter expertise in the areas of transportation, airports, law, general aviation, airlines, and tourism.

In addition, consultants may be needed with expertise in economic analysis and planning, marketing, and strategic advocacy. In many cases, the resources identified crossed several different departments and functional operational areas within the RTAA.

The following table outlines the resources identified in the FY 2020-21 Budget, the updated FY 2020-21 Mid-Year Forecast, and the FY 2021-22 Budget specifically dedicated to the achievement of the Strategic Priorities:



Air Service and Cargo

Air Service and Cargo

Air Service Conference Sponsorship
 Air Service Data Base Information
 Air Service Development- Community Education
 Air Service Development Staff
 Air Service Studies
 Air Service Marketing/ Incentive Program - New Air Service
 Community Air Service Outreach Program- "We Move you, Ready Jet Go"
 Other Air Service Marketing
 Other Advertising and Promotion
 Air Service Promotion and Events
 Regional Air Service Corporation
 Staff Travel/ Airline Meetings and Conference Registration

 Airline Incentive -Waiver of Airline Rates and Charges

| | FY 2020-21 Adopted Budget | FY 2020-21 Mid-Year Analysis | FY 2021-22 Adopted Budget |
|--|---------------------------------|------------------------------------|---------------------------------|
| | \$ - | \$ - | \$ 50,000 |
| | 53,800 | 53,800 | 53,800 |
| | 4,500 | 4,500 | 10,000 |
| | 361,800 | 361,800 | 377,900 |
| | 50,000 | 22,000 | 250,000 |
| | 93,000 | 293,000 | 389,000 |
| | 80,000 | 80,000 | 280,000 |
| | 8,000 | 8,000 | 14,000 |
| | 14,500 | 14,500 | 28,000 |
| | 12,800 | 8,800 | 143,500 |
| | 50,000 | 50,000 | 50,000 |
| | 26,700 | 15,900 | 46,100 |
| | 400,000 | 400,000 | 400,000 |
| | \$ 1,155,100 | \$ 1,312,300 | \$ 2,092,300 |

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 3 – Strategic Initiatives



Safety and Security

Safety and Security


Operations and Public Safety Administration
 Airfield Operations
 Airport Rescue and Fire
 Airport Police
 Airport Communications
 Security

Plant Property and Equipment

Capital Project -RNO- Replacement of Hewlett Packard ProCurve Security Systems
 Network Hardware
 Capital Project -RNO- Airport Rescue and Fire Administration Room Remodel
 Capital Project -RTS- Stead Security System Upgrade
 Capital Project -RNO- Part 139 Operational Database Replacement

| | FY 2020-21 Adopted Budget | FY 2020-21 Mid-Year Analysis | FY 2021-22 Adopted Budget |
|----|---------------------------------|------------------------------------|---------------------------------|
| | 348,900 | 348,900 | 444,800 |
| \$ | 2,628,700 | \$ 2,628,700 | \$ 1,214,100 |
| | 3,695,900 | 3,695,900 | 4,462,600 |
| | 3,962,000 | 3,962,000 | 3,976,400 |
| | 0 | 0 | 1,406,200 |
| | 1,748,200 | 1,748,200 | 1,678,000 |
| | 449,900 | 449,900 | 523,300 |
| | 350,000 | 350,000 | - |
| | - | - | 15,000 |
| | - | - | 60,000 |
| | - | - | 300,000 |
| \$ | 13,183,600 | \$ 13,183,600 | \$ 14,080,400 |

Reno-Tahoe Airport Authority
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ANNUAL BUDGET
Section 3 – Strategic Initiatives



General Aviation

General Aviation

GA Hangar/Asphalt Maintenance/Repairs - RNO
 GA Marketing/Customer Service
 National Championship Air Race Sponsorship
 Reno Stead Airport (RTS) Operations and Maintenance

 Plant Property and Equipment

 Capital Project -RNO- Hangar G Pavement Reconstruction
 Capital Project -RNO- T-Hangar Electrical Upgrade
 Capital Project -RNO- T-Hangar Electrical Upgrade Phase II
 Capital Project -RNO- GA East Box Hangar Siding Repair
 Capital Project -RNO- GA East Concrete Repair
 Capital Project -RNO- GA West Box Hangar Siding Repair
 Capital Project -RNO- GA West Concrete Repair
 Capital Project -RNO- Hangar 2 Demolish Mezzanines
 Capital Project -RNO- GA West Hangar 9 Concrete Repair

| | FY 2020-21 Adopted Budget | FY 2020-21 Mid-Year Analysis | FY 2021-22 Adopted Budget |
|--|---------------------------------|------------------------------------|---------------------------------|
| | \$ 219,750 | \$ 219,750 | \$248,300 |
| | 1,000 | 1,000 | 1,000 |
| | 60,000 | - | 100,000 |
| | 1,081,600 | 1,081,600 | 1,095,700 |
| | - | - | 24,500 |
| | 18,000 | 18,000 | - |
| | 100,000 | 100,000 | - |
| | - | - | 18,900 |
| | - | - | 33,100 |
| | - | - | 54,000 |
| | - | - | 58,100 |
| | - | - | 59,200 |
| | - | - | 80,200 |
| | - | - | 397,800 |
| | \$ 1,480,350 | \$ 1,420,350 | \$ 2,170,800 |

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 3 – Strategic Initiatives

Customer Experience

Art Program
 Community Outreach
 Customs and Border Protection - Customer Service Program
 Customs and Border Protection - Additional Officer
 Marketing and Public Affairs Staff

 Capital Project -RNO- Blue Employee PARCS Equipment
 Capital Project -RNO- Front Reception Lobby Redesign

| | FY 2020-21 Adopted Budget | FY 2020-21 Mid-Year Analysis | FY 2021-22 Adopted Budget |
|--|---------------------------------|------------------------------------|---------------------------------|
| | \$ 1,000 | \$ 1,000 | \$ 5,000 |
| | 20,800 | 20,800 | 35,700 |
| | 35,500 | 35,500 | 46,000 |
| | 175,000 | 175,000 | 188,000 |
| | 1,242,100 | 1,242,100 | 1,710,600 |
| | - | - | 58,900 |
| | - | - | 140,000 |
| | \$ 1,474,400 | \$ 1,474,400 | \$ 2,184,200 |

People

Human Resources Staff
 Internship Program
 Airport Authority University (AAU) Scholarship Program
 Incentive/Service Awards
 Organizational Training /Tuition Reimbursement
 Wellness Program

| | FY 2020-21 Adopted Budget | FY 2020-21 Mid-Year Analysis | FY 2021-22 Adopted Budget |
|--|---------------------------------|------------------------------------|---------------------------------|
| | \$ 763,700 | \$ 765,700 | \$ 814,200 |
| | - | - | 40,000 |
| | 21,000 | 21,000 | 25,000 |
| | 56,500 | 54,535 | 73,800 |
| | 100,300 | 84,520 | 184,600 |
| | 1,600 | 1,600 | 800 |
| | \$ 943,100 | \$ 927,355 | \$ 1,138,400 |

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 3 – Strategic Initiatives



Financial Diversification and Growth

Financial Diversification and Growth

Airport Economic Development/ Outside Properties
 Landside Operations (Public Parking and Ground Transportation)
 Investment Advisory Services
 Unmanned Aircraft Systems (UAS) Marketing/ DAC Committee
 UAS Test Site- Operations Support

| | FY 2020-21 Adopted Budget | FY 2020-21 Mid-Year Analysis | FY 2021-22 Adopted Budget |
|-----------|---------------------------------|------------------------------------|---------------------------------|
| \$ | 1,503,700 | \$ 1,503,700 | \$ 1,878,000 |
| | 1,559,900 | 1,559,900 | 1,833,300 |
| | 59,200 | 59,200 | 58,950 |
| | 600 | - | - |
| | 2,000 | - | - |
| \$ | 3,125,400 | \$ 3,122,800 | \$ 3,770,250 |

Reno-Tahoe Airport Authority
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ANNUAL BUDGET
Section 3 – Strategic Initiatives



Facilities for the Future

Facilities for the Future

| | FY 2020-21 Adopted Budget | FY 2020-21 Mid-Year Analysis | FY 2021-22 Adopted Budget |
|--|---------------------------------|------------------------------------|---------------------------------|
| Airfield Maintenance | \$ 3,470,100 | \$ 3,470,100 | \$ 3,719,900 |
| Baggage Handling System | 1,067,300 | 1,067,300 | 1,339,700 |
| Building Maintenance | 5,938,600 | 5,938,600 | 6,186,400 |
| Engineering and Construction | 812,600 | 812,600 | 1,236,500 |
| Maintenance Administration | 735,600 | 735,600 | 458,600 |
| Planning | 441,300 | 441,300 | 799,400 |
| | | | |
| Plant, Property and Equipment | - | 721,800 | 458,300 |
| | | | |
| Airfield Pavement Management Program | - | 430,000 | 800,000 |
| Landside Pavement Management Program | - | 238,000 | 600,000 |
| | | | |
| Capital Project -RNO- Airfield Underground Storage Tank Removal | 21,500 | 21,500 | - |
| Capital Project -RNO- CONRAC Phase II | 6,650,000 | 6,650,000 | - |
| Capital Project -RNO- Fiber Optic Cabling | - | 30,800 | - |
| Capital Project -RNO- CBP Roof Replacement | - | 500,000 | - |
| Capital Project -RNO- Airfield Annex Shop Door Refurbishment | - | - | 10,000 |
| Capital Project -RNO- Clerestory Wall Repair | - | - | 70,000 |
| Capital Project -RNO- Airport Terminal Lift Station Controls Junction Boxes Relocation | - | - | 253,400 |
| Capital Project -RNO- Air Cargo Way Lift Station Replacement and Relocation | - | - | 872,000 |
| Capital Project -RNO- TSA/Blue Parking Lot Rehabilitation | - | - | 1,340,900 |
| Capital Project -RNO- RNO Ticketing Hall Expansion | - | - | 2,740,000 |
| | \$ 19,137,000 | \$ 21,057,600 | \$ 20,885,100 |

Reno-Tahoe Airport Authority
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Section 3 – Strategic Initiatives



Sustainability

Environment
 Noise Monitoring Equipment Maintenance and Upkeep

 Capital Project -RNO- Financial System Replacement
 Capital Project -RNO- North B Concourse HID Pole Lighting to LED Fixtures
 Capital Project -RNO- Main Terminal Building Control Systems Upgrade- Phase IV
 Capital Project -RNO- Firehouse Pole Lighting LED Retrofit
 Capital Project -RNO- Long Term Parking Surface Lot Backup Power
 Capital Project -RNO- South C Concourse HID Pole Lighting to LED Fixtures
 Capital Project -RNO- Main Terminal Building Control Systems Upgrade- Phase V

| | FY 2020-21 Adopted Budget | FY 2020-21 Mid-Year Analysis | FY 2021-22 Adopted Budget |
|--|---------------------------------|------------------------------------|---------------------------------|
| Environment | \$ 278,200 | \$ 278,200 | \$ 303,900 |
| Noise Monitoring Equipment Maintenance and Upkeep | 138,818 | 138,818 | 138,800 |
| Capital Project -RNO- Financial System Replacement | 310,000 | 310,000 | - |
| Capital Project -RNO- North B Concourse HID Pole Lighting to LED Fixtures | - | 75,000 | - |
| Capital Project -RNO- Main Terminal Building Control Systems Upgrade- Phase IV | - | 327,000 | - |
| Capital Project -RNO- Firehouse Pole Lighting LED Retrofit | - | - | 9,000 |
| Capital Project -RNO- Long Term Parking Surface Lot Backup Power | - | - | 60,000 |
| Capital Project -RNO- South C Concourse HID Pole Lighting to LED Fixtures | - | - | 75,000 |
| Capital Project -RNO- Main Terminal Building Control Systems Upgrade- Phase V | - | - | 250,000 |
| | \$ 727,018 | \$ 1,129,018 | \$ 836,700 |
| TOTAL STRATEGIC PRIORITIES FUNDING | \$ 41,225,968 | \$ 43,627,423 | \$ 47,158,150 |

\$ 5,932,182

14.4%

The adopted FY 2021-22 Budget reflects the on-going commitment of RTAA resources of \$47.158 million to the accomplishment of the strategic priorities outlined above and as presented in Section 7 – Expenditures. This is a \$5.932 million, or 14.4% increase from the FY 2020-21 budget. As we continue to recover from the devastating effects of the COVID-19 pandemic RTAA is allocating increased resources in the 2021-22 fiscal year to fund strategic priorities. Although airline traffic at RNO is showing strong signs of recovery with some months now exceeding FY 2018-19 activity levels, the global airline industry continues to be volatile, especially markets with a strong international presence.

Section 4 – Organization Guide

**Reno-Tahoe Airport Authority
 FY 2021-22
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 Section 4 – Organization Guide**

The Reno-Tahoe Airport Authority (RTAA) is a quasi-municipal corporation that was created by the Nevada State Legislature in 1977 and began operation on July 1, 1978. The nine-member Board that governs the RTAA is appointed by the City of Reno, City of Sparks, Washoe County and the Reno Sparks Convention and Visitors Authority.

Listed below are the Board of Trustees and their appointing entities:



| <u>Board of Trustees</u> | <u>Position</u> | <u>Term Expires</u> | <u>Represents</u> |
|---------------------------------|------------------------|----------------------------|---|
| Shaun Carey | Chair | June 2023 | City of Sparks |
| Adam Kramer | Vice-Chair | June 2025 | Washoe County |
| Jenifer Rose | Treasurer | June 2023 | City of Reno |
| Richard Jay | Secretary | June 2025 | City of Reno |
| Jessica Sferrazza | Trustee | June 2023 | City of Reno |
| Jennifer Cunningham | Trustee | June 2025 | City of Reno |
| Art Sperber | Trustee | June 2025 | City of Sparks |
| Carol Chaplin | Trustee | June 2025 | Reno-Sparks Convention & Visitors Authority |
| Lisa Gianoli | Trustee | June 2023 | Washoe County |

More information on the Board of Trustees can be viewed on the RTAA website at www.renoairport.com or by clicking [RTAA Board of Trustees](#).

FY 2021-22 PERSONNEL COMPLEMENT

RTAA’s total approved personnel complement for FY 2021-22 reflects 275.5 full time equivalent (FTE) positions, a net decrease of five (5) from the prior budget year. With the change of leadership in FY 2020-21 RTAA has undergone a reorganization at the direction of President/CEO Griffin, resulting in a consolidation of some exiting divisions, and the elimination of Chief Operating Officer (COO) department. In addition, the Airside Operations department was separated into two: Airside Operations, and Airport Communications.

Reno-Tahoe Airport Authority
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The new organization has six divisions led by chief officers reporting directly to the President/CEO (see organization chart):

- Chief Operations and Safety Officer
- Chief Infrastructure and Planning Officer
- Chief Finance and Administration Officer
- Chief Commercial Officer
- Chief Marketing and Public Affairs Officer
- Chief People, Culture and Equity Officer

The Operations and Public Safety division led by the Chief Operations and Safety Officer incorporates the following departments: Operations and Public Safety Administration, Airport Rescue and Fire, Landside Operations, Airside Operations, Airport Communications, Airport Police, Airport Security, and Reno-Stead Airport.

The Infrastructure and Planning division led by the Chief Infrastructure and Planning Officer incorporates the following departments: Infrastructure and Planning Administration, Facilities and Maintenance Administration, Building Maintenance, Airfield Maintenance, Engineering and Construction, and Planning and Environmental.

The Finance and Administration division led by the Chief Finance and Administration Officer incorporates the following departments: Technology and Information Systems, Finance and Budget, Accounting, Purchasing and Material Management, and Internal Audit.

The Commercial Business division led by the Chief Commercial Officer incorporates the following departments: Air Service Development, Airport Economic Development, and Outside Properties.

The Marketing and Public Affairs division led by the Chief Marketing and Public Affairs Officer includes the Marketing and Public Affairs department.

The People, Culture and Equity Division led by the Chief People, Culture, and Equity Officer includes the People, Culture and Equity department.

In addition to the changes listed above, the reorganization resulted in a net decrease of five (5) authorized positions from the FY 2020-21 approved budget. The following positions were eliminated from the personnel complement in FY 2021-22: (1) Executive Vice-President/COO, (1) Parking Lot Attendant, (1) Senior Facilities Custodian, and (2) Airport Facilities Custodians. Several existing positions were moved and reclassified based on the needs of the organization. Those changes are discussed in the section below.

**Reno-Tahoe Airport Authority
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Section 4 – Organization Guide**

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

ADDITIONS OR CHANGES

The following section describes position changes made to reflect the duties and responsibilities of the position more accurately, and staff additions.

PRESIDENT/CEO

President /CEO

Executive Assistant position has been reclassified to Executive Assistant/Board Assistant.

MARKETING AND PUBLIC AFFAIRS

Marketing and Public Affairs

Vice President of Marketing and Public Affairs position has been reclassified to Chief Marketing and Public Affairs Officer.

Manager of Marketing position has been reclassified to Director of Corporate Communications.

COMMERCIAL BUSINESS

Air Service Development

Vice President of Air Service Development position has been repurposed to the Fire department and repurposed as Battalion Chief.

Airport Economic Development

Vice President of Airport Economic Development position has been reclassified to Chief Commercial Officer.

**Reno-Tahoe Airport Authority
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Section 4 – Organization Guide**

PEOPLE, CULTURE AND EQUITY

People, Culture and Equity

Vice President of Human Resources position has been reclassified to Chief People, Culture and Equity Officer.

Senior Benefits Specialist position has been reclassified to Manager of Labor Relations and Benefits.

Organizational Development Specialist position has been reclassified to People Business Partner.

Senior Human Resource Specialist position has been reclassified to People Business Partner.

Administrative Assistant III position has been reclassified to People Coordinator.

FINANCE AND ADMINISTRATION

Technology and Information Systems

The department is growing by one position, the Network Administrator I.

Accounting

Chief Financial Officer position has been reclassified to Chief Finance and Administration Officer.

The department is growing by one position, the Accounting Technician Accounts Receivable.

OPERATIONS AND PUBLIC SAFETY

Operations and Public Safety Administration

Vice President of Operations and Public Safety position has been reclassified to Chief Operations and Public Safety Officer.

Reno-Tahoe Airport Authority
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Section 4 – Organization Guide

Airside Operations

Manager of Airport Communications position has been transferred to Airport Communications.

Airport Communication Supervisor position has been transferred to Airport Communications.

Eleven (11) Airport Communication Specialist positions have been transferred to Airport Communications.

Airport Rescue and Fire

Deputy Chief of Airport Firefighters position has been reclassified to Battalion Chief.

The department is growing by two (2) Battalion Chief positions. These were existing positions transferred from the Air Service and Facilities and Maintenance Administration departments then repurposed to Battalion Chiefs.

Airport Police

Administrative Assistant II position has been reclassified to Police Compliance Specialist.

Airport Communications

Manager of Airport Communications position has been transferred from Airside Operations.

Airport Communication Supervisor position has been transferred from Airside Operations.

Eleven (11) Airport Communication Specialist positions have been transferred from Airside Operations.

Airport Security

One half (0.5) Airport Security Specialist position has been reclassified to Security Compliance Specialist (0.5).

**Reno-Tahoe Airport Authority
FY 2021-22
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Section 4 – Organization Guide**

INFRASTRUCTURE AND PLANNING

Infrastructure and Planning Administration

Vice President of Planning and Engineering position has been reclassified to Chief Infrastructure and Planning Officer.

Engineering

The department is growing by one position, the Senior Facilities Project Manager II transferred from Facilities and Maintenance Administration.

Facilities and Maintenance Administration

Vice President of Facilities and Maintenance position has been reclassified to Director of Facilities and Maintenance.

Senior Facilities Project Manager II position has been transferred to Engineering.

Construction Manager position has been transferred to the Accounting department and repurposed as Accounting Technician Accounts Receivable.

Facilities Project Coordinator position has been transferred to the Airport Rescue and Fire department and repurposed to Battalion Chief.

Airfield Maintenance

One (1) Airfield Technician (I, II, III) position has been reclassified to Airfield Automotive Technician III.

Building Maintenance

One (1) Facilities Maintenance Technician V position has been reclassified to Facilities Maintenance Technician IV.

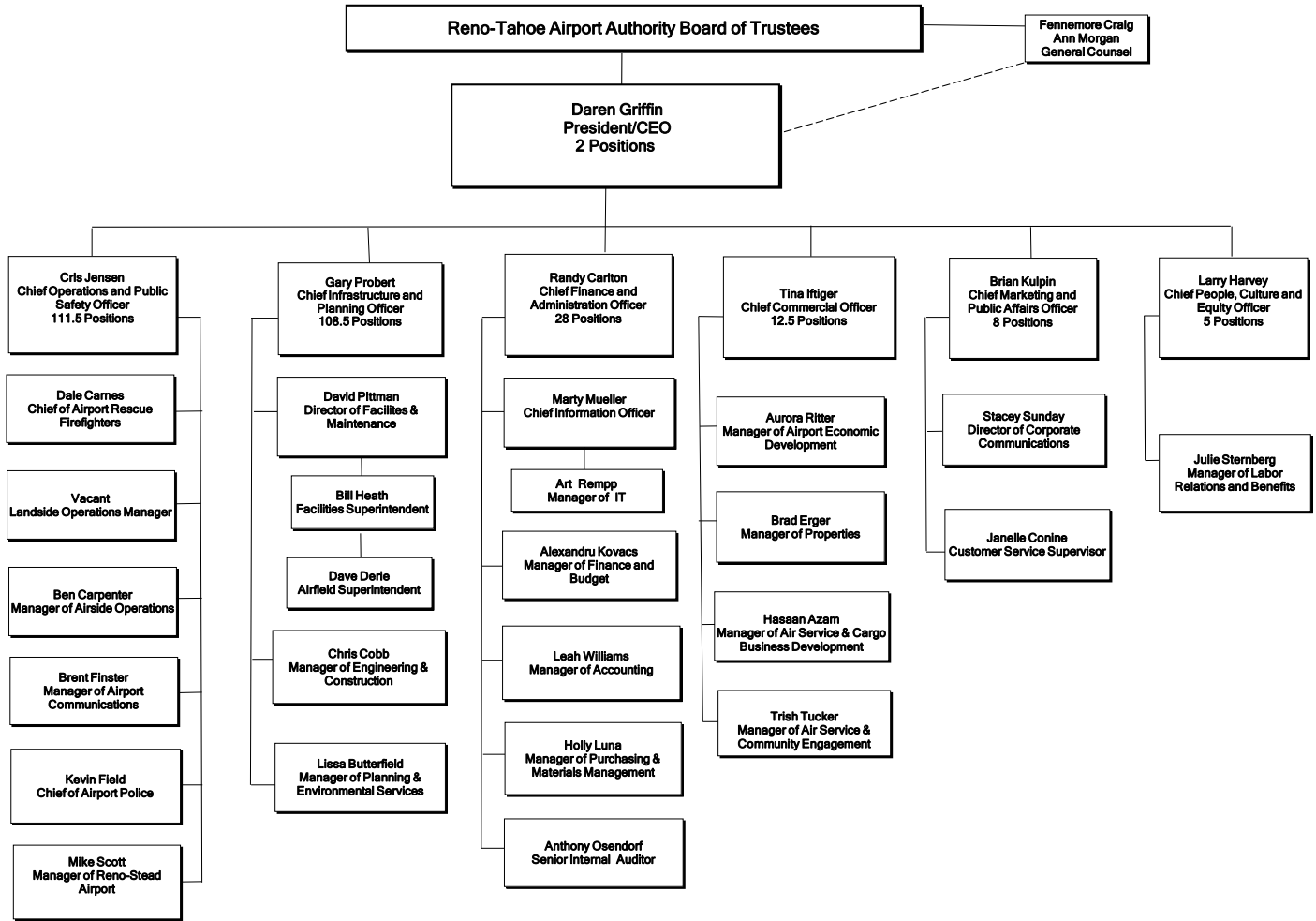
VACANT POSITIONS

Ten (10) vacant positions shown in the personnel complement have been frozen and are not funded in the FY 2021-22 Budget. This is a decrease of four (4) frozen positions from the FY 2020-21 Budget.

Reno-Tahoe Airport Authority
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Section 4 – Organization Guide

The President/CEO may unfreeze various positions throughout the fiscal year depending on workload factors and/or the need to optimize the skill mix of the RTAA as other positions become vacant or other budget savings present themselves.

FY 2021-22



* The number of positions represented in the Organization Chart includes 10 Vacant Positions that are frozen and not funded in FY 2021-22.

**Reno-Tahoe Airport Authority
 FY 2021-22
 ANNUAL BUDGET**

| | <u>Budgeted and/or Authorized FY 2019-20</u> | <u>Budgeted and/or Authorized FY 2020-21</u> | <u>Budgeted and/or Authorized FY 2021-22</u> | <u>Frozen / Unfunded Positions</u> |
|---|--|--|--|--|
| Board of Trustees * | <u>9.0</u> | <u>9.0</u> | <u>9.0</u> | <u>0.0</u> |
| President/CEO Division | <u>4.0</u> | <u>4.0</u> | <u>2.0</u> | <u>0.0</u> |
| Marketing and Public Affairs Division | <u>8.0</u> | <u>8.0</u> | <u>8.0</u> | <u>0.0</u> |
| Commercial Business Division | <u>13.5</u> | <u>13.5</u> | <u>12.5</u> | <u>0.5</u> |
| People, Culture & Equity Division | <u>5.0</u> | <u>5.0</u> | <u>5.0</u> | <u>0.0</u> |
| Finance & Administration Division | <u>27.0</u> | <u>26.0</u> | <u>28.0</u> | <u>0.0</u> |
| Operations & Public Safety Division | <u>109.5</u> | <u>110.5</u> | <u>111.5</u> | <u>3.5</u> |
| Infrastructure & Planning Division | <u>113.5</u> | <u>113.5</u> | <u>108.5</u> | <u>6</u> |
| TOTAL AIRPORT (Does not include the appointed Board of Trustees) | <u><u>280.5</u></u> | <u><u>280.5</u></u> | <u><u>275.5</u></u> | <u><u>10</u></u> |

* Appointed positions
 Frozen / Unfunded positions included in position count

Reno-Tahoe Airport Authority
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ANNUAL BUDGET

| | Budgeted and/or Authorized FY 2019-20 | Budgeted and/or Authorized FY 2020-21 | Budgeted and/or Authorized FY 2021-22 | Frozen / Unfunded Positions |
|---|--|--|--|-----------------------------------|
| Board of Trustees Division | | | | |
| Board of Trustees * | 9.0 | 9.0 | 9.0 | 0.0 |
| Total Board of Trustees Division * | 9.0 | 9.0 | 9.0 | 0.0 |
| President/CEO Division | | | | |
| President/CEO Section | | | | |
| President/CEO | 1.0 | 1.0 | 1.0 | 0.0 |
| Executive Assistant/Board Assistant | 1.0 | 1.0 | 1.0 | 0.0 |
| Total President/CEO | 2.0 | 2.0 | 2.0 | 0.0 |
| Executive Vice President/COO Section | | | | |
| Executive Vice-President/COO | 1.0 | 1.0 | 0.0 | 0.0 |
| Executive/ Clerk of the Board | 1.0 | 1.0 | 0.0 | 0.0 |
| Total Executive Vice President/COO | 2.0 | 2.0 | 0.0 | 0.0 |
| Total President/CEO Division | 4.0 | 4.0 | 2.0 | 0.0 |
| Marketing & Public Affairs Division | | | | |
| Chief Marketing and Public Affairs Officer | 0.0 | 0.0 | 1.0 | 0.0 |
| Vice-President of Marketing and Public Affairs | 1.0 | 1.0 | 0.0 | 0.0 |
| Director of Corporate Communications | 0.0 | 0.0 | 1.0 | 0.0 |
| Manager of Marketing | 1.0 | 1.0 | 0.0 | 0.0 |
| Marketing Coordinator | 1.0 | 1.0 | 1.0 | 0.0 |
| Public Relations Coordinator | 1.0 | 1.0 | 1.0 | 0.0 |
| Customer Service Supervisor | 1.0 | 1.0 | 1.0 | 0.0 |
| Graphic Designer | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Assistant III | 1.0 | 1.0 | 1.0 | 0.0 |
| Receptionist | 1.0 | 1.0 | 1.0 | 0.0 |
| Total Marketing and Public Affairs Section | 8.0 | 8.0 | 8.0 | 0.0 |
| Total Marketing & Public Affairs Division | 8.0 | 8.0 | 8.0 | 0.0 |
| Commercial Business Division | | | | |
| Air Service Business Development Section | | | | |
| Vice-President of Air Service Development | 1.0 | 1.0 | 0.0 | 0.0 |
| Manager of Air Service & Cargo Business Development | 1.0 | 1.0 | 1.0 | 0.0 |
| Manager of Air Service Development & Community Engagement | 1.0 | 1.0 | 1.0 | 0.0 |
| Total Air Service Business Development Section | 3.0 | 3.0 | 2.0 | 0.0 |
| Airport Economic Development Section | | | | |
| Chief Commercial Officer | 0.0 | 0.0 | 1.0 | 0.0 |
| Vice-President of Airport Economic Development | 1.0 | 1.0 | 0.0 | 0.0 |
| Senior Manager of Properties | 1.0 | 0.0 | 0.0 | 0.0 |
| Manager of Economic Development | 1.0 | 1.0 | 1.0 | 0.0 |
| Manager of Properties | 0.0 | 1.0 | 1.0 | 0.0 |
| Commercial Property Manager | 1.0 | 0.0 | 0.0 | 0.0 |
| Property Specialist II | 2.0 | 3.0 | 3.0 | 0.0 |
| Property Specialist I | 1.0 | 1.0 | 1.0 | 0.0 |
| Contract Specialist I | 1.0 | 0.0 | 0.0 | 0.0 |
| Contract Specialist II | 0.0 | 1.0 | 1.0 | 0.0 |
| Property Technician | 2.5 | 2.5 | 2.5 | 0.5 |
| Total Economic Development Section | 10.5 | 10.5 | 10.5 | 0.5 |
| Total Commercial Business Division | 13.5 | 13.5 | 12.5 | 0.5 |
| People, Culture & Equity Division | | | | |
| Chief People, Culture & Equity Officer | 0.0 | 0.0 | 1.0 | 0.0 |
| Vice-President of Human Resources | 1.0 | 1.0 | 0.0 | 0.0 |

Reno-Tahoe Airport Authority
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| | Budgeted and/or Authorized FY 2019-20 | Budgeted and/or Authorized FY 2020-21 | Budgeted and/or Authorized FY 2021-22 | Frozen / Unfunded Positions |
|--|--|--|--|-----------------------------------|
| Manager of Labor Relations & Benefits | 0.0 | 0.0 | 1.0 | 0.0 |
| Senior Benefits Specialist | 1.0 | 1.0 | 0.0 | 0.0 |
| Human Resources Specialist | 1.0 | 0.0 | 0.0 | 0.0 |
| Senior Human Resource Specialist | 0.0 | 1.0 | 0.0 | 0.0 |
| Training Specialist | 1.0 | 0.0 | 0.0 | 0.0 |
| Organizational Development Specialist | 0.0 | 1.0 | 0.0 | 0.0 |
| People Business Partner | 0.0 | 0.0 | 2.0 | 0.0 |
| People Coordinator | 0.0 | 0.0 | 1.0 | 0.0 |
| Administrative Assistant III | 1.0 | 1.0 | 0.0 | 0.0 |
| Total People, Culture, & Equity Section | 5.0 | 5.0 | 5.0 | 0.0 |
| Total People, Culture & Equity Division | 5.0 | 5.0 | 5.0 | 0.0 |
| Finance & Administration Division | | | | |
| Internal Audit Section | | | | |
| Senior Internal Auditor | 1.0 | 1.0 | 1.0 | 0.0 |
| Internal Auditor | 1.0 | 1.0 | 1.0 | 0.0 |
| Total Internal Audit Section | 2.0 | 2.0 | 2.0 | 0.0 |
| Technology and Information Systems Section | | | | |
| Chief Information Officer | 1.0 | 1.0 | 1.0 | 0.0 |
| Manager of Information Technology | 1.0 | 1.0 | 1.0 | 0.0 |
| Project Manager | 2.0 | 2.0 | 2.0 | 0.0 |
| Security Systems Technician | 1.0 | 1.0 | 1.0 | 0.0 |
| Security Systems Administrator | 1.0 | 1.0 | 1.0 | 0.0 |
| Network Administrator II | 2.0 | 2.0 | 2.0 | 0.0 |
| Database Administrator | 1.0 | 1.0 | 1.0 | 0.0 |
| Systems Analyst | 1.0 | 0.0 | 0.0 | 0.0 |
| Network Administrator I | 0.0 | 0.0 | 1.0 | 0.0 |
| Total Technology and Information Systems Section | 10.0 | 9.0 | 10.0 | 0.0 |
| Accounting Section | | | | |
| Chief Finance & Administration Officer | 0.0 | 0.0 | 1.0 | 0.0 |
| Chief Financial Officer | 1.0 | 1.0 | 0.0 | 0.0 |
| Manager of Accounting | 1.0 | 1.0 | 1.0 | 0.0 |
| Accountant | 1.0 | 1.0 | 1.0 | 0.0 |
| Payroll Administrator | 1.0 | 1.0 | 1.0 | 0.0 |
| Accounting Technician - AP | 1.0 | 1.0 | 1.0 | 0.0 |
| Accounting Technician - AR | 1.0 | 1.0 | 2.0 | 0.0 |
| Administrative Assistant III | 1.0 | 1.0 | 1.0 | 0.0 |
| Total Accounting Section | 7.0 | 7.0 | 8.0 | 0.0 |
| Finance and Budgeting Section | | | | |
| Manager of Finance and Budgeting | 1.0 | 1.0 | 1.0 | 0.0 |
| Financial Analyst | 1.0 | 1.0 | 1.0 | 0.0 |
| Total Finance and Budgeting Section | 2.0 | 2.0 | 2.0 | 0.0 |
| Purchasing & Materials Management Section | | | | |
| Manager of Purchasing & Materials Management | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Buyer | 1.0 | 1.0 | 1.0 | 0.0 |
| Buyer | 1.0 | 1.0 | 1.0 | 0.0 |
| Materials Management Supervisor | 1.0 | 1.0 | 1.0 | 0.0 |
| Materials Control Technician | 1.0 | 1.0 | 1.0 | 0.0 |
| Warehouse Assistant/Driver | 1.0 | 1.0 | 1.0 | 0.0 |
| Total Purchasing & Materials Management Section | 6.0 | 6.0 | 6.0 | 0.0 |
| Total Finance & Administration Officer Division | 27.0 | 26.0 | 28.0 | 0.0 |

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| | Budgeted and/or Authorized FY 2019-20 | Budgeted and/or Authorized FY 2020-21 | Budgeted and/or Authorized FY 2021-22 | Frozen / Unfunded Positions |
|--|--|--|--|-----------------------------------|
| Operations & Public Safety Division | | | | |
| Operations and Public Safety Administration Section | | | | |
| Chief Operations & Public Safety Officer | 0.0 | 0.0 | 1.0 | 0.0 |
| Vice-President of Operations and Public Safety | 1.0 | 1.0 | 0.0 | 0.0 |
| Operations Specialist | 1.0 | 1.0 | 1.0 | 0.0 |
| Total Operations and Public Safety Administration | 2.0 | 2.0 | 2.0 | 0.0 |
| Airside Operations Section | | | | |
| Manager of Airside Operations/Communications | 1.0 | 0.0 | 0.0 | 0.0 |
| Manager of Airside Operations | 0.0 | 1.0 | 1.0 | 1.0 |
| Airport Duty Manager | 7.0 | 7.0 | 7.0 | 0.0 |
| Total Airside Operations Section | 8.0 | 8.0 | 8.0 | 1.0 |
| Landside Operations Section | | | | |
| Manager of Landside Operations | 1.0 | 1.0 | 1.0 | 0.0 |
| Landside Supervisor | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Assistant I/II | 1.0 | 1.0 | 1.0 | 0.0 |
| Parking Lot Attendant | 9.0 | 9.0 | 8.0 | 0.0 |
| Parking Shift Leader | 4.0 | 4.0 | 4.0 | 0.0 |
| Total Landside Operations Section | 16.0 | 16.0 | 15.0 | 0.0 |
| Airport Rescue and Fire Section | | | | |
| Chief of Airport Rescue Firefighters | 1.0 | 1.0 | 1.0 | 0.0 |
| Deputy Chief of Airport Firefighters | 1.0 | 1.0 | 0.0 | 0.0 |
| Battalion Chief | 0.0 | 0.0 | 3.0 | 0.0 |
| Fire Captain | 3.0 | 3.0 | 3.0 | 0.0 |
| Driver/Operator | 9.0 | 9.0 | 9.0 | 0.0 |
| Fire Fighter | 6.0 | 6.0 | 6.0 | 0.0 |
| Total Airport Rescue and Fire Section | 20.0 | 20.0 | 22.0 | 0.0 |
| Airport Police Section | | | | |
| Chief of Airport Police | 1.0 | 1.0 | 1.0 | 0.0 |
| Police Captain | 1.0 | 1.0 | 1.0 | 0.0 |
| Police Sergeant | 4.0 | 4.0 | 4.0 | 0.0 |
| Police Officer | 18.0 | 18.0 | 18.0 | 1.0 |
| Police Compliance Specialist | 0.0 | 0.0 | 1.0 | 0.0 |
| Administrative Assistant II | 1.0 | 1.0 | 0.0 | 0.0 |
| Total Airport Police Section | 25.0 | 25.0 | 25.0 | 1.0 |
| Airport Communications Section | | | | |
| Manager of Airport Communications | 0.0 | 1.0 | 1.0 | 0.0 |
| Airport Communications Supervisor | 1.0 | 1.0 | 1.0 | 0.0 |
| Airport Communications Specialist | 11.0 | 11.0 | 11.0 | 0.0 |
| Total Airport Communications Section | 12.0 | 13.0 | 13.0 | 0.0 |
| Airport Security Section | | | | |
| Manager of Airport Security | 1.0 | 1.0 | 1.0 | 0.0 |
| Security Supervisor | 1.0 | 1.0 | 1.0 | 0.0 |
| Lead Security Specialist | 4.0 | 4.0 | 4.0 | 0.0 |
| Airport Security Specialist | 12.0 | 12.0 | 11.5 | 1.5 |
| Security Compliance Specialist II | 1.0 | 1.0 | 1.0 | 0.0 |
| Security Compliance Specialist | 0.5 | 0.5 | 1.0 | 0.0 |
| Total Airport Security Section | 19.5 | 19.5 | 19.5 | 1.5 |
| Reno-Stead Airport Section | | | | |
| Manager of Reno-Stead Airport | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Assistant III | 1.0 | 1.0 | 1.0 | 0.0 |
| Stead Technician I/II/III | 3.0 | 3.0 | 3.0 | 0.0 |
| Stead Technician IV | 1.0 | 1.0 | 1.0 | 0.0 |
| Stead Technician V | 1.0 | 1.0 | 1.0 | 0.0 |

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| | Budgeted and/or Authorized FY 2019-20 | Budgeted and/or Authorized FY 2020-21 | Budgeted and/or Authorized FY 2021-22 | Frozen / Unfunded Positions |
|--|--|--|--|-----------------------------------|
| Total Reno Stead Airport Section | 7.0 | 7.0 | 7.0 | 0.0 |
| Total Operations & Public Safety Division | 109.5 | 110.5 | 111.5 | 3.5 |
| Infrastructure & Planning Division | | | | |
| Infrastructure & Planning Section | | | | |
| Chief Infrastructure & Planning Officer | 0.0 | 0.0 | 1.0 | 0.0 |
| Vice-President of Planning, and Engineering | 1.0 | 1.0 | 0.0 | 0.0 |
| Administrative Assistant III | 1.0 | 1.0 | 1.0 | 0.0 |
| Total Infrastructure & Planning Section | 2.0 | 2.0 | 2.0 | 0.0 |
| Planning and Environmental Services Section | | | | |
| Manager of Planning/Environmental Service | 1.0 | 1.0 | 1.0 | 0.0 |
| Environmental Program Manager | 1.0 | 1.0 | 1.0 | 0.0 |
| Airport Planner II | 1.0 | 1.0 | 1.0 | 0.0 |
| Airport Planner I | 1.0 | 1.0 | 1.0 | 0.0 |
| Airport Noise Analyst | 1.0 | 1.0 | 1.0 | 0.0 |
| Total Planning and Environmental Services Section | 5.0 | 5.0 | 5.0 | 0.0 |
| Engineering and Construction Section | | | | |
| Manager of Engineering & Construction | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Project Manager | 2.0 | 2.0 | 2.0 | 0.0 |
| Capital Improvements & Grant Coordinator | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Facilities Project Manager | 0.0 | 0.0 | 1.0 | 0.0 |
| Airport Project Manager II | 2.0 | 2.0 | 2.0 | 0.0 |
| Total Engineering and Construction | 6.0 | 6.0 | 7.0 | 0.0 |
| Facilities and Maintenance Administration Section | | | | |
| Vice-President of Facilities and Maintenance | 1.0 | 1.0 | 0.0 | 0.0 |
| Director of Facilities and Maintenance | 0.0 | 0.0 | 1.0 | 0.0 |
| Senior Facilities Project Manager | 1.0 | 1.0 | 0.0 | 0.0 |
| Facilities Project Manager | 1.0 | 1.0 | 1.0 | 0.0 |
| Construction Manager | 1.0 | 1.0 | 0.0 | 0.0 |
| Facilities Projects Coordinator | 1.0 | 1.0 | 0.0 | 0.0 |
| Total Facilities and Maintenance Administration Section | 5.0 | 5.0 | 2.0 | 0.0 |
| Airfield Maintenance Section | | | | |
| Airfield Maintenance Superintendent | 1.0 | 1.0 | 1.0 | 0.0 |
| Airfield Maintenance Supervisor | 2.0 | 2.0 | 2.0 | 0.0 |
| Airfield Technician V | 3.0 | 3.0 | 3.0 | 0.0 |
| Airfield Equipment Mechanic IV | 3.0 | 3.0 | 3.0 | 0.0 |
| Airfield Landscape Technician IV | 1.0 | 1.0 | 1.0 | 0.0 |
| Airfield Landscape Technician III | 1.0 | 1.0 | 1.0 | 0.0 |
| Airfield Electrician Technician IV | 2.0 | 2.0 | 2.0 | 0.0 |
| Airfield Technician I, II, III | 11.0 | 11.0 | 10.0 | 0.0 |
| Airfield Technician IV | 2.0 | 2.0 | 2.0 | 0.0 |
| Airfield Automotive Technician III | 1.0 | 1.0 | 2.0 | 0.0 |
| Administrative Assistant II | 1.0 | 1.0 | 1.0 | 0.0 |
| Total Airfield Maintenance Section | 28.0 | 28.0 | 28.0 | 0.0 |
| Building Maintenance and Services Section | | | | |
| Facilities Superintendent | 1.0 | 1.0 | 1.0 | 0.0 |
| Assistant Facilities Superintendent | 1.0 | 1.0 | 1.0 | 0.0 |
| Facilities Supervisor | 5.0 | 5.0 | 5.0 | 0.0 |
| Facilities Maintenance Technician I, II, III | 7.0 | 6.0 | 6.0 | 0.0 |
| Facilities Jet Bridge Technician IV | 1.0 | 1.0 | 1.0 | 0.0 |
| Facilities Maintenance Technician IV | 1.0 | 1.0 | 2.0 | 0.0 |
| Facilities Plumber Technician IV | 1.0 | 1.0 | 1.0 | 0.0 |
| Facilities Maintenance Technician V | 3.0 | 3.0 | 2.0 | 0.0 |
| Facilities HVAC Plant Operator V | 1.0 | 1.0 | 1.0 | 0.0 |

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| | Budgeted and/or Authorized FY 2019-20 | Budgeted and/or Authorized FY 2020-21 | Budgeted and/or Authorized FY 2021-22 | Frozen / Unfunded Positions |
|---|--|--|--|-----------------------------------|
| Facilities HVAC Technician IV | 4.0 | 4.0 | 4.0 | 1.0 |
| Facilities Electrician Technician IV | 2.0 | 3.0 | 3.0 | 0.0 |
| Administrative Assistant | 0.5 | 0.5 | 0.5 | 0.0 |
| Maintenance Scheduler/Planner | 1.0 | 1.0 | 1.0 | 1.0 |
| Senior Airport Facilities Custodian | 2.0 | 3.0 | 2.0 | 0.0 |
| Airport Facilities Custodian | 37.0 | 36.0 | 34.0 | 4.0 |
| Total Building Maintenance and Services Section | 67.5 | 67.5 | 64.5 | 6 |
| Total Infrastructure & Planning Division | 113.5 | 113.5 | 108.5 | 6.0 |
| TOTAL AIRPORT (Does not include the appointed Board of Trustees) | 280.5 | 280.5 | 275.5 | 10 |

* Appointed positions
Frozen / Unfunded positions included in position count

Section 5 – Financial and Budgetary Policies

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As a quasi-municipal corporation, the Reno-Tahoe Airport Authority (RTAA) was created by the Nevada Legislature in 1977 to acquire, operate, and finance the Reno-Tahoe International Airport (RNO) and the Reno-Stead Airport (RTS) and related facilities. RTAA operates financially as a proprietary enterprise fund, which means its method of accounting is similar to private business.

Basis of Accounting/Budgeting

Under Generally Accepted Accounting Principles (GAAP), RTAA’s annual audited financial statement is prepared on the accrual basis of accounting. 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.

All transactions are accounted for in a single enterprise fund. Enterprise funds are used to account for activities (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Revenues from landing fees, rents, parking revenue and other miscellaneous sources are reported as operating revenues. Transactions, which are capital, financing or investing related, are reported as non-operating revenues. Revenues from Passenger Facility Charges (PFCs), Customer Facility Charges (CFCs), Coronavirus Aid, Relief, and Economic Security Act (CARES), Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), and American Rescue Plan Act (ARPA) funds are reported as non-operating revenues. Expenses from employee wages and benefits, purchases of services, materials and supplies, and other miscellaneous expenses are reported as operating expenses. Interest expense and financing costs are reported as non-operating expenses.

Legal Requirements

The enabling legislation which created RTAA requires that the budget process complies with the Local Government Budget and Finance Act enacted by the Nevada State Legislature. The purpose of this Act is to establish standard methods and procedures for the preparation, presentation, adoption, and administration of budgets of all local governments.

Additionally, RTAA complies with the Local Government Purchasing Act also enacted by the Nevada State Legislature. This Act controls all government purchasing in Nevada and requires that purchases exceeding \$50,000 must be formally bid with notices published in local

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newspapers. The Act also defines certain exceptions to the required bidding process such as professional services, computer equipment, and insurance.

RTAA is also subject to the Local Government Securities Law, which defines the process required by local Nevada governments when issuing short- and long-term debt. In addition to these state laws, other factors affecting RTAA's budget process are the Airline Agreement and the Revenue Bond Resolutions.

Airline Agreement

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

- Establishes the business arrangement/rate-setting methodology with the airlines;
- Identifies the premises and facilities leased by the airlines and defines the degree of control by the lessee (e.g., exclusively leased, preferentially leased, leased in common, etc.);
- Defines the level of control over the expenses at the airport, if any (typically, capital improvement projects are those where the airlines may have some control through a majority-in-interest (MII) or similar type provision);
- Identifies general party responsibilities and obligations regarding indemnification, insurance, environmental issues, and other governmental inclusion; and
- Establishes six cost centers: Airfield, Terminal Building, Baggage Handling System (BHS), Parking and Ground Transportation, Other, and Reno-Stead Airport.

In addition to the above, an agreement symbolizes that the airport operator and airlines have worked together to arrive at a common business relationship.

The two-primary rate-setting approaches used in airport-airline business arrangements are the residual and compensatory approaches. A pure residual methodology is where the airlines bear the overall financial risk for the airport operation, and, in turn, receive significant control over financial decisions. In addition, the airlines receive non-aeronautical revenue as a credit or reduction in rates and charges paid to an airport.

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

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

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

RTAA is currently operating under a three (3) year airline agreement as an extension of the five (5) year airline agreement and business arrangement that went into effect July 1, 2015. The current agreement ends on June 30, 2023.

The current agreement is a hybrid with net airfield costs and associated landing fees established on a cost center residual methodology in which the signatory airlines bear 100% of the financial risk for the airfield. The expenditures, which are primarily comprised of operating expenses, debt service and recovery of capital projects/ equipment with unit costs of less than \$300,000, in the Airfield cost center are divided by estimated aircraft landed weight resulting in a landing fee rate.

In contrast, the terminal building rental rates reflect a commercial compensatory rate setting formula that places the financial risk of funding terminal building costs with RTAA. The expenditures, which are primarily comprised of operating expenses, debt service and recovery of capital project/equipment expenditures with unit costs of less than \$300,000, in the Terminal Building cost center are divided by a “rentable” space divisor (total terminal space available that is revenue producing and available for lease).

The result of this approach is that the airlines are only responsible for terminal building costs allocated to airline leased premises and any costs allocated to vacant, concession, or other rentable space is the financial responsibility of RTAA.

In addition, the current hybrid agreement provides that RTAA’s net available revenues after debt service are split equally (50%-50%) between the signatory airlines and RTAA through a revenue sharing formula. Revenue sharing is derived by taking the sum of RTAA’s total revenues less total expenses posted to all cost centers less debt service and other identified requirements. A credit estimate offsets airline terminal building rents collected during the year with a final airline rates and charges reconciliation and settlement based on audited year-end results.

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

An annual meeting is held with the signatory airlines to review the budget and further explain the capital projects. The airlines have 30 days after this budget review meeting to deny a capital project. A Majority-In-Interest (MII) of the airlines must vote to deny a project as provided in the airline agreement.

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

The MII for a Terminal Building project is 60% of the signatory airlines that paid at least 50% of the total terminal rents during the immediately preceding fiscal year or 50% of the signatory airlines that paid at least 60% of the total terminal rents for the same period. This type of formula is common in the airport industry to foster a democratic process for the large and small airlines that may have different capital project goals at the airports they serve.

It is difficult to compare landing fees and rental rates at airports because of the variations in rate setting mechanisms contained in airline agreements. One financial indicator used to compare airports is airline cost per enplaned passenger. This is the sum of the airline's costs to operate at RNO (landing fees and terminal rents) divided by the number of airline enplaning passengers.

RTAA's budgeted signatory cost per enplanement (CPE) for fiscal year 2020-21 was \$12.76 and it is currently forecasted at \$12.01. This ratio compares to the 2019 average median for all U.S. Airports of \$8.34 as reported by Moody's Investors Service. With the fast recovery of passenger traffic forecasted for FY 2021-22, signatory CPE is budgeted to be \$9.57.

RTAA seeks to maintain a diversified revenue stream with the goal of keeping airline rates, fees, rentals, and charges as reasonable as possible. Airline cost per enplanement is equivalent to a municipal or county government cost per capita as a means of comparing different governments' cost of operation.

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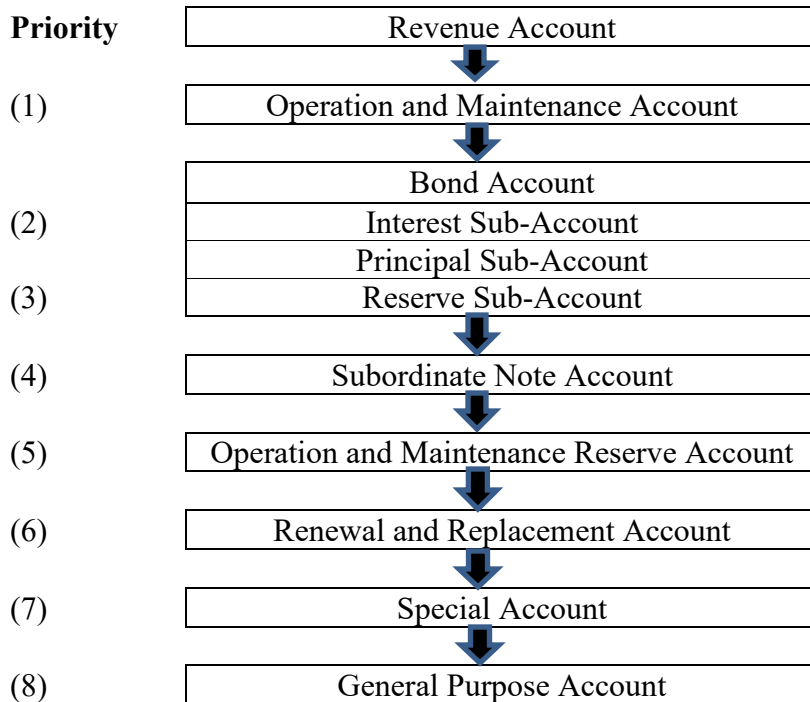
Bond Resolution - Trust Accounts

RTAA issues Airport System Bonds that are special, limited obligations of RTAA to finance capital improvement projects and construct new facilities. The Bonds are repaid solely from Net Revenues (Gross Revenues less Operation and Maintenance Expenses) and other accounts established by the Bond Resolution. In accordance with the Bond Resolution, RTAA pledges to establish rates and charges sufficient to generate Net Revenues in an amount equal to or greater than the sum of 1.25 times the amount of the annual debt service requirement on the Outstanding Bonds. On September 30, 2015, RTAA issued Airport Refunding Bonds, Series 2015 to refinance \$20,940,000 of earlier bonds issued in 2005 for the capital improvements.

There are several accounts which are used to account for the daily receipts and disbursements in accordance with a structure and flow established within the Bond Resolution. The accounts with the most activity are the Revenue Fund and the Operation and Maintenance Account. All revenues flow through the Revenue Account and are distributed as needed to the other funds listed below. All these funds will remain in place until all bonds are repaid. The accounts and funds are listed in order of their priority as follows:

SUMMARY OF APPLICATION OF REVENUES IN ORDER OF PRIORITY

AS ESTABLISHED BY THE BOND RESOLUTION



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The Operation and Maintenance Account is the highest priority. The expenses to operate the airport system are paid through this fund account before any other transfers to lower priority funds. The operating budget of RTAA flows through this fund and represents all operations and maintenance expenses.

The next priority is the Bond Account, with its subaccounts of Interest and Principal, which 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 Reserve Subaccount is available to hold a deposit or a surety bond equal to the largest annual principal and interest payment. If some event reduced airport revenues and affected RTAA's ability to pay its debt service, the Reserve Subaccount would fund the payment. With the Series 2015 Bonds, however, RTAA no longer has a requirement to fund the Reserve Subaccount. However, the Reserve Subaccount may be used for any parity debt issued in the future if required by any supplemental bond resolution.

The Operation and Maintenance Reserve Account is a deposit equal to two months of the annual operation and maintenance expense budget. The balance of this fund as of June 30, 2021, is \$7,675,089. Pursuant to the bond resolution, the required balance on July 1, 2021, is \$8,321,938.

The Renewal and Replacement Account maintains a balance set by management of \$780,000 for unexpected or emergency repairs. This fund account maintains a balance to repair any damage and keep the airports running in the event some major unforeseen event, not included in the annual budget, occurs. The fund has the required balance as of June 30, 2020.

The Special Account is the next priority and receives 35% of the gaming concession revenue. RTAA has used this fund account for the Five-Year Plan Capital Improvement Program projects at the Reno-Stead Airport. The balance of this fund on June 30, 2021, is \$4,296,268.

The General-Purpose Account is the last priority and will receive RTAA's share of the 50%/50% revenue sharing with the airlines under the airline agreement. This fund will primarily be used for Five-Year Capital Improvement Plan projects at RNO. The balance of this account on June 30, 2021, is \$33,022,754. The expenditures from this fund are for equipment and capital projects being purchased in the FY 2021-22 Budget. Eligible projects with a project cost greater than \$300,000 will be amortized over their useful lives and repaid to RTAA prior to the calculation of funds subject to revenue sharing credit with the signatory airlines.

The funds available in each account are invested until needed. RTAA's investment policy and Bond Resolution specifies the type of investment options available. The majority of the eligible investments must be backed by the full faith and credit of the United States government. The

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trustee bank, appointed by RTAA to administer the revenue bond accounts, serves as trustee for all RTAA investments.

Liquidity and Working Capital Policy

The credit rating agencies primarily measure an airport enterprise's ability to meet its on-going obligations and provide a buffer against unanticipated risks using Days Cash on Hand. This ratio is calculated by identifying the sum of all unrestricted cash and investments and restricted cash and investments in the Operation and Maintenance Reserve Account and the Renewal and Replacement Account divided by the daily operating and maintenance expenditure budget (annual operating and maintenance budget divided by 365 days). The annual operating and maintenance budget used in the denominator excludes RTAA's annual depreciation expense due to the non-cash nature of the reduction in the value of an asset.

Airports primarily face the following two revenue risks: (1) Volume: Traffic Base and Carrier Diversity - This risk factor is an airport's underlying market characteristics, such as the size of the enplanement base, origin and destination passenger mix, diversity of carriers and competition from other airports or modes of transportation; and (2) the Airline Contractual Framework for Cost Recovery - This risk factor largely focuses on the underlying use and rate-setting agreements between an airport and its airline carriers. See the "*Airline Agreement*" information previously outlined in this section.

Commercial agreements with other users, such as terminal concessionaires, rental car companies and air cargo carriers, may also be relevant if cost recovery is structurally dependent on cash flows covered by such agreements. Airports are typically in a stronger financial position if they possess the contractual ability to recover a large majority of operating costs through airline agreements. RTAA has cost center residual provisions in its airline agreement for the airfield and baggage handling system costs.

Based on an evaluation of these revenue risk factors and RTAA's cash cycle, expense volatility, and operating and capital needs, RTAA has established its policy target to retain the equivalent of 365 days of cash on hand. RTAA has established a minimum ratio of no less than 300 days based on the likelihood that a decrease below this threshold may be the basis for a rating downgraded by the credit rating agencies. The 2019 median average, as compiled by Moody's Investor Services, is 652 for all airports and 595 for small hub airports. As of June 30, 2021, RTAA's cash and liquidity position was 528.5 days of cash on hand.

In addition, RTAA also monitors working capital (i.e., current assets less current liabilities) with a focus on accounts receivable collections and the investment in inventory and prepaid assets reasonably expected to be realized in cash or consumed within a year. The RTAA established policy is to maintain a minimum net working capital of 270 days. This ratio is calculated by dividing current assets less current liabilities by the daily operating and maintenance

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expenditures (annual operating and maintenance expenses divided by 365 days and excluding depreciation). For fiscal years ending June 30, 2019, and 2020, the net working capital ratio was 773 and 695 days, respectively.

Reserve and Fund Balance Policy

The term fund balance is used to describe the net position of the RTAA enterprise fund as calculated in accordance with GAAP. Most simply, fund balance or net position is the difference between total assets and deferred outflow of resources less liabilities and deferred inflow of resources. In other words, RTAA Statement of Net Position or balance sheet reports cash and financial resources (such as buildings and land) as assets and amounts owed to others as liabilities. The fund balance or net position is essentially what is left over after the fund's assets have been used to meet its liabilities.

Fund balance is required to be reported in three components – net investment in capital assets, reserved and unreserved. The net investment in capital assets represents RTAA's total capital assets less revenue bonds and other indebtedness uses to fund the acquisition or construction of those assets.

When an account balance is "reserved", it either means that the resources are in a form that cannot be appropriated and spent or that the resources are legally limited ("restricted") to being used for a particular purpose. As outlined above, RTAA restricted funds are the following:

1. The Bond Account or Debt Service, with its subaccounts of Interest and Principal, which is used to accumulate funds for the semi-annual interest payments and the annual principal payments on the revenue bonds.
2. The Operation and Maintenance Reserve Account, which is a deposit equal to two months of the annual operation and maintenance expense budget.
3. The Renewal and Replacement Account, which maintains funds set aside by management of \$780,000 for unexpected or emergency repairs.
4. The Passenger Facility Charge (PFC) Account, which represents PFC revenues authorized for collection by the FAA in excess of designated capital project expenditures. RTAA is required to segregate and report the use of PFC funds separately from the other funding and operating financial transactions.
5. Other Reserve Purposes Account, which represents an unreserved fund balance not legally limited to any specific purpose; however, RTAA has designated its intention to use available resources in a particular manner.

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The following table provides RTAA’s fund balance or net position in millions as of June 30, 2020, and June 30, 2019:

| | 2020 | 2019 | Change | % Change |
|---|------------------|------------------|-----------------|---------------|
| Net Position (In Millions) | | | | |
| Invested in Capital Assets, net of debt | \$348.801 | \$336.079 | \$12.722 | 3.8% |
| Restricted | | | | |
| Operating & Maintenance Reserve | 7.716 | 7.467 | .249 | 3.3% |
| Renewal & Replacement Reserve | .822 | .799 | .023 | 2.9% |
| Passenger Facility Charge | 18.023 | 22.805 | (4.782) | -21.0% |
| Debt Service (Bond) | 1.960 | 1.873 | .087 | 4.6% |
| Other Reserve Purpose | .078 | .053 | .025 | 47.2% |
| Total Restricted | 28.599 | 32.997 | (4.398) | -13.3% |
| Unrestricted | 23.835 | 22.078 | 1.757 | 8.0% |
| Total Net Position | \$401.235 | \$391.154 | \$10.081 | 2.6% |

Note: In the table, the sum of individual amounts may not total due to rounding.

RTAA is responsible for meeting the air transportation needs of the Reno-Tahoe region. Therefore, RTAA must be prepared for unforeseen events or economic uncertainties that could result in additional expenditure requirements or loss of revenue by establishing and maintaining prudent levels of fund balance and reserves.

In addition to the reserve accounts described above, RTAA maintains a portion of the unrestricted balance as an Unrestricted Net Position Reserve that equals a minimum of four months of RTAA operating expenses (which is equivalent to 33.3% of RTAA’s Operating Expenses). This policy standard is conservative compared to the Government Finance Officers Association recommendation to maintain an unrestricted budgetary fund balance of no less than two months or 16.67% of operating expenditures.

With the adoption of GASB 67, 68 and 82 in FY 2014-15, RTAA was required to recognize net pension liability associated with its participation in the Public Employee Retirement System (PERS) of Nevada. RTAA’s annual contribution rates are established by Chapter 286 of Nevada Revised Statutes and only amended through legislation. This significant accounting change reduced the Unrestricted Net Position shown above by \$38.129 million in 2018 and \$37.835 million in 2019.

For purposes of this policy, however, RTAA has determined that the net pension liability beyond the current year pension contribution represents a future obligation that can be removed from the

Reno-Tahoe Airport Authority
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calculation of the Unrestricted Net Position Reserve. Based on the policy, the following calculations add back the net pension liability figures for the fiscal years ended June 30, 2020, and June 30, 2019:

| (In Millions) | | 2020 | 2019 | Change | % Change |
|--|-----|----------|----------|---------|----------|
| Net Position- Unrestricted | | \$23.835 | \$22.078 | \$1.757 | 8.0% |
| Net Pension Liability | | 38.110 | 37.835 | .275 | 0.7% |
| Deferred Inflow of Resources - Pension Contribution after Measurement Date | | (2.690) | (2.574) | .116 | 4.5% |
| Unrestricted Net Position (Adjusted) | A | \$59.225 | \$57.339 | \$1.916 | 3.3% |
| Total Operating Expenses | | \$45.192 | \$42.321 | \$2.871 | 6.8% |
| Percent Designated for Unrestricted | | 33.3% | 33.3% | | |
| Total of Unrestricted Account Reserve | B | \$15.049 | \$14.093 | .956 | 6.8% |
| Unrestricted Reserve (Adjusted) as % of Policy Requirement | A/B | 254.1% | 245.8% | | |

In conjunction with the Operating and Maintenance Reserve of two months, this designated reserve will provide six months of operating expenses in the case of unforeseen events. This policy will protect RTAA against expenditure and revenue volatility, natural disasters and other unforeseen emergencies, economic downturns, and other issues, which impact fiscal health and stability. In the event this reserve falls below established levels, the Chief Finance and Administration Officer shall present a plan to the President/CEO and, upon approval, the Board of Trustees for restoration of those targeted levels within one to three years.

As of the adoption of the FY 2021-22 Budget RTAA has not determined the Net Pension Liability and the associated Deferred Inflow of Resources as of June 30, 2021. However, based on the balances on June 30, 2020, and the forecasted operating results for both FY 2020-21 and FY 2021-22, RTAA does not anticipate the need to restore funds to meet the targeted levels in this policy.

Investment Policy

The investment policy of RTAA states that the primary objectives, in order of priority, shall be safety, liquidity, and yield. The standard of prudence to be used by investment officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The "prudent person" standard states the following: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for

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ANNUAL BUDGET
Section 5 – Financial and Budgetary Policies

investment, considering the probable safety of their capital as well as the probable income to be derived."

Under authority delegated by the Board of Trustees of RTAA, in accordance with chapter 474, Statutes of Nevada, NRS 354.474 and 355.175, and Bond Resolution 526, the investment of RTAA funds is the responsibility of the President/CEO. All cash, including bond proceeds, received by RTAA will be invested by the Chief Finance and Administration Officer. The Chief Finance and Administration Officer will maintain a list of approved broker/dealers and financial institutions which are authorized to provide investment services to RTAA. Authorized broker/dealers will be limited to "primary" dealers or other dealers that qualify under SEC Rule 15C3-1, the Uniform Net Capital Rule. Securities purchased by RTAA shall be delivered against payment (delivery vs. payment) and held in a custodial safekeeping account with the trust department of a third-party bank insured by the Federal Deposit Insurance Corporation designated by the Chief Finance and Administration Officer for this purpose in accordance with NRS 355.172.

The Chief Finance and Administration Officer, in accordance with the provisions of Nevada Revised Statutes (NRS) 355.170, 355.180, the current bond resolutions, and this investment policy, is authorized to invest in the following: United States Treasury Bills, Notes, Bonds, and Debentures of the United States; United States Government Agency Securities Negotiable & Nonnegotiable Certificates of Deposit; Bankers' Acceptances, Commercial Paper, Money Market Mutual Funds, and the Local Government Investment Pool ("LGIP") as established by the Nevada State Treasurer under NRS 355.167. Effective July 1, 2019, the Nevada Legislature expanded the types of authorized investments adding options already used in some other states. On June 11, 2021, the Board approved expanding the list of authorized investments to include the following: Supranational Bonds, Corporate Bonds and Notes, Foreign Corporate and Government Securities, Collateralized Mortgage-Backed Securities, and Asset-Backed Securities.

The investment policy is reviewed every year by the President/CEO and changes, if any, are presented to the Finance and Business Development Committee of the Board of Trustees.

Debt Management

The debt policies of RTAA are reviewed in Section 9 – Debt. This policy is narrowly defined since RTAA has primarily used revenue bond debt to finance airport capital projects. The debt limit is established by guidelines outlined in the revenue bond resolutions. 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 Bond Resolution - Trust Funds section within Section 5 – Financial and Budgetary Policies.

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ANNUAL BUDGET
Section 5 – Financial and Budgetary Policies

When RTAA finances capital projects by issuing long term debt, it will pay back the bonds within a period not to exceed the estimated useful life of the project. RTAA will not use long term debt for current operations. RTAA will maintain good communications with its bond rating agency regarding its financial condition and will follow a policy of full disclosure in every financial report and offering prospectus.

In October 2015, RTAA refinanced its senior lien bonds (the Series 2015 Bonds) as a private placement with a single investor and as such are unrated bonds. However, RTAA continues to maintain its financial position per established criteria outlined by the major rating agencies consistent with investment grade rating standards of strong “A” rated bonds.

RTAA regularly evaluates the cost effectiveness of additional refinancing opportunities to take advantage of lower interest rates. The Debt Policy establishes a minimum threshold of a 3% savings (total interest reduction on a net present value basis) to justify a refinancing bond issuance. RTAA’s revenue bonds and associated debt service are discussed further in Section 9 - Debt.

With the issuance of the 2015 Bond, a procedure for on-going compliance with Section 141 and 148 of the Internal Revenue Code regarding tax-exempt bonds was executed by RTAA. Specifically, the certificate requires compliance with the tax certificate and Form 8038-G by the Chief Finance and Administration Officer or another employee of RTAA designated by the Chief Finance and Administration Officer as the Compliance Officer. In addition, the Compliance Officer will conduct annual compliance checks of the current status of the proceeds of each issue of tax-exempt bonds and the current use of the facilities financed by tax-exempt bonds, notes or debentures.

Budget Process

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

RTAA Operating Budget is a major factor in establishing the level of airline landing fee and terminal rental rates. Non-airline revenues also affect airline rates through the revenue sharing process contained in the airline agreement. Increasing and diversifying non-airline revenues, such as new concession fees and the rents from the development of land and facilities, remains a strategic goal for RTAA’s staff. Another component of airline rates is the debt service included in the airline landing fee and terminal rental rates. Operating Revenues less Operating Expenses

Reno-Tahoe Airport Authority
FY 2021-22
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Section 5 – Financial and Budgetary Policies

or Net Revenues, as mentioned earlier, must equal, or exceed 125% of annual revenue bond debt service.

The President/CEO instructs the management staff to prepare departmental work plans to implement the Board of Trustees’ strategic plan as outlined in Section 3 – Strategic Initiatives. Specific department work plans in support of the strategic plan are outlined in Section 7 – Expenditures. Under the leadership of the President/CEO, staff strives to limit the increases in operating and maintenance expenses by focusing on “mission critical” areas and exploring every opportunity to reduce or maintain the current level of operating costs. The FY 2021-22 Operating Budget of \$49.932 million reflects an increase of \$5.540 million or 12.5% from the FY 2020-21 approved budget. After a year of significant budget cuts to offset declining revenues due to the COVID-19 pandemic, the FY 2021-22 Budget reflects the addition of necessary funding to operate the two airports (RNO and RTS).

During the budgeting process, each proposed new employee, property, plant, and equipment (PP&E), and capital project requires individual department justifications that are reviewed by RTAA Finance staff. The requests are forwarded to Human Resources, Purchasing, and Engineering, respectively, for cost estimates. The President/CEO and Executive Team then conduct a series of reviews with each department to analyze the budget requests and associated work plans to ensure alignment with the Strategic Initiatives.

The Finance Department then incorporates the budget requests along with other assumptions for passenger enplanements, landed weights, etc. into a model to calculate the landing fee, terminal rental rates, and baggage handling system fee. Assumptions for revenues are reviewed against historical trends and apply other factors, including RTAA’s economic outlook, changes in operations, new concession agreement terms and other factors that may have an impact on revenues. A public budget workshop is held with the Board of Trustees during the month of April to review the proposed budget and receive direction from the Board.

As required by the Airline Agreement, staff also meets with signatory airline representatives to review the proposed airline rates, fees and charges, and capital improvement projects. As provided for in the agreement, capital projects greater than established dollar thresholds are subject to the Majority-In-Interest (MII) provision. This provision establishes a process where a majority of the airlines may deny a proposed capital project. There was one capital project in the FY 2021-22 Budget subject to the MII review process: the Part 139 Operational Database Replacement project, estimated to cost \$300,000. There was no opposition expressed by signatory airlines regarding this project.

Reno-Tahoe Airport Authority
FY 2021-22
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Section 5 – Financial and Budgetary Policies

The following schedules are included at the end of this section:

- A revenue sharing schedule showing the allocation of revenues, operating expenditures and debt service by cost center resulting in net revenues that will be shared with the signatory airlines.
- Summary of Sources and Uses of Funds
- Projected Balance of Cash and Investment Accounts and Sub-Accounts Established by Revenue Bond Resolutions
- Days Cash on Hand
- Department O&M Funding Matrix
- Operating Forecast

**Reno Tahoe Airport Authority
Revenue Sharing
Budget Year 2021-22**

Cost Centers

| | <u>Airfield</u> | <u>Terminal</u> | <u>Baggage Sys</u> | <u>Landside</u> | <u>Other</u> | <u>Reno Stead</u> | <u>Total</u> |
|--|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Airline Revenue (Before Revenue Sharing) | \$ 8,727,353 | \$ 11,457,200 | \$ - | \$ - | \$ - | \$ - | \$ 20,184,553 |
| Non Airline Revenue | 974,600 | 5,431,343 | 1,226,932 | 15,465,900 | 7,590,546 | 1,001,450 | 31,690,771 |
| Total Revenue | 9,701,953 | 16,888,543 | 1,226,932 | 15,465,900 | 7,590,546 | 1,001,450 | 51,875,324 |
| O&M Expense | 11,723,239 | 20,892,578 | 1,724,700.0 | 7,873,387 | 4,228,050 | 2,311,849 | 48,753,803 |
| Debt Service | - | - | - | 2,250,450 | - | - | 2,250,450 |
| Pre Bond Loan | - | - | - | - | - | - | - |
| O&M Reserve | 151,120 | 269,318 | 22,232 | 108,516 | 62,662 | 29,801 | 643,649 |
| Fixed Asset | 325,983 | 360,975 | - | 151,809 | 111,975 | 55,300 | 1,006,041 |
| Capital Project | 409,000 | 503,440 | - | 118,941 | 613,512 | 60,000 | 1,704,893 |
| Amort of Capital Items | 941,747 | 302,571 | - | 913,550 | 801,602 | 243,747 | 3,203,217 |
| Special Fund | - | 245,140 | - | - | - | - | 245,140 |
| CARES ACT | (2,900,000) | (1,050,000) | (520,000.0) | (5,260,950) | (2,000,000) | (15,000) | (11,745,950) |
| Total Requirement | \$ 10,651,089 | \$ 21,524,023 | \$ 1,226,932 | \$ 6,155,703 | \$ 3,817,800 | \$ 2,685,696 | \$ 46,061,244 |
| Net Revenues | \$ (949,136) | \$ (4,635,480) | \$ - | \$ 9,310,197 | \$ 3,772,746 | \$ (1,684,246) | \$ 5,814,080 |
| Airport Share | | 50.00% | | | | | \$ 2,907,040 |
| Airline Share | | 50.00% | | | | | \$ 2,907,040 |

RENO - TAHOE AIRPORT AUTHORITY
FY 2021-22
ANNUAL BUDGET
Summary of Sources and Uses of Funds

| | Actual 2019-20 | Budget 2020-21 | Budget 2021-22 |
|--|-----------------------------|-----------------------------|-----------------------------|
| SOURCES OF FUNDS | | | |
| Revenue Fund | | | |
| Landing and Aircraft Fees | \$ 10,077,732 | \$ 7,333,429 | \$ 9,553,953 |
| Gaming Concession Fees | 818,747 | 340,800 | 700,400 |
| Food and Beverage Revenue | 1,310,327 | 734,604 | 1,407,689 |
| Merchandise Revenue | 932,145 | 932,145 | 932,145 |
| Auto Rental Concession Fees | 6,737,159 | 3,313,580 | 6,496,400 |
| Other Concession Fees | 1,503,459 | 759,458 | 1,055,709 |
| Auto Parking and Ground Transportation | 10,012,455 | 5,746,700 | 8,853,300 |
| Terminal Rents | 7,729,466 | 7,856,099 | 8,451,400 |
| Other Rents | 8,556,856 | 8,716,149 | 8,341,396 |
| Reimbursed Services & Miscellaneous | 2,984,668 | 1,860,864 | 2,288,832 |
| Other Non-Operating Pledged Revenue | 1,353,262 | 528,900 | 588,300 |
| Total Revenue Fund | <u>\$ 52,016,276</u> | <u>\$ 38,122,728</u> | <u>\$ 48,669,524</u> |
| Non Rate Base Revenue | | | |
| Non-Rate Base Interest | 256,635 | 49,200 | 113,900 |
| Fuel Tax Revenue | 263,134 | 260,100 | 213,700 |
| Fuel Tax Interest | 6,483 | 3,900 | 5,800 |
| CARES Act | 562,281 | 12,857,475 | 11,745,950 |
| CFC Revenue | 4,891,406 | 3,061,700 | 5,693,000 |
| PFC Interest | 472,121 | 60,000 | 89,700 |
| PFC Revenue | 7,135,803 | 3,532,700 | 5,564,200 |
| Other Revenue | 736,237 | - | - |
| Total Non Rate Base Revenue | <u>14,324,100</u> | <u>19,825,075</u> | <u>23,426,250</u> |
| TOTAL SOURCES OF FUNDS | <u>\$ 66,340,376</u> | <u>\$ 57,947,803</u> | <u>\$ 72,095,774</u> |
| USES OF FUNDS | | | |
| Operation and Maintenance Fund | | | |
| Personnel Services | \$ 30,958,443 | \$ 31,147,425 | \$ 32,947,635 |
| Utilities | 2,881,069 | 2,891,714 | 2,848,730 |
| Purchased Services | 4,856,947 | 4,869,914 | 6,960,442 |
| Materials and Supplies | 2,340,685 | 2,397,307 | 2,657,659 |
| Administrative Expenses | 2,363,350 | 2,254,480 | 3,339,289 |
| Total Operation and Maintenance Fund | <u>\$ 43,400,494</u> | <u>\$ 43,560,839</u> | <u>\$ 48,753,755</u> |
| Bond Fund | | | |
| Interest Account | 389,125 | 337,975 | 285,450 |
| Principal Account | 1,860,000 | 1,910,000 | 1,965,000 |
| Total Bond Fund | <u>\$ 2,249,125</u> | <u>\$ 2,247,975</u> | <u>\$ 2,250,450</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 | \$ 432,907 | \$ - | \$ 643,649 |
| Property, Plant & Equipment | | | |
| Capital Projects | <u>\$ 469,357</u> | <u>\$ 449,861</u> | <u>\$ 1,006,041</u> |
| Current Year | 605,045 | 489,500 | 1,704,893 |
| Prior year project reimbursement | 2,439,963 | 2,350,809 | 3,203,217 |
| Total Capital Projects | <u>\$ 3,045,007</u> | <u>\$ 2,840,309</u> | <u>\$ 4,908,110</u> |
| Special Fund | | | |
| 35 % of projected gaming revenue to Special Fund | \$ 286,561 | \$ 119,280 | \$ 245,140 |
| General Purpose Fund | | | |
| Current Year Profit Sharing Total | 5,147,804 | 4,127,676 | 5,814,068 |
| Current Year Profit Sharing Airline Share | (2,573,902) | (2,063,838) | (2,907,040) |
| Prior Year Profit Sharing Airline Share | - | - | - |
| Air Service Incentive | - | (400,000) | (400,000) |
| Total General Purpose Fund | <u>\$ 2,573,902</u> | <u>\$ 1,663,838</u> | <u>\$ 2,507,028</u> |
| Non-Rate Base Interest | 256,637 | 49,200 | 113,900 |
| Non Rate Base Expenditures | | | |
| Fuel Tax | 269,617 | 264,000 | 219,500 |
| CFC Funding | 4,891,406 | 3,061,700 | 5,693,000 |
| PFC Funding | 7,607,924 | 3,592,700 | 5,653,900 |
| CBP Staffing Funding | 93,006 | 98,100 | 101,300 |
| Other Revenue | 764,433 | - | - |
| | <u>\$ 13,883,023</u> | <u>\$ 7,065,700</u> | <u>\$ 11,781,600</u> |
| TOTAL USES OF FUNDS | <u>\$ 66,340,376</u> | <u>\$ 57,947,803</u> | <u>\$ 72,095,774</u> |

RENO-TAHOE AIRPORT AUTHORITY
PROJECTED BALANCE OF CASH AND INVESTMENT ACCOUNTS AND SUB-ACCOUNTS
ESTABLISHED BY REVENUE BOND RESOLUTIONS
FOR THE YEAR ENDING JUNE 30, 2022

| | Issuer Cash and Investment Accounts | | Bond Fund | | Trustee's Cash and Investment Accounts | | | | | Totals |
|--|-------------------------------------|---------------------------------|--------------------------------------|---------------------------------------|--|-------------------------------|-------------------------|----------------------------|---------------------|-----------------------|
| | Special Account ^(a) | Operation & Maintenance Account | Interest Account 2015 ^(b) | Principal Account 2015 ^(b) | Operations & Maintenance Reserve Fund | Renewal & Replacement Account | General Purpose Account | PFC Account ^(c) | Revenue Account | |
| Balance June 30, 2021 (Unaudited) | \$ 5,756,027 | \$ - | \$ 168,988 | \$ 1,910,000 | \$ 7,678,289 | \$ 817,829 | \$ 36,595,463 | \$ 9,399,253 | \$ 7,500,000 | \$ 69,825,850 |
| Receipts: | | | | | | | | | | |
| Gross pledged revenues received: | | | | | | | | | | - |
| Deposits from Airport revenues | | | | | | | | | 48,294,924 | 48,294,924 |
| Income received from investments pledged portion | | | | | | | | 89,700 | 594,100 | 683,800 |
| PFC revenue | | | | | | | | 5,564,200 | | 5,564,200 |
| FAA Grants and Other Contributions | | | | | | | | | 43,078,718 | 43,078,718 |
| Transfer among funds: | | | | | | | | | | |
| Gaming revenue | 245,140 | | | | | | | | (245,140) | - |
| Operation and maintenance expenses | | 49,161,503 | | | | | | | (49,161,503) | - |
| Debt service requirements | | | 285,450 | 1,965,000 | | | | | - | (2,250,450) |
| Maintain reserve requirement | | | | | 643,649 | | | | | (643,649) |
| Capital Improvement Projects | (305,563) | | | | | | (8,427,469) | (6,521,969) | 22,045,516 | 6,790,516 |
| Property, Plant and Equipment | - | 1,006,041 | | | | | | | (1,006,041) | - |
| Net Cashflow from Operations | | | | | | | 7,328,191 | | (7,328,191) | - |
| Disbursements: | | | | | | | | | | |
| Operation and maintenance expenses | | (49,161,503) | | | | | | | | (49,161,503) |
| Property, Plant and Equipment | | (1,006,041) | | | | | | | | (1,006,041) |
| Payment of revenue bond interest and principal | | | (311,713) | (1,910,000) | | | | | | (2,221,713) |
| Capital Improvement Projects | | | | | | | | | (53,378,285) | (53,378,285) |
| Projected Balance at June 30, 2022 | <u>\$ 5,695,605</u> | <u>\$ -</u> | <u>\$ 142,725</u> | <u>\$ 1,965,000</u> | <u>\$ 8,321,938</u> | <u>\$ 817,829</u> | <u>\$ 35,496,185</u> | <u>\$ 8,531,185</u> | <u>\$ 7,500,000</u> | <u>\$ 68,470,466</u> |
| | <u>\$ (60,423)</u> | <u>\$ -</u> | <u>\$ (26,263)</u> | <u>\$ 55,000</u> | <u>\$ 643,649</u> | <u>\$ -</u> | <u>\$ (1,099,279)</u> | <u>\$ (868,069)</u> | <u>\$ -</u> | <u>\$ (1,355,383)</u> |

Fund Balance Changes

(a) Capital Projects funded by the Special Account in FY 2021-22 include the RTAA local share of FAA grants to install concrete apron pads.

(b) The 2005 Bonds were refunded and replaced by the 2015 Bonds on September 30, 2015.

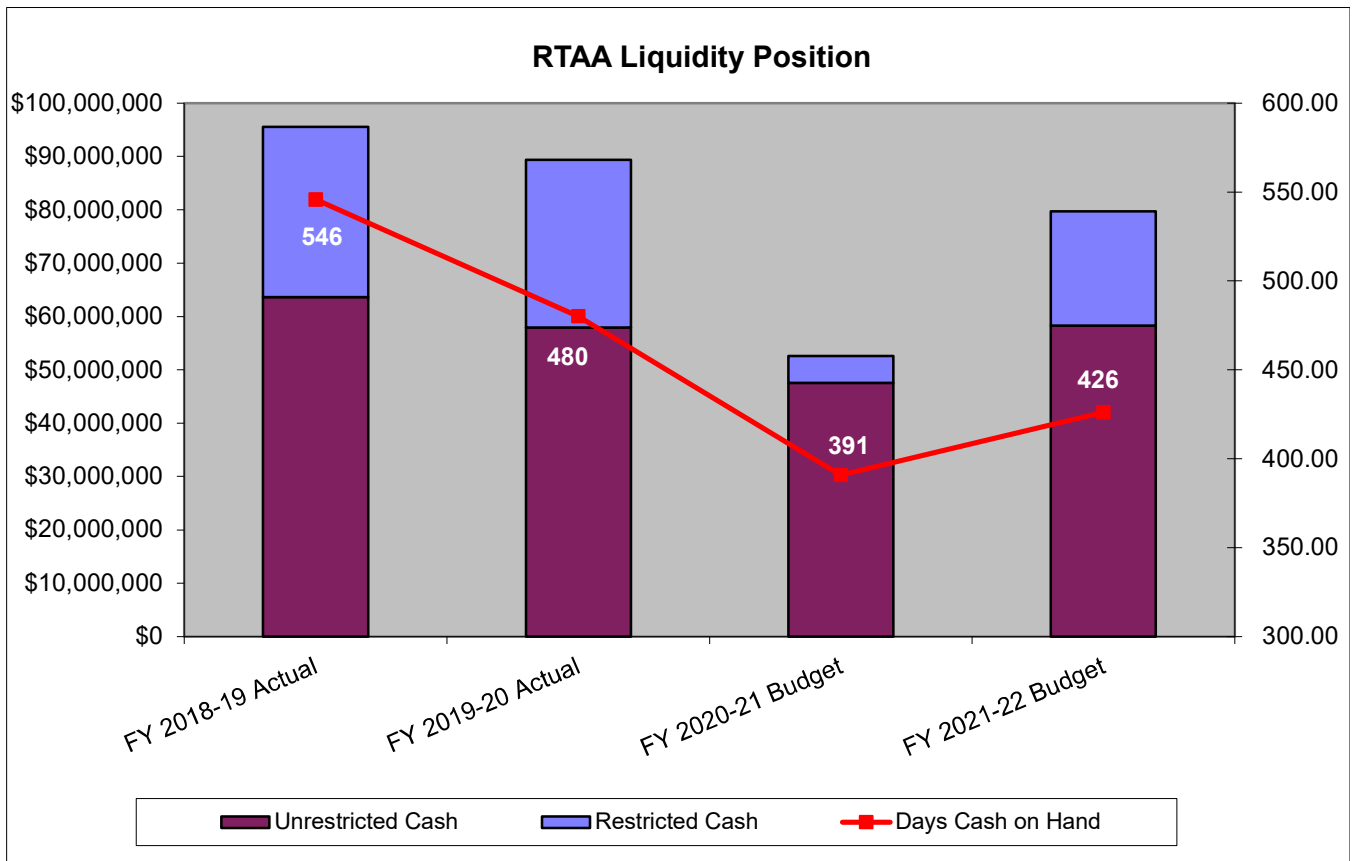
(c) Capital Projects to be funded by Passenger Facility Charges in FY 2021-22 include jet bridge replacement, terminal escalator replacement, and loop road construction projects.

In addition, the RTAA local share of FAA grants for the RNO Master Plan, and to rehabilitate Runway 16R/34L and upgrade the east airfield lighting vault.

PFC revenues are forecasted to increase from FY 2020-21 due to the forecasted recovery of passenger traffic.

The significant decrease in fund balances (Special Account, General Purpose, PFC, Revenue Fund) is due to the decline in revenues as a result of the COVID-19 pandemic.

Reno-Tahoe Airport Authority
 FY 2021-22
 ANNUAL BUDGET
 Section 5 - Financial and Budgetary Policies



**Reno-Tahoe Airport Authority
FY 2021-22 Budget
Department O&M Funding Matrix**

| FY 2021-22 O&M Budget | | | | | | | Funding Source | | | |
|-----------------------------------|----------------------|---------------------|---------------------|----------------------|-------------------------|----------------------|----------------------|-------------------|-------------------|----------------------|
| Department | Personnel Services | Utilities | Purchased Services | Materials & Supplies | Administrative Expenses | TOTAL O&M BUDGET | O&M Fund | CFC | Fuel Tax | Total Funds |
| Board of Trustees | \$ 111,430 | \$ - | \$ 1,100 | \$ 1,900 | \$ 17,700 | \$ 132,130 | \$ 132,130 | \$ - | \$ - | \$ 132,130 |
| Internal Auditor | 316,300 | - | - | 175 | 6,400 | 322,875 | 322,875 | - | - | 322,875 |
| General Counsel | - | - | 550,625 | - | 3,000 | 553,625 | 553,625 | - | - | 553,625 |
| President/CEO | 511,800 | - | 156,700 | 12,800 | 139,010 | 820,310 | 820,310 | - | - | 820,310 |
| Air Service Business Development | 377,900 | - | 304,880 | 750 | 264,758 | 948,288 | 948,288 | - | - | 948,288 |
| Marketing and Public Affairs | 1,095,600 | - | 285,717 | 49,261 | 625,985 | 2,056,563 | 2,056,563 | - | - | 2,056,563 |
| Economic Development | 1,134,000 | 36,200 | 155,750 | 8,200 | 77,245 | 1,411,395 | 1,411,395 | - | - | 1,411,395 |
| Outside Properties Budget | 167,700 | 164,030 | 900,216 | 6,820 | 21,000 | 1,259,766 | 714,943 | 544,823 | - | 1,259,766 |
| People, Culture, and Equity | 1,052,760 | - | 58,458 | 4,810 | 137,845 | 1,253,873 | 1,253,873 | - | - | 1,253,873 |
| Information Systems | 1,587,400 | 315,000 | 1,299,095 | 693,659 | 15,815 | 3,910,969 | 3,910,969 | - | - | 3,910,969 |
| Reno Stead Airport | 745,900 | 128,000 | 76,875 | 136,350 | 8,550 | 1,095,675 | 1,095,675 | - | - | 1,095,675 |
| Accounting & Administration | 1,061,850 | - | 230,750 | 11,750 | 19,149 | 1,323,499 | 1,323,499 | - | - | 1,323,499 |
| Purchasing & Materials Management | 646,200 | - | 38,499 | 11,265 | 18,050 | 714,014 | 714,014 | - | - | 714,014 |
| Finance & Budgeting | 288,200 | - | 76,040 | 700 | 9,300 | 374,240 | 374,240 | - | - | 374,240 |
| Operations and Public Safety | 372,900 | - | 61,050 | 2,250 | 8,575 | 444,775 | 444,775 | - | - | 444,775 |
| Airside Operations | 1,090,300 | - | 90,450 | 20,525 | 12,850 | 1,214,125 | 1,214,125 | - | - | 1,214,125 |
| Landside Operations | 1,211,650 | - | 278,000 | 57,685 | 285,933 | 1,833,268 | 1,833,268 | - | - | 1,833,268 |
| Airport Fire | 4,151,600 | - | 64,394 | 149,437 | 97,166 | 4,462,597 | 4,462,597 | - | - | 4,462,597 |
| Airport Police | 3,795,245 | - | 25,751 | 104,442 | 50,920 | 3,976,358 | 3,976,358 | - | - | 3,976,358 |
| Airport Communications | 1,203,180 | - | 148,859 | 34,975 | 19,219 | 1,406,233 | 1,406,233 | - | - | 1,406,233 |
| Airport Security | 1,583,700 | - | 33,200 | 50,500 | 10,610 | 1,678,010 | 1,678,010 | - | - | 1,678,010 |
| Infrastructure and Planning | 347,200 | - | 3,960 | 5,800 | 12,255 | 369,215 | 369,215 | - | - | 369,215 |
| Planning & Env. Services | 725,900 | - | 359,300 | 670 | 17,425 | 1,103,295 | 1,103,295 | - | - | 1,103,295 |
| Engineering & Construction | 1,001,200 | - | 205,800 | 1,450 | 28,019 | 1,236,469 | 1,236,469 | - | - | 1,236,469 |
| Director of Facilities & Maint. | 405,900 | - | 15,800 | 32,095 | 4,765 | 458,560 | 458,560 | - | - | 458,560 |
| Airfield Maintenance | 2,834,720 | 207,500 | 87,796 | 753,140 | 44,228 | 3,927,384 | 3,927,384 | - | - | 3,927,384 |
| Building Maint. & Services | 5,051,900 | 1,613,000 | 706,100 | 418,250 | 10,165 | 7,799,415 | 7,799,415 | - | - | 7,799,415 |
| Baggage Handling System | 70,200 | 385,000 | 1,182,500 | 87,000 | - | 1,724,700 | 1,724,700 | - | - | 1,724,700 |
| Non Departmental | 5,000 | - | 301,600 | 1,000 | 1,812,400 | 2,120,000 | 1,681,000 | - | 439,000 | 2,120,000 |
| TOTAL | \$ 32,947,635 | \$ 2,848,730 | \$ 7,699,265 | \$ 2,657,659 | \$ 3,778,337 | \$ 49,931,626 | \$ 48,947,803 | \$ 544,823 | \$ 439,000 | \$ 49,931,626 |

**Reno-Tahoe Airport Authority
 FY 2021-22 Budget
 Operating Forecast**

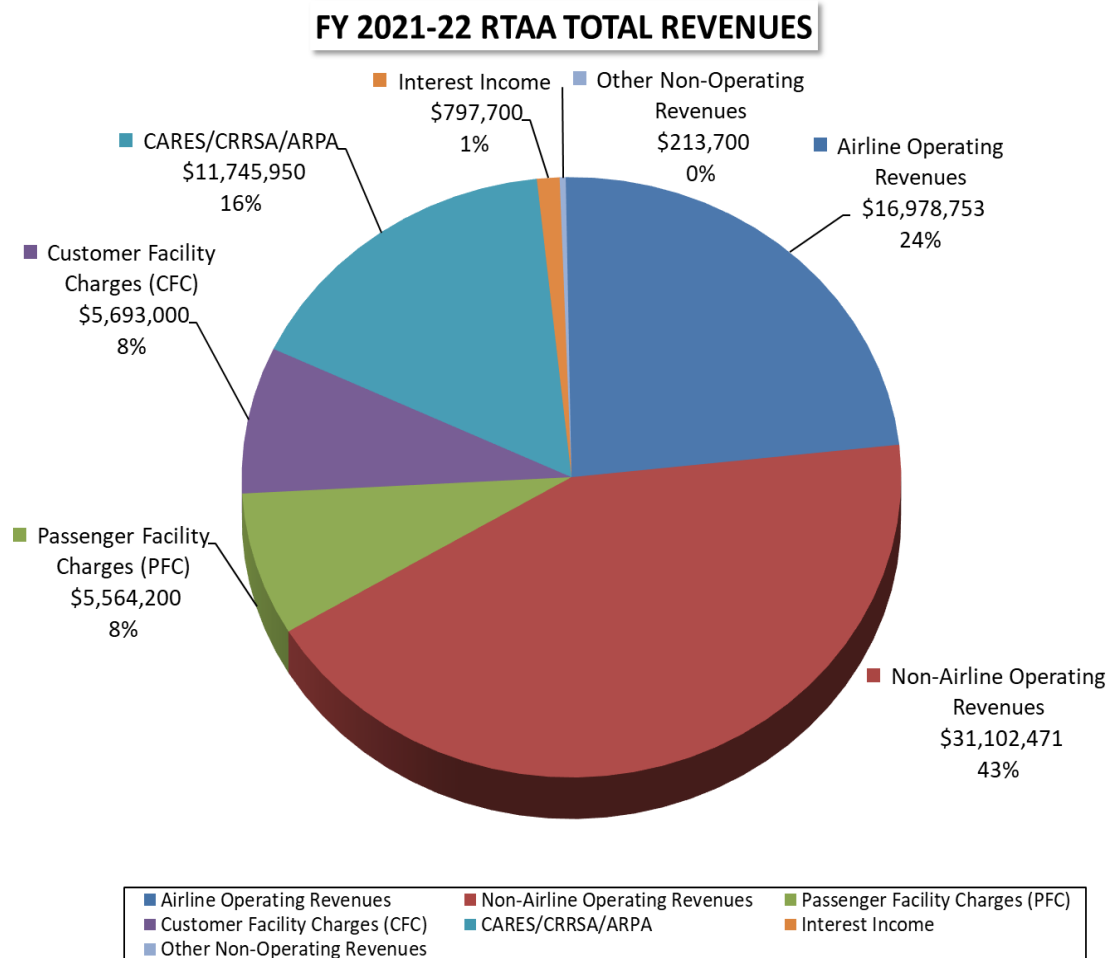
| Budget Category | FY 2019-20 Actual | FY 2020-21 Budget | FY 2021-22 Budget | FY 2022-23 Forecast * | FY 2023-24 Forecast * | FY 2024-25 Forecast * |
|--------------------------|------------------------------|------------------------------|------------------------------|----------------------------------|----------------------------------|----------------------------------|
| Operating Revenues: | | | | | | |
| Airline Revenues | \$ 17,025,777 | \$ 14,246,729 | \$ 16,978,753 | \$ 24,332,218 | \$ 32,479,790 | \$ 32,670,656 |
| Non-Airline Revenues | 33,643,948 | 23,346,900 | 31,102,471 | \$ 35,958,178 | \$ 37,278,298 | \$ 39,329,356 |
| Total Operating Revenues | 50,669,725 | 37,593,629 | 48,081,224 | 60,290,396 | 69,758,088 | 72,000,012 |
| Operating Expenses: | \$ (45,191,925) | \$ (44,392,102) | \$ (49,931,626) | \$ (52,033,464) | \$ (54,230,203) | \$ (56,526,316) |
| Revenues over Expenses | \$ 5,477,800 | \$ (6,798,474) | \$ (1,850,403) | \$ 8,256,933 | \$ 15,527,885 | \$ 15,473,696 |

* Forecasted operating revenues and expenses are based on current, and historic business conditions, and may change substantially due to the COVID-19 pandemic and other unforeseen circumstances.

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RTAA total Revenue Budget for FY 2021-22 is \$72.096 million, a \$14.148 million or 24.4% increase from the FY 2020-21 adopted budget and is composed of Operating Revenues (Airline and Non-Airline Operating Revenues), and Non-Operating Revenues (Passenger Facility Charges (PFC), Customer Facility Charges (CFC), Interest Income and Other Non-Operating Revenues). Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), and American Rescue Plan Act (ARPA) funding is also part of the Non-Operating Revenue category. Key inputs used in the revenue budget include the projected changes in passenger and aircraft traffic, and regional and national economic indicators.



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OPERATING REVENUES

The total Operating Revenue budget for FY 2021-22 is \$48.081 million. This is a \$10.488 million or 27.9% increase from the FY 2020-21 Budget. Airline revenues are \$16.979 million or approximately 35% of total operating revenues. The total non-airline operating revenue budget is \$31.102 million or approximately 65% of the total operating revenue budget.

RTAA's revenues are fairly predictable under normal circumstances since they are based on long term agreements with airline and non-airline tenants. The COVID-19 pandemic has impacted these agreements as both airports and tenants were adjusting to travel restrictions and significant declines in the number of passengers. The new fiscal year looks very promising when it comes to passenger traffic through the Reno-Tahoe International Airport (RNO), bringing on new challenges for airlines, and concessionaires alike. They made significant staffing cuts at the onset of the pandemic, and now struggle to increase staffing to required levels needed to operate their businesses in the terminal building. Terms such as "rate base" and "non-rate base" mentioned in this document refer to the applicability of a financial transaction impacting rates, fees and charges assessed to the airlines under the current use and lease agreement. RTAA receives no local property or sales tax revenue and is not affected by the variations or limitations these revenue sources have on local governments.

The RTAA budget, within limits, is balanced each year through the airline rate setting and the revenue sharing mechanism of the airline agreement. The diversification of revenues, mentioned in this section, provides the revenue available for sharing that has allowed RTAA's signatory airline rates and charges to be very competitive with other airports. The airline agreement reflects an airfield residual approach to the landing fee calculation based on the Airfield cost center expenditures. See Section 5 – Financial and Budgetary Policies tab for a more detailed description of the Airline Agreement.

The FY 2021-22 RNO enplaned passenger forecast is 1,509 million, a 59.4% increase as compared to the FY 2020-21 budget of 946,700 enplaned passengers. As outlined in Section 1 – Introduction and Section 2 – Executive Summary, the significant increase in passenger traffic is due to the recovery of passenger air travel demand, especially leisure travel. The market continues to be relatively uncertain; passenger airlines are adjusting schedules often based on passenger demand and the various restrictions imposed by states and countries. Within the United States there is a disparity in recovery among airports based on regional location. Those in areas of high demand for leisure travel such as RNO are closing in on 2019 passenger levels, while others are still down by as much as 40% compared to 2019. The recovery of international travel is lagging significantly behind domestic.

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The total landed weight forecasted for FY 2021-22 is projected to increase by 661,500 (thousand-pound units) or 32.4% to 2,702 million (thousand-pound units) from the adopted FY 2020-21 Budget. The significant increase in landed weight as compared to the prior year budget is primarily due to the traffic recovery forecasted for passenger airlines. In addition, many cargo airlines are thriving as a result of the increase in online commerce.

Revenue projections are, in many cases, calculated by reviewing historical and forecasted trends in revenue earned and transaction levels derived from estimated passenger traffic. This approach is primarily used to forecast terminal concessions, rental car concessions, and public parking revenue. In addition, existing fixed lease payments and minimum annual guarantees (MAG) are considered in estimating fiscal year revenue budgets by revenue source. All MAG increases were waived for FY 2021-22. If any construction projects or other external factors that might affect tenant revenues take place or are scheduled, these events are also factored into the estimates. Many RTAA ground and building leases have rent adjustments based on changes in the Consumer Price Index (CPI). Due to the effects of COVID-19 pandemic on airport tenants, the Board has waived all rent increases based on CPI adjustments.

Non-airline operating revenues are forecasted to be \$31.102 million in the FY 2021-22 Budget, an increase of \$7.756 million or 33.2% from last fiscal year. This significantly higher non-airline revenue budget is primarily due to the forecasted increase in passenger traffic as the airline industry is fast recovering from the debilitating effects of COVID-19 pandemic. Public parking, concession revenues associated with the terminal building and rental car activity are all positively impacted by the 59.4% increase in enplaned passenger volumes expected at RNO. In the recent years, RTAA has been successful in increasing land, building and hangar rental revenues at both RNO and RTS. These revenue sources were less impacted by the pandemic.

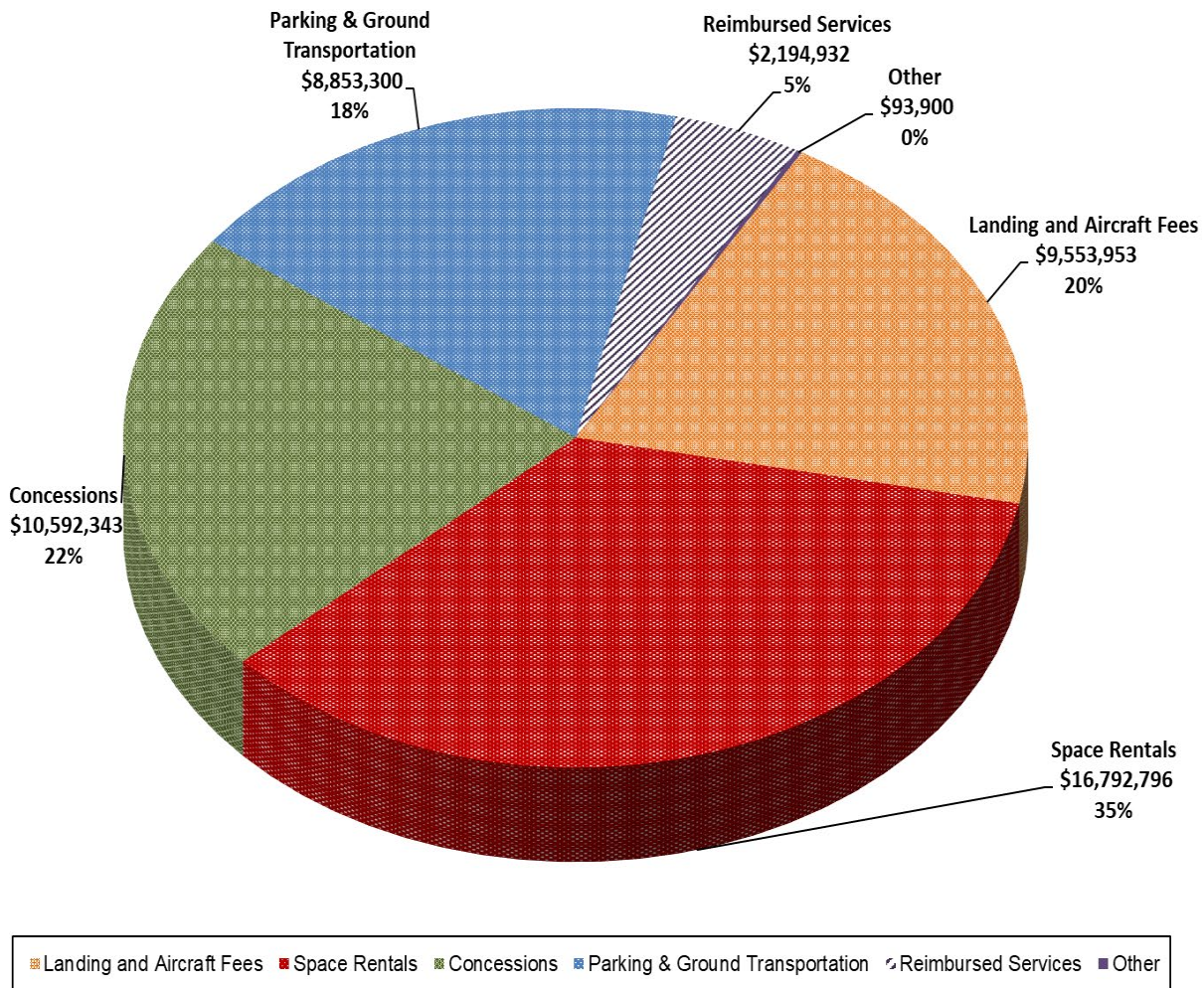
OPERATING REVENUE SUMMARY BY TYPE

There are six major sources of operating revenue received by RTAA:

1. Landing and aircraft fees.
2. Space rentals (building, hangar, and land rents);
3. Concession revenue;
4. Auto parking and ground transportation revenue;
5. Reimbursed services;
6. Other revenues.

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FY 2021-22 RTAA OPERATING REVENUES



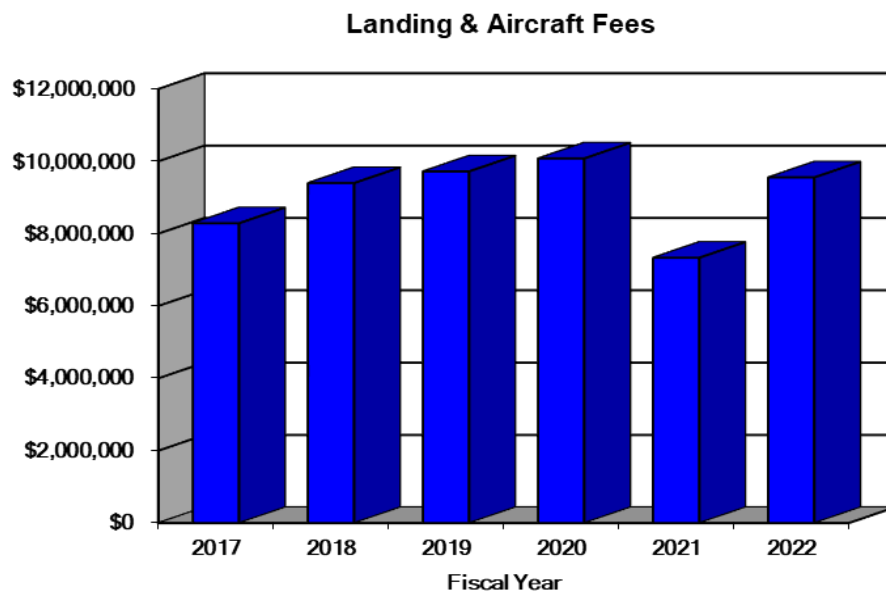
The following bar charts for each major operating revenue source presented in this section depict actual revenues for fiscal years 2016-17 through 2019-20 followed by budgeted revenues for fiscal years 2020-21 and 2021-22.

LANDING AND AIRCRAFT FEES

RTAA currently recovers almost 100% of its Airfield costs through landing and aircraft fees. Total landing and aircraft fees are anticipated to increase by \$2.221 million or 30.3% from the FY 2020-21 Budget, to \$9.554 million in FY 2021-22. The significant increase is due to higher

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expenses anticipated in the Airfield cost center, recovered through landing fees, and the increase in air traffic activity forecasted at RNO for FY 2021-22. The total landed weight forecast is increasing 32.4% from the FY 2020-21 Budget. The higher airline net requirement in the Airfield cost center reflects the increase in O&M costs, and Fixed Asset and Capital Project related expenditures allocated to the Airfield in the FY 2021-22 Budget. To maintain landing fees flat compared to FY 2019-20, and FY 2020-21 rates, the RTAA pledged \$2.900 million of CARES funds to reduce the net requirement in the Airfield cost center.



Landing fees are charged to passenger and cargo carriers for each aircraft landing based on the aircraft’s Maximum Gross Landed Weight. The Landing Fee Rate is calculated by dividing (i) the total cost of the Airfield as a whole (operation and maintenance expenses, debt service, fixed asset and capital improvements expenditures, and other funding requirements of the Bond Ordinance) less Airfield non-airline revenues by (ii) the total landed weight of aircraft arrivals.

The budgeted FY 2021-22 landing fee rate is \$3.23 per thousand pounds of landed weight the same rate as was charged in FY 2019-20, and FY 2020-21 for all airlines at RNO. In the current airline agreement, there is no premium charged for landing fees assessed to non-signatory airlines as compared to signatory airlines. Therefore, the \$3.23 rate will be charged to all airlines, signatory, or non-signatory. To illustrate the impact on landing fees, a 737-700 flown by Southwest Airlines, with a landed weight of 128,000 lbs., will cost \$413 per landing.

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CALCULATION OF FY 2021-22 LANDING FEE RATE

| | FY 2019-20 Actual | FY 2020-21 | | FY 2021-22 Budget |
|--------------------------------|-----------------------|----------------------|----------------------|----------------------|
| | | Budget | Forecast | |
| O&M Expenses | \$ 9,967,760 | \$ 10,060,154 | \$ 9,795,390 | \$ 11,723,239 |
| O&M Reserve | 95,579 | - | - | 151,120 |
| Fixed Assets | 151,103 | 265,992 | 352,047 | 325,983 |
| Capital Projects | 368,463 | 42,929 | 42,929 | 409,000 |
| Total Requirement | \$ 10,582,905 | \$ 10,369,074 | \$ 10,190,366 | \$ 12,609,342 |
| Other Airfield Revenues | (1,020,531) | (976,800) | (1,017,611) | (974,600) |
| CARES Act | (540,000) | (2,800,000) | (2,060,000) | (2,900,000) |
| Total Net Requirement | A \$ 9,022,374 | \$ 6,592,274 | \$ 7,112,755 | \$ 8,734,742 |
| Total Landed Weight (000s) | B 2,789,386 | 2,040,504 | 2,202,969 | 2,701,967 |
| Signatory Landing Fee Rate | A/B = C \$ 3.23 | \$ 3.23 | \$ 3.23 | \$ 3.23 |
| Signatory Landed Weight (000s) | D 2,660,041 | 1,942,241 | 2,038,461 | 2,435,861 |
| Signatory Landing Fee Revenue | C * D \$ 8,591,934 | \$ 6,273,440 | \$ 6,584,228 | \$ 7,867,832 |
| Non-Signatory Premium | 1.00 | 1.00 | 1.00 | 1.00 |
| Non-Signatory Landing Fee Rate | \$ 3.23 | \$ 3.23 | \$ 3.23 | \$ 3.23 |

Signatory landing fee revenues of \$7.868 million in the FY 2021-22 Budget represent an increase of approximately \$1.594 million or 25.4% as compared to the prior year budget.

The main factors impacting the net requirement in the Airfield cost center and calculation of the landing fee in the FY 2021-22 Budget are as follows:

- Landed weight forecasted at RNO for FY 2021-22, is 2.702 million-thousand-pound units, an increase of 32.4% from the FY 2020-21 Budget and 22.7% above the updated forecast. The significant increase as compared to the prior year budget reflects the 44.2% higher landed weights forecasted for the passenger airlines operating at RNO. Cargo airlines are forecasting a combined increase of 3.9%.

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- The operation and maintenance costs allocated to the Airfield cost center are estimated to increase by \$1.663 million or 16.5% above the prior year budget. This increase is due to both the overall decrease in direct costs and the allocation of indirect operating budget assigned to the Airfield cost center. Considering the COVID-19 pandemic, RTAA has undertaken significant budget cuts to limit the cost increases passed on to its airline partners, and to maintain its cash reserves. Some of those budget cuts were restored in the FY 2021-22 Budget as airline, and passenger traffic continues progressing towards pre-pandemic levels.

Direct Airfield costs reflect higher salaries and benefits for existing employees represented by Airport Authority Police Officers' Protective Association (AAPOPA), Reno Airport Fire Fighters Association (RAFFA) and Teamsters bargaining units. As a cost reduction measure, the approved budget for FY 2020-21 does not include salary increases for Management and Civil Service plan employees. A detailed discussion on all personnel-related additions and changes is in Section 4 – Organization Guide.

Indirect or administrative cost allocations are assigned under the airline agreement based on actual or budgeted costs identified to the six direct cost centers (Airfield, Terminal, BHS, Ground Transportation, Other and Reno Stead Airport). The allocations of indirect and administrative costs to the Airfield cost center are slightly increasing to 24.6% as compared to the FY 2020-21 Budget of 23.7%.

- Fixed assets and capital project cost recovery of \$735,000 represents an increase of a combined \$426,100 from the FY 2020-21 Budget and \$340,000 above the current year updated forecast. The FY 2020-21 Budget primarily reflects an investment in purchasing a water truck, a backhoe, and one defibrillator. In addition, the Part 139 database is programmed to be replaced in FY 2021-22. A detailed presentation of the FY 2021-22 fixed assets and capital projects program is in Section 8 – Capital Budget.

Due to the administrative challenge of identifying and charging a landing fee to private aircraft (general aviation) using the airports, Airfield revenues are collected from general aviation (GA) aircraft in the form of fuel flowage fees. The fuel flowage fee is collected by the Fixed Based Operator (FBO) at both RNO and RTS on a per-gallon of fuel purchased by GA aircraft basis. This fee is established annually by ordinance, and for FY 2021-22 the fee is unchanged at \$0.07 per gallon at RNO and \$0.05 per gallon at RTS. This ensures that general aviation aircraft pay a share of the expenses related to maintaining and developing the airfield. The revenue budget for RNO fuel flowage fees is \$195,700, an increase of 22.1% from to the FY 2020-21 Budget.

Fuel farm system revenue of \$648,400 is paid by a consortium of signatory airlines for the use of RTAA owned fueling facilities, equipment, and associated land. Revenue was established based on a determination of fair market value as established by independent appraisals in July 2011. At

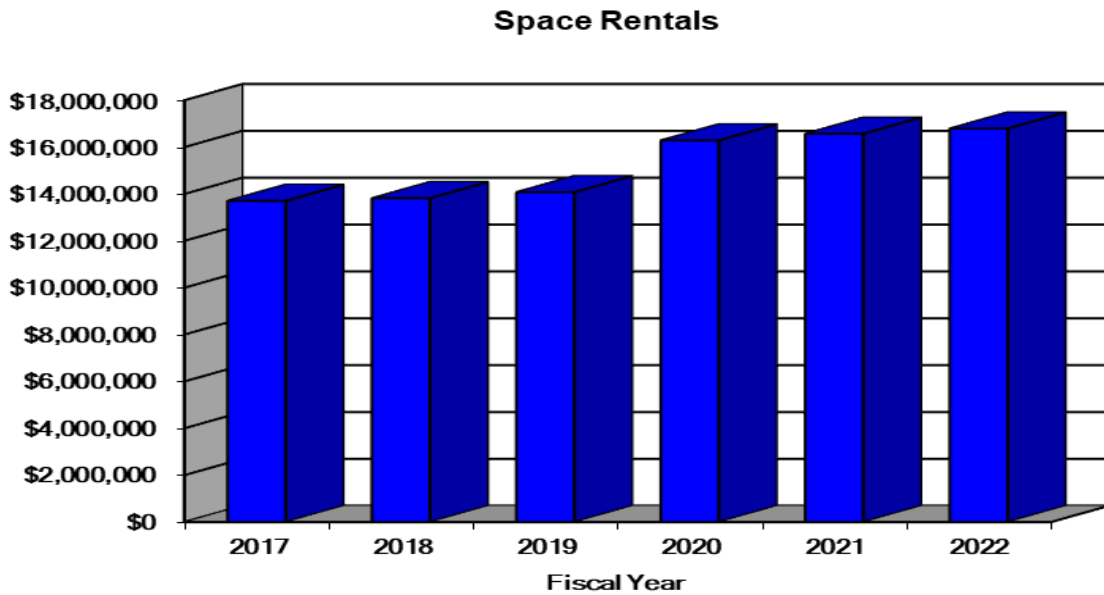
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five-year intervals starting on July 1, 2016, the revenue will either be adjusted based on cumulative percentage of change in the Consumer Price Index for All Urban Consumers (CPI-U) or an updated fair market appraisal of the system. The revenue included in the FY 2021-22 Budget is a 3.6% increase from the prior year budget.

Landing fees and fuel flowage fees of \$52,000 for RTS reflect landing fees assessed for use of airfield facilities by based firefighting aircraft and fuel flowage fees from fuel sales to GA aircraft.

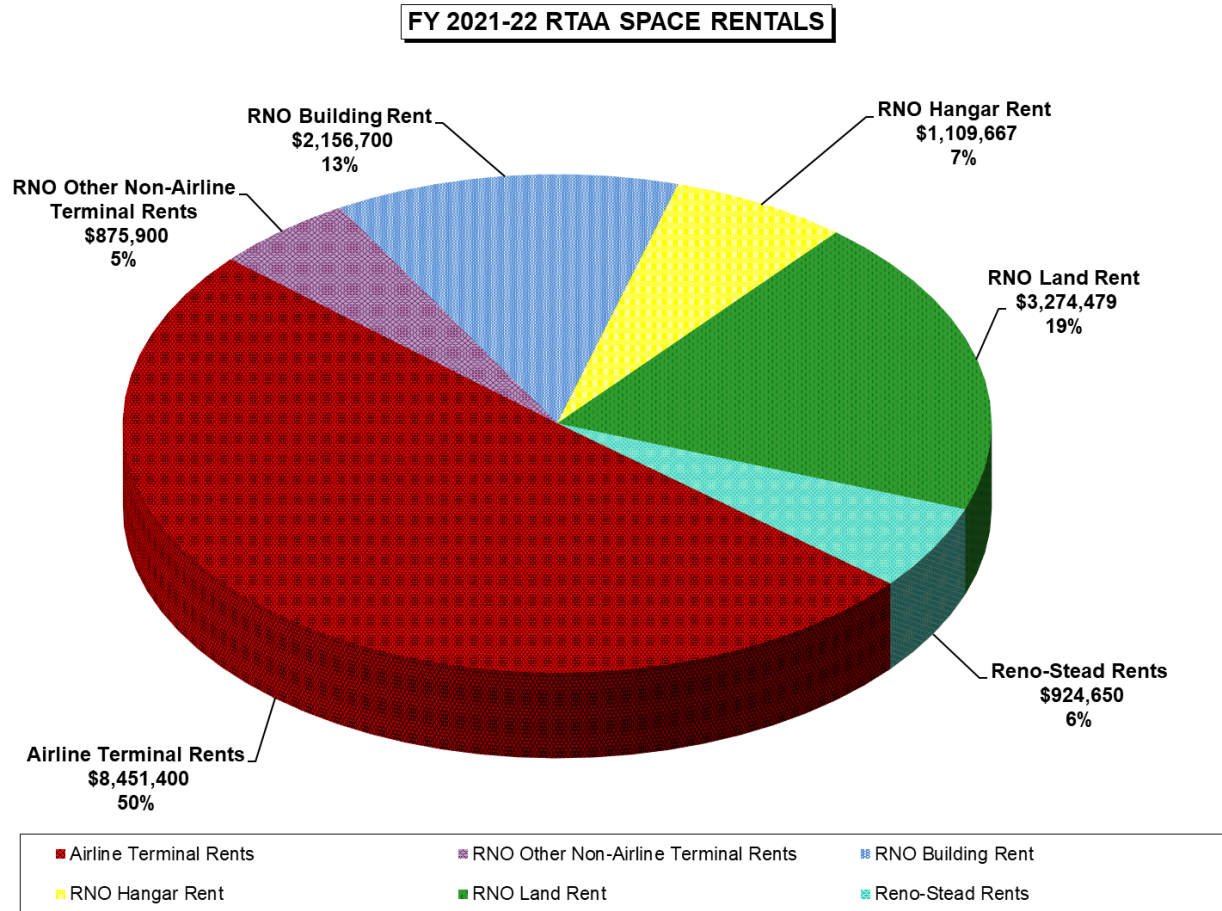
SPACE RENTALS

Space Rentals for FY 2021-22 are budgeted to reach \$16.793 million, an increase of \$220,700 or 1.3% as compared to the prior year adopted budget. This revenue category is comprised of airline terminal rents, other non-airline terminal rents, and other building, hangar, and land rents at both RNO and RTS.



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The following chart outlines the adopted FY 2021-22 Budget by category of Space Rents:



Airline terminal rentals reflects cost recovery of terminal costs allocated to airline occupied facilities (commercial compensatory basis) with total facility costs divided by rentable terminal square footage. The airlines pay on “for only what they use” basis and RTAA is at financial risk if vacant facilities exist. RNO has 262,114 rentable square feet of terminal rental space. Less than 1% of this space is vacant. Approximately 50% or \$8.451 million of total Space Rents are derived from the airlines.

The Terminal Rental Rate is calculated by dividing (i) the total cost of the Terminal as a whole (operation and maintenance expenses, debt service, fixed asset and capital improvement expenditures, and other funding requirements of Bond Ordinance) less airline reimbursement for disposal fees and less the Revenue Sharing Credit by (ii) rentable terminal square footage. Rentable Terminal Space is the total area of the terminal building available for lease and dedicated to the sole use of the airlines, rental car companies, concessions, aviation service

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providers, various government agencies, and RTAA for purposes of generating revenue and supporting operations.

CALCULATION OF FY 2021-22 TERMINAL RENTAL RATE

| GROSS TERMINAL RENTAL RATE | FY 2019-20 Actual | FY 2020-21 | | FY 2021-22 Budget |
|--|----------------------|----------------------|----------------------|----------------------|
| | | Budget | Forecast | |
| O&M Expenses | \$ 19,159,085 | \$ 19,231,604 | \$ 18,548,127 | \$ 20,892,578 |
| O&M Reserve | 188,755 | - | - | 269,318 |
| Fixed Assets | 155,664 | 119,862 | 181,933 | 360,975 |
| Capital Projects | 137,867 | 28,571 | 28,571 | 503,440 |
| Total Requirement | \$ 19,641,371 | \$ 19,380,037 | \$ 18,758,631 | \$ 22,026,311 |
| Less: Airline Reimbursements (Disposal Fee) | (291,087) | (308,300) | (287,500) | (271,200) |
| CARES Act | | (168,000) | - | (1,050,000) |
| Total Net Requirement | \$ 19,350,284 | \$ 18,903,737 | \$ 18,471,131 | \$ 20,705,111 |
| Square Footage | 262,114 | 262,114 | 262,114 | 262,114 |
| Average Terminal Rental Rate (Gross) | \$ 73.82 | \$ 72.12 | \$ 70.47 | \$ 78.99 |
| Signatory Airline Terminal Leased Space | 125,757 | 122,756 | 122,756 | 122,756 |
| Signatory Airline Share of Net Requirement | 9,283,400 | 8,853,200 | 8,650,600 | 9,696,500 |
| Less: Revenue Sharing (Current Year) | (2,573,900) | (2,063,800) | (1,861,400) | (2,907,000) |
| Revenue Sharing (Authority Contribution) | - | - | - | - |
| Adjusted Signatory Airline Net Requirement | 6,709,500 | 6,789,400 | 6,789,200 | 6,789,500 |
| Signatory Airline Terminal Leased Space | 125,757 | 122,756 | 122,756 | 122,756 |
| Signatory Airline Average Rental Rate (Net) | \$ 53.35 | \$ 55.31 | \$ 55.31 | \$ 55.31 |

The revenue sharing credit, as shown in the Calculation of Terminal Rental Rate table, is calculated as 50% of the gross revenues less operation and maintenance expenses, debt service requirements, bond ordinance reserve requirements, and repayment of loans to the capital account. The Revenue Sharing Credit is applied to reduce Signatory Airlines terminal rental rate

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in the current fiscal year, and the remaining 50% of the Airport System net revenues are transferred to RTAA's General Purpose Account.

For the FY 2021-22 Budget, the average signatory budgeted rental rate is \$55.31 per square foot per annum, no increase from the FY 2019-20, or FY 2020-21 average budgeted rental rate. This is due to RTAA allocating CARES Act funds to the Terminal and other cost centers to maintain signatory rental rates flat. Non-signatory airlines typically pay higher rental rates, as they do not have a long-term commitment with the airport. Due to the increase in operating, fixed asset, and capital expense budgets in FY 2021-22, the average non-signatory rental rate has increased by 9.5%.

Total airline (signatory and non-signatory) terminal space rental revenue is estimated to be \$8.451 million in FY 2021-22, an increase of \$595,500 or 7.6% from the FY 2020-21 Budget. The following are significant factors impacting the requirements in the Terminal Building cost center and the calculation of the FY 2021-22 terminal rental rates:

- The O&M budget allocated to the Terminal Building is increasing \$1.661 million, or 8.6% above the FY 2020-21 Budget. In light of the significant reductions in air traffic due to the pandemic, the RTAA has adopted a "bare bones" budget approach for FY 2021-22. All non-essential expenses were trimmed from the budget, and several vacant positions were frozen. The FY 2021-22 budget added back some of those budget cuts as air traffic, and passenger traffic through the terminal building is closing in on pre pandemic levels.

O&M costs allocated to the Terminal cost center reflect higher salaries and benefits for existing employees represented by Airport Authority Police Officers' Protective Association (AAPOPA), Reno Airport Fire Fighters Association (RAFFA) and Teamsters bargaining units. Salary increases for management and professional employees are not included in the approved budget for FY 2021-22.

Indirect or administrative cost allocations are assigned under the airline agreement based on actual or budgeted costs identified to the six direct cost centers (Airfield, Terminal, BHS, Ground Transportation, Other and Reno Stead Airport). The allocations of indirect and administrative costs to the Terminal Cost Center are lower at 43.9% as compared to the FY 2020-21 Budget of 45.2%.

- Fixed asset and capital project expenditures of \$864,400 represent an increase of a combined \$716,000 or 482.4% above the FY 2020-21 Budget and \$653,900 or 310.6% above the updated forecast. A detailed presentation of the FY 2021-22 fixed assets and capital projects program is in Section 8 – Capital Budget.

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- The estimated airlines' portion of net revenue sharing for FY 2021-22 is \$2.907 million, an increase of \$843,200 or 40.9% above the prior year budget. As part of this calculation, 35% of gaming revenue in each fiscal year is retained by RTAA and not available as part of the revenue sharing credit used to reduce the Terminal Rental Rate.
- CARES Act funding of up to \$1.050 million is used as a direct offset to net requirement in the Terminal cost center. This is to the benefit of both signatory, and non-signatory airlines.

RTAA also derives RNO space rents from airline leased space and on a per use basis. In addition, rents are collected on both terminal and non-terminal space leased to tenants other than the airlines. RTAA also collects rents at RTS from aviation related tenants at the airport. 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 (CPI) or periodic reappraisal. The approved budget for FY 2021-22 deferred the CPI increases until next fiscal year.

RNO terminal rents from non-airline tenants and non-terminal rents (building, hangar, and ground rent) of \$7.417 million in FY 2021-22 are estimated to increase by \$51,400 or 0.7% above the FY 2020-21 Budget.

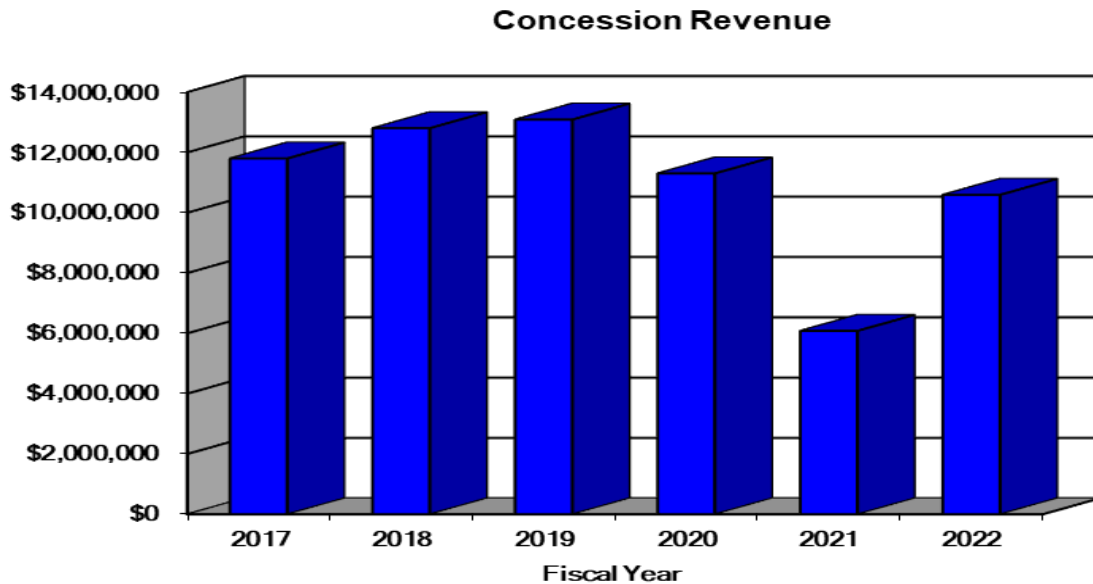
RTS hangar, land, and other facility rental revenues of \$924,700 represent a decrease of \$426,200 or 31.5% below last year's adopted budget. The decrease is due to a reduction of land rental revenue from the phase one of the master land development agreement with Dermody Properties, as total rented premises are decreasing from 90 acres to 56.4 acres.

RTAA staff has been actively involved in marketing and developing both aviation and commercial development of airport property at both airports during the past year. With land development activity continuing its recovery from the economic recession, RTAA has several new projects working towards completion that will be positive revenue contributors going forward.

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CONCESSION REVENUE

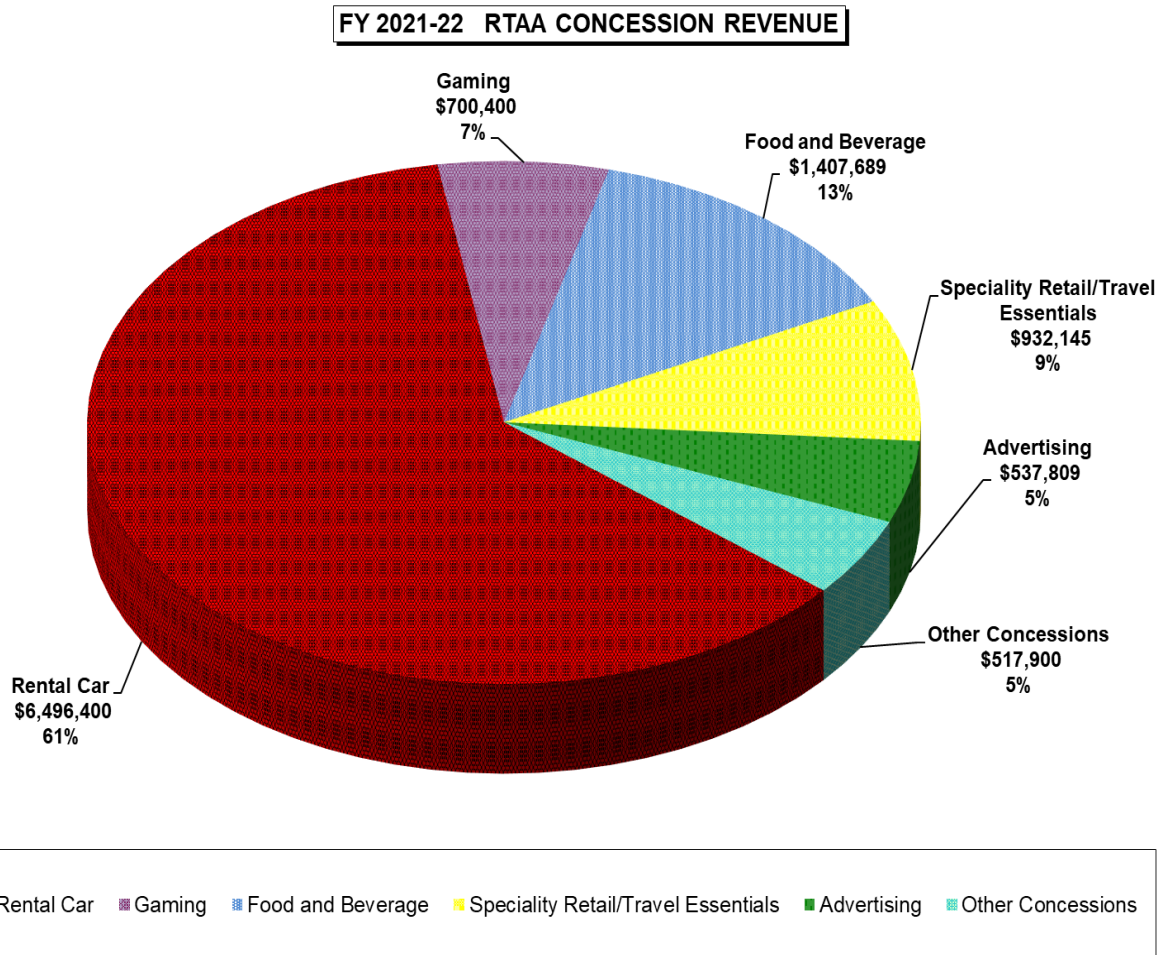
Concession revenues of \$10.592 million forecasted for FY 2021-22 are increasing \$4.512 million or 74.2% from the FY 2020-21 Budget, and \$1.863 million or 21.3% above the updated forecast. Concession revenues consist of gaming, food and beverage, specialty retail/travel essentials, advertising, car rental, and other concession revenues. The significant increase in concession revenue is primarily due to the fast recovery reflected in the FY 2021-22 passenger traffic forecast. After a year of travel restrictions passenger traffic is rebounding due to pent up demand especially when it comes to leisure travel. The faster than anticipated recovery of passenger traffic brought on some challenges for concessionaires, especially related to staffing. There is a workforce recruitment crisis in the Reno-Sparks-Tahoe area, with many employers competing for the same talent. This added some additional constraints on reopening stores, bars, and restaurants in the terminal building. Also, there is a possibility that passenger behavior will change as a result of the pandemic, negatively impacting revenues per enplaned passenger. The graph below reflects actual results for the past four fiscal years and the budget forecasts for FY 2020-21 and FY 2021-22.



The largest contributors to concession revenues are the rental car companies operating at RNO. The concession agreements with these firms are responsible for \$6.496 million or more than 61% of total revenue from concessions at RNO. The next largest contributors are specialty retail/travel essentials, food and beverage, gaming, and advertising. Combined, these five categories represent approximately 95% of forecasted concession revenues.

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In addition, there are smaller concessions such as luggage carts, massage chairs, charging stations, self-service kiosks, and ground service providers that contribute a percentage of their gross revenues to RTAA. The concession agreements are usually based on the greater of a minimum annual guarantee (MAG) or percentage of gross revenues being paid to RTAA.



The following graphs and narrative provide additional information regarding the largest contributors to concession revenue. The graphs include actual results for the past four fiscal years and the budget forecasts for FY 2020-21 and FY 2021-22.

Car Rental - Revenues from rental car companies are budgeted at \$6.496 million for FY 2021-22, an increase of \$3.183 million or 96.1% from the FY 2020-21 Budget and \$682,600 or 11.7% higher than the updated revenue forecast. The increase in budgeted revenues is due to the significant increase of 59.4% in the enplaned passenger forecast. Also, there is an increasing trend of gross rental car revenues per enplaned passenger observed in the last fiscal year,

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expected to continue in FY 2021-22. This is mainly due to a significant shortage of cars available for rent nationwide, as car rental companies sold off large portions of rental stock at the onset of the pandemic. Auto manufacturers are struggling to meet demand due to supply chain, and staffing challenges. Auto rental revenues represent approximately 20.9% of RTAA’s total budgeted non-airline operating revenues.

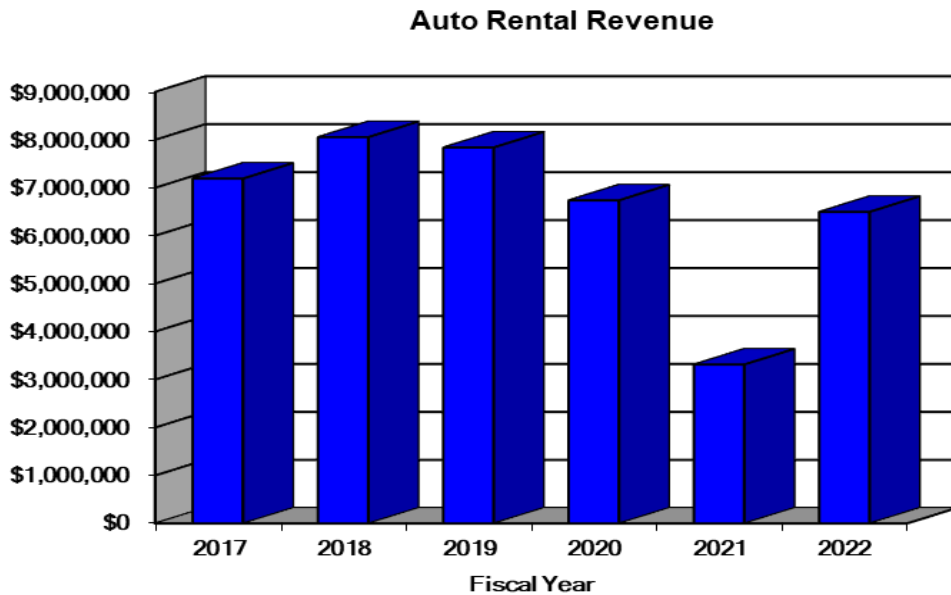
RTAA has five (5) on-airport car rental company agreements with eight (8) brands: (1) Avis/Budget Car Rental doing business as Avis, Budget, (2) DTG Operations doing business as Dollar and Thrifty, (3) Enterprise, (4) Hertz, and (5) Vanguard Car Rental doing business as Alamo and National. All of these brands have check-in counters located within the Terminal Building. In addition, RTAA also has one (1) off-airport concession agreement with Payless Car Rental that provides a ticket counter in the Terminal Building; however, this company has no on-airport ready/return, quick-turn-around or service/storage facilities on RTAA property.

On-airport rental car companies qualify to lease the following: (1) ready/return parking, (2) a lane in the quick turnaround (“QTA”) building and associated parking; and (3) a service facility and associated vehicle storage located away from the terminal on airport property. Payless, as an off-airport operator, provides limited service on the airport with only a check-in counter; however, all other facilities are located “off-airport” with their customers required to take other transportation for the rental and return of vehicles.

The ready/return parking spaces (“Ready/Return Premises”) are conveniently located in the Parking Structure, across from the Terminal; the QTA building and associated vehicle parking, which provides efficient fueling and car wash services, are located immediately north of the Parking structure; and the Service/ Storage Facilities are located south of the Terminal Building, as further described herein under a separate Ground Lease. RTAA is currently pursuing the option to build a new Consolidated Rental Car Facility (CONRAC) that will accommodate the current and future needs of the car rental companies operating at RNO and alleviate some of the public parking shortage by relocating the car rental companies out of the first floor of the public parking garage.

The current auto rental agreements, which began on July 1, 2010, were extended for an additional three years through June 30, 2018. RTAA and the Rental Car Companies agreed to amend and restate the agreement for an additional five (5) year term or upon the opening of a new CONRAC facility at RNO, whichever occurs earlier. This extension is under the same terms and conditions as the original agreement. Rental car revenue estimates are based on the concession agreement terms establishing the payment of either 10% of gross receipts or a Minimum Annual Guarantee (MAG) whichever is greater. MAG increases based on FY 2020-21 actual results were waived for FY 2021-22.

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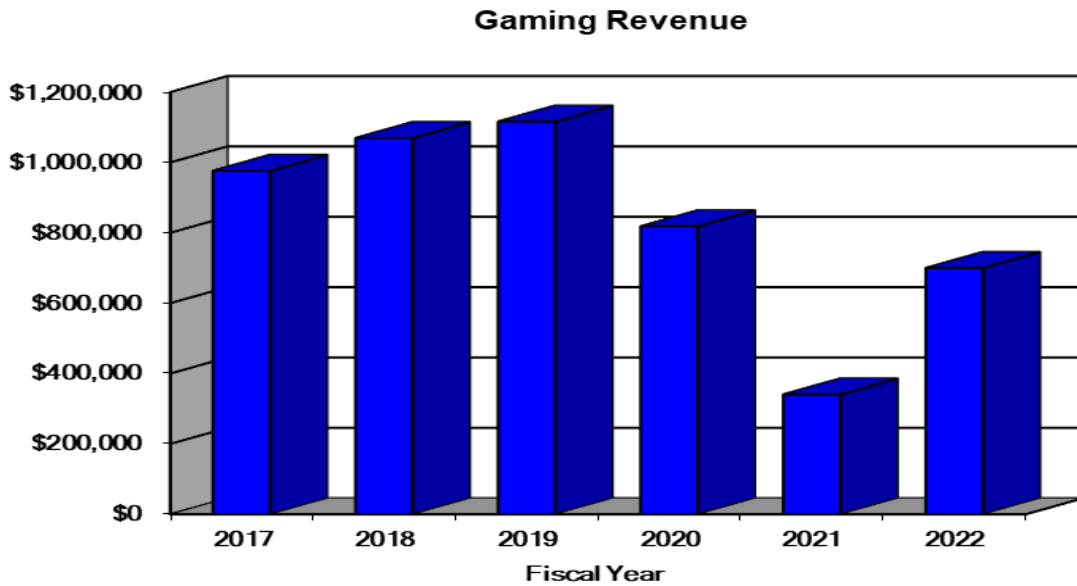


Gaming – This revenue source is unique and almost exclusively earned by Nevada airports. The gaming concession was awarded to International Game Technology (IGT) effective December 1, 2015, under a new five-year agreement, which expires on November 30, 2020. On March 12, 2020, the Board approved an extension of the agreement to November 30, 2024.

Under this agreement, RTAA receives 30% of Net Win under \$125,000 per month, 43% of Net Win between \$125,001 and \$300,000 per month, and 75% of Net Win greater than \$300,001 per month. The weighted average percentage that IGT pays to RTAA is forecasted to be 35% of gross sales with no minimum annual guarantee.

The gaming concession is forecasted to generate \$700,400 of non-airline revenue in FY 2021-22, an increase of \$359,600 or 105.5% from the prior year adopted budget, and \$272,100 or 63.5% from the updated revenue forecast for FY 2020-21. The significant increase is primarily due to the increase in passenger traffic forecasted for FY 2021-22.

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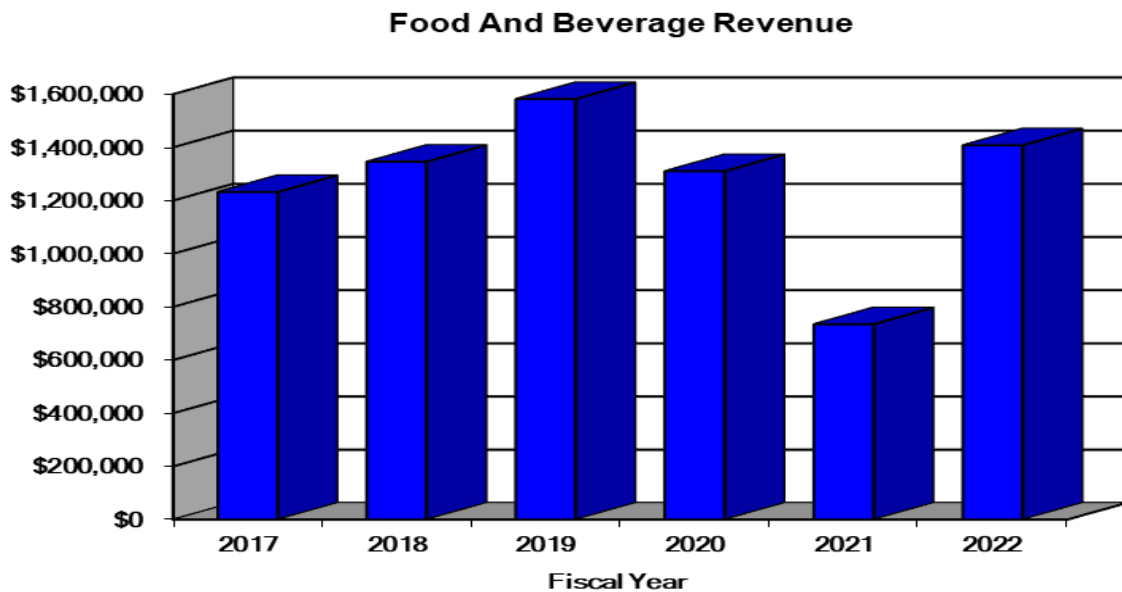
Food and Beverage - Creative Host Services, Inc. (CHS) was awarded a non-exclusive food and beverage concessions effective October 2001. Effective June 19, 2008, Creative Host Services, Inc. changed its name to SSP America, Inc. (SSP). The concession agreement calls for SSP to pay RTAA a percentage of gross revenues ranging from 8% to 16.5% depending on product type or a Minimum Annual Guarantee (MAG), which is 85% of the previous year’s payments but not less than \$885,800, whichever is greater. If enplaned passengers drop by more than 25% in any month below the same month of the prior fiscal year, MAG requirements are waived. With the forecasted passenger increase of 59.4% in FY 2021-22, the RTAA anticipates MAG requirements to be in effect during the fiscal year. SSP is currently struggling to fill many of its open positions, and as a result not all venues are fully operational at this time.

To further enhance the food and beverage program, RTAA entered into an agreement with Manchester Airports Group (MAG) US Lounge Management, LLC to open a common use airport lounge at RNO, operating under the name of “Escape Lounges. The Escape Lounge will also generate additional non-airline revenue over its ten (10) year term of 7% of Gross Receipts on any amounts greater than the minimum annual guarantee of \$62,400 annually.

In addition, after a competitive RFP process for additional specialty retail and/or food and beverage opportunities in the terminal, RTAA reached agreement with Vino Volo and Subway to open retail locations on the terminal connector and Concourse C, respectively. The two concessions are expected to contribute \$180,000 to the food and beverage concession revenue budget.

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The total budgeted food and beverage revenue for FY 2021-22 is \$1.408 million. This estimate reflects a \$673,100 or 91.6% increase from the FY 2020-21 Budget and \$571,900 or 68.4% above the updated revenue forecast. The significant increase in concession revenues from the food and beverage outlets operating at RNO is due to the estimated sharp recovery of passenger traffic. SSP operated pre-security venues are currently closed and some of post-security restaurants offer a limited menu, restricted hours of operations or temporarily closed.



Specialty Retail/ Travel Essentials – The retail concessions in the RNO terminal building are projected to provide RTAA with \$932,100 revenue in FY 2021-22, same as the FY 2020-21 Budget, and \$200,000 or 27.3% above the updated revenue forecast. Due to the significant decline in the passenger forecast in FY 2020-21, concession gross sales have declined sharply. Although the budget was based on MAG contractual obligations, the Board waived the MAG requirement. The FY 2021-22 revenue budget is anticipating concession fees at MAG levels. The retail concessions located in the terminal building are also struggling with staffing, and as a result some of the stores operate within limited hours.

The primary, non-exclusive concession agreement for specialty retail / travel essentials (previously known as merchandise and news and gift) services was awarded to The Paradies Shops. In 2015, Lagardère Travel Retail acquired Paradies and merged Paradies and LS Travel Retail North America to create Paradies Lagardère (Paradies), a new market leader for airport concessions.

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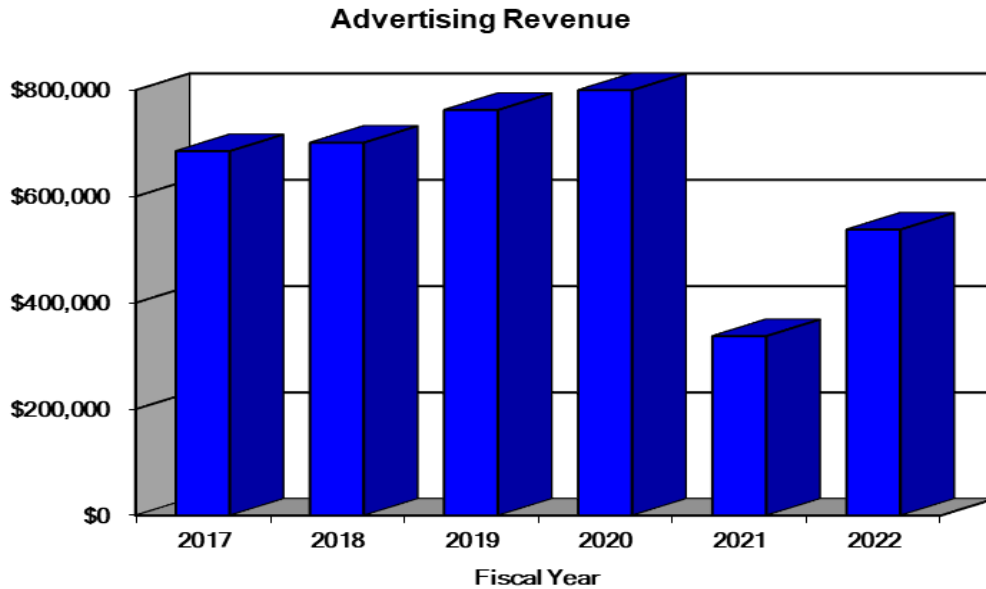
This agreement provides payment to RTAA based on a percentage of revenues ranging from 12% to 23% depending on product type or a Minimum Annual Guarantee (MAG), which is 85% of previous year’s payments but not less than \$932,145, whichever is greater. Due to the passenger growth in the last few years, the percentage of gross sales has exceeded the MAG in recent years. The weighted average percentage that Paradies typically pays RTAA is 15% of gross sales.



The current specialty retail stores at RNO include No Boundaries, Brighton, and InMotion in the post-security concourse connector area and the PGA Tour Shop in the pre-security terminal lobby area. Paradies also has four travel essentials (previously known as news/gift) stores including the post-security Summit Travel on the B-Concourse, Plane Provisions on the C-Concourse, CNBC News on the concourse connector area, and Silver State Market Place in the pre-security terminal lobby area. In addition, a Harley Davidson specialty retail store is located pre-security, next to Silver State Market Place. Some of these stores, especially those pre-security, have limited hours of operation due to current staffing challenges.

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Advertising - Revenues are derived primarily from display ads located in the RNO terminal building, budgeted at \$537,800 for FY 2021-22. This is \$200,400 or 59.4% above the FY 2020-21 budgeted revenue and \$65,400 or 13.9% above the FY 2020-21 updated revenue forecast.



Effective February 1, 2015, RTAA executed a new five-year Nonexclusive Advertising Program Concession License for advertising services with Clear Channel Airports. The RTAA Board of Trustees recently approved a four-year extension to the License with Clear Channel, and the RTAA is negotiating the final terms of the extension with Clear Channel.

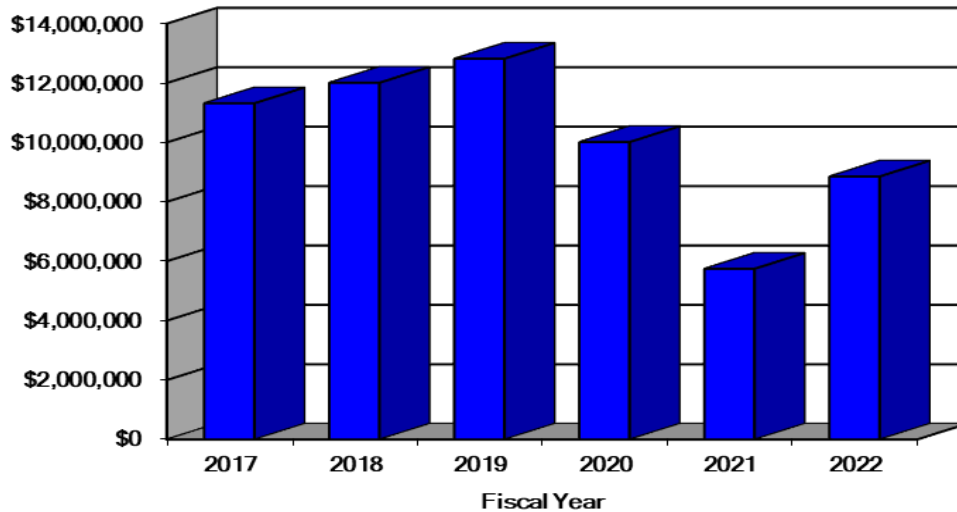
The terms of this agreement will compensate RTAA with the greater of 55% of all display sales and 15% of Clear Vision (digital screens on the concourses) or a minimum annual guarantee (MAG) of \$741,715. The contract calls for a MAG abatement if the number of enplaned passengers is in any month below 75% of the enplaned passengers registered in the same month of the prior year. The FY 2021-22 Budget is forecasting advertising revenue based on a revenue per enplaned passenger estimate, not considering MAG. RTAA also receives approximately \$6,700 in advertising revenue associated with bins used by passengers going through security screening.

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PARKING AND GROUND TRANSPORTATION

Total auto parking and ground transportation revenues of \$8.853 million are forecasted to increase \$3.107 million or 54.1% from the FY 2020-21 Budget and \$2.780 million or 45.8% as compared to the updated revenue forecast. Auto parking and ground transportation represent approximately 19% of FY 2021-22 budgeted operating revenues and 29% of RTAA’s non-airline operating revenue budget.

Parking and Ground Transportation Revenue



The significant increase of \$3.025 million in public parking revenue from last year’s budget is due to the sharp recovery of forecasted passenger traffic in FY 2021-22. 59.4% more passengers are expected at RNO, causing at times supply and demand imbalances when it comes to available public parking spaces. RTAA has allocated resources to evaluate potential long-term solutions.

Ground transportation fees are projected to be \$265,400 in FY 2021-22, an increase of \$82,100 or 44.8% from the FY 2020-21 Budget and \$76,600 or 40.6% from the updated revenue forecast. These fees are paid by transportation operators such as limousines, shuttle buses, transportation network companies (TNCs), and taxicabs. The fees assessed to TNCs are the same as those paid by taxis and pay limousines on a per trip basis (\$1/pick up). TNCs started to operate at RNO in January 2016 and have been on an uptrend until the onset of the pandemic. Passengers preferred the use of personal or rental cars to ride sharing options.

The increase in TNC activity in recent history has impacted the demand for taxis, and as a result the revenues received by RTAA from taxi operators.

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REIMBURSED SERVICES

This category is comprised of reimbursement from the airlines, tenants, and the Transportation Security Administration (TSA) for services provided by RTAA in support of their daily operations including maintenance of the baggage handling system (BHS), trash disposal, utilities, ID badges, law enforcement at the security checkpoint and canine explosive detection teams. Reimbursed services revenue of \$2.195 million is budgeted in FY 2021-22, an increase of \$405,600 or 22.7% from the FY 2020-21 Budget. Approximately 53.7% of this revenue category reflects reimbursement from the airlines for the BHS as outlined below. The BHS airline reimbursement is projected to increase by \$451,400, or 62.1% from the prior year budget. The increase is due to all three BHS matrices being fully operational in FY 2021-22.

Baggage Handling System (BHS) - The reimbursement amount for the BHS is 100% cost recovery of the operating and maintenance services, utilities, supplies, and other direct costs of operating the system. The FY 2021-22 Budget anticipates these costs at \$1.725 million, an increase of \$241,300 from the FY 2020-21 Budget primarily due to the expected operation of all three matrices. The significant decline in passenger traffic through RNO allowed shutting down two of the three matrices in FY 2020-21 for a period of time as a cost saving measure.

CALCULATION OF FY 2021-22 BAGGAGE HANDLING SYSTEM FEE

| FY 2019-20 Actual | FY 2020-21 | | FY 2021-22 Forecast |
|----------------------|------------|----------|------------------------|
| | Budget | Forecast | |

Operating Requirement

| | | | | |
|---|------------------|----------------|----------------|------------------|
| O&M Expenses | \$ 1,588,798 | \$ 1,483,364 | \$ 1,353,364 | \$ 1,724,700 |
| O&M Reserve | 16,275 | - | - | 22,232 |
| Capital Projects | 6,107 | - | - | - |
| Less: TSA Reimbursement | (46,766) | (39,500) | (47,500) | (48,200) |
| Non-Signatory Airline BHS | (58,999) | (57,900) | (64,100) | (167,800) |
| CARES Act | (22,281) | (716,500) | (520,500) | (520,000) |
| Total Baggage System Charge Revenue | 1,483,134 | 669,464 | 721,264 | 1,010,932 |
| Total Number of Bags Processed - Signatory | 1,001,192 | 538,289 | 583,527 | 815,438 |
| Signatory Rate per Bag Processed | \$ 1.48 | \$ 1.24 | \$ 1.24 | \$ 1.24 |
| Non-Signatory Rate per Bag Processed | \$ 1.37 | \$ 1.37 | \$ 1.36 | \$ 1.36 |

Both signatory and non-signatory rates per processed bag are forecasted to remain flat based on this cost recovery methodology. With the assumption of 0.61 bags per passenger, the rate paid by signatory airlines in the FY 2021-22 Budget is \$1.24 per processed bag, same as the rate charged

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in FY 2020-21. In light of the decline in the enplaned passenger forecast and, in an effort, to limit the increase in operating costs of our airline partners, RTAA has allocated up to \$520,000 of its CARES Act funds to reduce the costs of operating the BHS.

Other Reimbursed Services

The remaining FY 2020-21 Budget of approximately \$1.016 million includes payments from the TSA for RTAA providing police services at the security checkpoints as well as for participation in the National Explosives Detection Canine Team Program. This category also includes reimbursement for waste disposal services and other RTAA provided utilities. The disposal services fees are based on RTAA's actual costs of providing the service and utilities are billed at the rates assessed by local utility providers.

NON-OPERATING REVENUE

The FY 2021-22 Budget also includes non-operating revenues of \$24.015 million, an increase of \$3.661 million or 17.9% from the FY 2020-21 Budget. Historically this category primarily consisted of Passenger Facility Charge (PFC), Customer Facility Charge (CFC) revenues, and other revenues from aviation fuel taxes and interest earnings. Recently added to this category are grant reimbursements from the Coronavirus Aid, Relief, and Economic Security Act (CARES), Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), and American Rescue Plan Act (ARPA) funding. This is a relatively new funding source initiated by the Federal Government and managed by the Federal Aviation Administration (FAA). The approved FY 2021-22 Budget includes the allocation of up to \$11.746 million CARES Act funding to reimburse eligible RTAA costs.

CFC revenues are budgeted at \$5.693 million in FY 2021-22 and are derived from a daily fee of \$5.50 assessed to each rental car per transaction day. This is an increase of \$2.631 million, or 85.9% from the FY 2020-21 Budget, and \$1.232 million or 27.6% higher than the updated revenue forecast. The significantly higher revenues are due to the increase of passenger traffic forecast expected at RNO. CFCs are meant to fund the maintenance and management of existing rental car facilities, and the design and construction of a new Consolidated Rental Car (CONRAC) facility identified in the RNO Master Plan, approved by the Board.

PFC revenues of \$5.564 million are increasing \$20.032 million or 57.5% from the prior year adopted budget due to the forecasted 59.4% increase in enplaned passengers at RNO. The PFC program is a Federal program overseen by the Federal Aviation Administration (FAA). PFCs are collected by airlines on their passengers' tickets at \$4.50 and remitted monthly to RTAA. PFCs are designated to fund capital projects and equipment reviewed by the airlines in a process prescribed by the FAA and cannot be spent on operation and maintenance expenses of the

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airport. PFC revenues must be segregated from all other airport revenues. For a complete explanation of the PFC program, please see Section 8 – Capital Projects.

Investment Interest for FY 2021-22 is budgeted at \$797,700, an increase of \$155,700 or 24.3% compared to the FY 2020-21 Budget. This increase is due to higher cash balances available for investment, and the expectation of higher yield. Also included in this category is restricted investment interest earned on the restricted cash balances such as revenue bond construction funds and PFC funds. The same investment policy restrictions apply to these funds, as outlined for all RTAA investments, and hence the same rate of return is used for this calculation. These investment earnings must be returned to the construction or PFC fund pursuant to the bond resolution and the PFC rules. They cannot be used to fund the operations of the airports (RNO and RTS).

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

Non-Operating Revenue also includes aviation fuel tax revenues estimated to be \$213,700 in FY 2021-22. This revenue represents a \$0.01 per gallon fee collected by the State of Nevada and remitted to RTAA through Washoe County on aviation jet fuel sold, distributed, or used in the county. The use of Aviation Fuel Tax revenue is restricted to funding transportation projects related to airports including ground transportation improvements and promoting the use of RNO including efforts to increase the number and availability of flights.

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Summary of Budgeted Revenues

| | FY 2019-20 Actual | FY 2020-21 Budget | FY 2021-22 Budget | Percent Change |
|--|----------------------|----------------------|----------------------|-------------------|
| Landing Fees - Reno-Tahoe | | | | |
| Signatory Airlines-Scheduled Carriers | \$ 6,686,052 | \$ 4,474,092 | \$ 6,000,389 | |
| Signatory Airlines - Freight Carriers | 1,905,882 | 1,799,348 | 1,867,443 | |
| Non Signatory Airlines - Scheduled Carriers | 267,336 | 188,418 | 723,449 | |
| Charters, FBO's | 61,310 | - | - | |
| Non Signatory Airlines - Charters | 11,285 | - | - | |
| Non-Signatory Airlines - Air Freight Carriers | 116,080 | 128,971 | 136,072 | |
| Air Service Incentive- Landing Fees | 0 | (200,000) | (200,000) | |
| | 9,047,945 | 6,390,829 | 8,527,353 | 33% |
| Aircraft Fees - Reno-Tahoe | | | | |
| Fuel Flowage | 207,069 | 160,300 | 195,700 | |
| Aircraft Parking | 124,644 | 91,600 | 111,200 | |
| Aviation Gas Tax Refunds | - | - | - | |
| Fuel Farm Use Fee and Ground Rent- RFFC | 627,489 | 626,000 | 648,400 | |
| Fuel Farm Use Fee - Jet West | 19,252 | 18,900 | 19,300 | |
| | 978,453 | 896,800 | 974,600 | 9% |
| Aircraft Fees - Reno-Stead | | | | |
| Fuel Flowage | 28,924 | 25,500 | 28,600 | |
| Landing Fees | 22,410 | 20,300 | 23,400 | |
| | 51,334 | 45,800 | 52,000 | 14% |
| TOTAL Aircraft Fees | \$ 10,077,732 | \$ 7,333,429 | \$ 9,553,953 | 30% |
| Concession Revenue | | | | |
| Gaming Revenue | \$ 818,747 | \$ 340,800 | \$ 700,400 | 106% |
| Food and Beverage Revenue | 1,310,327 | 734,604 | 1,407,689 | 92% |
| Retail Revenue | | | | |
| Speciality Retail/Travel Essentials | 932,145 | 932,145 | 932,145 | 0% |
| | 932,145 | 932,145 | 932,145 | |
| Other Concession Revenue | | | | |
| FBO's and Ground Handling | | | | |
| Fixed Base Operators - Reno-Tahoe | 42,077 | 80,000 | - | |
| Security Services | 54,613 | 20,000 | 48,800 | |
| Ground Handling/Support Services | 359,258 | 199,200 | 318,700 | |
| | 455,949 | 299,200 | 367,500 | 23% |
| Stead Concession Revenue | | | | |
| Fixed Base Operators - Reno-Stead | 31,335 | 28,900 | 24,500 | |
| Other Concession Revenue | 546 | 300 | 300 | |
| | 31,881 | 29,200 | 24,800 | -15% |
| Advertising Revenue | 834,270 | 337,458 | 537,809 | 59% |
| Miscellaneous Concession Revenue | | | | |
| Other Concessions | 20,934 | 18,600 | 14,200 | |
| Luggage Carts | 23,113 | 16,000 | 24,400 | |
| ATM | 137,312 | 59,000 | 87,000 | |
| | 181,359 | 93,600 | 125,600 | 34% |
| Total Other Concession Revenue | 1,503,459 | 759,458 | 1,055,709 | 39% |
| Total Concession Revenue Excluding Auto Rental and Gaming | 3,745,931 | 2,426,207 | 3,395,543 | 40% |
| On Airport Auto Rental | 6,737,159 | 3,313,580 | 6,496,400 | 96% |
| | 6,737,159 | 3,313,580 | 6,496,400 | |
| TOTAL Concession Fees | \$ 11,301,837 | \$ 6,080,587 | \$ 10,592,343 | 74% |

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Summary of Budgeted Revenues

| | FY 2019-20 Actual | FY 2020-21 Budget | FY 2021-22 Budget | Percent Change |
|---|----------------------|----------------------|----------------------|-------------------|
| Auto Parking and Ground Transportation | | | | |
| Auto Parking/Traffic Control | | | | |
| Public Parking Lot | 9,284,240 | 5,175,800 | 8,243,300 | |
| Off-Airport Parking | 13,718 | 12,300 | 7,000 | |
| Employee Parking | 364,662 | 371,900 | 331,800 | |
| Parking Fines | 6,525 | 3,400 | 5,800 | |
| | <u>9,669,145</u> | <u>5,563,400</u> | <u>8,587,900</u> | 54% |
| Ground Transportation | | | | |
| Taxi Loop | 52,650 | 28,200 | 38,400 | |
| Transportation Network Companies | 144,519 | 78,700 | 112,900 | |
| Limousines | 9,780 | 4,400 | 7,000 | |
| Buses/Courtesy Shuttles | 89,524 | 52,000 | 64,700 | |
| Permit Fees | 46,838 | 20,000 | 42,400 | |
| | <u>343,311</u> | <u>183,300</u> | <u>265,400</u> | 45% |
| TOTAL Auto Parking and Ground Transportation | \$ 10,012,455 | \$ 5,746,700 | \$ 8,853,300 | 54% |
| Space Rentals | | | | |
| Terminal Rents, Signatory Airlines | | | | |
| Ticket Counter | 328,226 | \$298,400 | \$298,400 | |
| Hold Room | 1,462,603 | 1,458,300 | 1,458,400 | |
| Back Office | 523,899 | 507,200 | 507,200 | |
| Bag Claim | 1,229,127 | 1,284,700 | 1,284,700 | |
| Bag Service Office | 171,284 | 151,000 | 151,000 | |
| Bag Makeup | 1,231,107 | 1,286,800 | 1,286,800 | |
| Baggage System | 828,853 | 866,400 | 866,400 | |
| Operations Space | 606,161 | 593,400 | 593,400 | |
| Common Use Drives | 298,531 | 312,000 | 312,000 | |
| Outside Storage | 29,708 | 31,100 | 31,100 | |
| Gate Use Charge/ Non-Signatory Use Fees | 1,019,966 | 1,266,600 | 1,862,000 | |
| Air Service Incentive- Terminal Rent | - | (200,000) | (200,000) | |
| | <u>\$7,729,466</u> | <u>\$7,855,900</u> | <u>\$8,451,400</u> | 8% |
| Terminal Rents, Other | | | | |
| Government Agencies | 295,233 | 353,700 | 360,800 | |
| Car Rental Counters & Offices | 281,954 | 284,300 | 283,200 | |
| Other Terminal Rents | 232,935 | 218,700 | 231,900 | |
| | <u>810,122</u> | <u>856,700</u> | <u>875,900</u> | 2% |
| Reno/Tahoe Non-Terminal Rents | | | | |
| Building Rental | 1,765,265 | 1,659,700 | 1,686,600 | |
| Building Rental - Auto Rental | 469,958 | 467,700 | 470,100 | |
| Hangar Rental | 970,376 | 1,043,800 | 1,109,667 | |
| Land Rental | 2,230,549 | 2,101,249 | 2,026,779 | |
| Land Rental - Auto Rental | 1,242,800 | 1,236,200 | 1,247,700 | |
| | <u>6,678,948</u> | <u>6,508,649</u> | <u>6,540,846</u> | 0% |
| Reno Stead Rents | | | | |
| Building Rental | 15,316 | 15,500 | 7,200 | |
| Hangar Rental | 390,407 | 413,000 | 326,150 | |
| Airfield Rental | 55,463 | 56,400 | 55,400 | |
| Land Rental | 518,765 | 779,100 | 493,600 | |
| Unmanned Aircraft System (UAS) Testing | - | - | - | |
| Sewer Use Fee | 12,930 | 13,400 | 12,900 | |
| Wash Rack | 351 | 300 | - | |
| Mini Warehouse Rent | 15,283 | 15,800 | 15,300 | |
| Other Rental | 59,271 | 57,300 | 14,100 | |
| | <u>1,067,785</u> | <u>1,350,800</u> | <u>924,650</u> | -32% |
| TOTAL Space Rentals | \$ 16,286,322 | \$ 16,572,049 | \$ 16,792,796 | 1% |

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Summary of Budgeted Revenues

| | FY 2019-20 Actual | FY 2020-21 Budget | FY 2021-22 Budget | Percent Change |
|---|----------------------|----------------------|----------------------|-------------------|
| Reimbursed Services | | | | |
| Security Services | 600,203 | 618,200 | 569,200 | |
| Utilities | 199,839 | 214,000 | 174,000 | |
| Maintenance | 21,669 | 19,500 | 10,900 | |
| Disposal Fees | 91,247 | 94,300 | 97,200 | |
| Other | 12,041 | 14,000 | 500 | |
| Rental Car CFC Admin Costs | 125,474 | 62,500 | 116,200 | |
| BHS Reimbursement - Signatory Airline | 1,483,134 | 669,464 | 1,010,932 | |
| BHS Reimbursement - Non-Signatory Airline | 58,999 | 57,900 | 167,800 | |
| BHS - TSA Reimbursement | 46,766 | 39,500 | 48,200 | |
| TOTAL Reimbursed Services | 2,639,373 | 1,789,364 | 2,194,932 | 23% |
| Miscellaneous Revenue | | | | |
| Miscellaneous Revenue | 329,777 | 71,500 | 93,900 | |
| Damage Claim Reimbursement | 15,519 | - | - | |
| | 345,296 | 71,500 | 93,900 | 31% |
| TOTAL OPERATING REVENUE | \$ 50,663,014 | \$ 37,593,629 | \$ 48,081,224 | 28% |
| Non-Operating Revenue | | | | |
| Investment Interest | 1,325,066 | 528,900 | 588,300 | |
| Investment Interest, CFC | - | - | - | |
| Investment Interest, Fuel Tax Fund | 6,483 | 3,900 | 5,800 | |
| Gain (Loss) on Sale of Fixed Assets | 28,196 | - | - | |
| Aviation Gas Tax | 263,134 | 260,100 | 213,700 | |
| CFC Revenue | - | - | - | |
| Miscellaneous | - | - | - | |
| TOTAL Non-Operating Revenue | 1,622,879 | 792,900 | 807,800 | 2% |
| TOTAL Pledged Revenue | \$ 52,285,893 | \$ 38,386,529 | \$ 48,889,024 | 27% |
| Non-Pledged Revenue | | | | |
| Investment Interest, Other Restricted | - | - | - | |
| Investment Interest, Consent Decree | - | 6,700 | 5,200 | |
| Investment Interest, CFC | 256,382 | 42,500 | 108,700 | |
| Investment Interest, PFC | 472,121 | 60,000 | 89,700 | |
| CARES Act | 562,281 | 12,857,475 | 11,745,950 | |
| CFC Revenue | 4,891,406 | 3,061,700 | 5,693,000 | |
| PFC Revenue | 7,135,803 | 3,532,700 | 5,564,200 | |
| Gain (Loss) on Investments Value | 736,237 | - | - | |
| Miscellaneous | - | - | - | |
| TOTAL Non-Pledged Revenue | \$ 14,054,483 | \$ 19,561,075 | \$ 23,206,750 | 19% |
| TOTAL REVENUES | \$ 66,340,376 | \$ 57,947,604 | \$ 72,095,774 | 24% |

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Non-Airline Revenues

| Non-Airline Revenues | 2019-20 Actual | 2020-21 Budget | 2020-21 Projected | 2021-22 Budget | % Change 2022 Budget to | |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|-------------------------|--------------|
| | | | | | 21 Budget | 21 Projected |
| Auto Parking | \$ 9,669,145 | \$ 5,563,400 | \$ 5,884,500 | 8,587,900 | 54.4% | 45.9% |
| Ground Transportation | 343,311 | 183,300 | 188,800 | 265,400 | 44.8% | 40.6% |
| Auto Rental | 6,737,159 | 3,313,580 | 5,813,774 | 6,496,400 | 96.1% | 11.7% |
| Non-Terminal Rents (RNO) | 6,678,948 | 6,508,649 | 6,530,123 | 6,540,846 | 0.5% | 0.2% |
| Reimbursed Services | 2,639,373 | 1,789,364 | 1,836,238 | 2,194,932 | 22.7% | 19.5% |
| Food & Beverage | 1,310,327 | 734,604 | 835,754 | 1,407,689 | 91.6% | 68.4% |
| Gaming Concession | 818,747 | 340,800 | 428,300 | 700,400 | 105.5% | 63.5% |
| Merchandising Revenue | 932,145 | 932,145 | 732,145 | 932,145 | 0.0% | 27.3% |
| Aircraft Fees | 1,029,788 | 942,600 | 988,711 | 1,026,600 | 8.9% | 3.8% |
| Reno Stead Rents | 1,067,785 | 1,350,800 | 1,297,400 | 924,650 | -31.5% | -28.7% |
| Other Terminal Rents | 810,122 | 856,700 | 855,600 | 875,900 | 2.2% | 2.4% |
| Advertising | 834,270 | 337,458 | 472,382 | 537,809 | 59.4% | 13.9% |
| Other Concessions | 669,189 | 422,000 | 446,636 | 517,900 | 22.7% | 16.0% |
| Miscellaneous | 345,296 | 71,500 | 126,100 | 93,900 | 31.3% | -25.5% |
| Total Non-Airline Revenues | \$ 33,885,603 | \$ 23,346,900 | \$ 26,436,462 | \$ 31,102,471 | 33.2% | 17.6% |

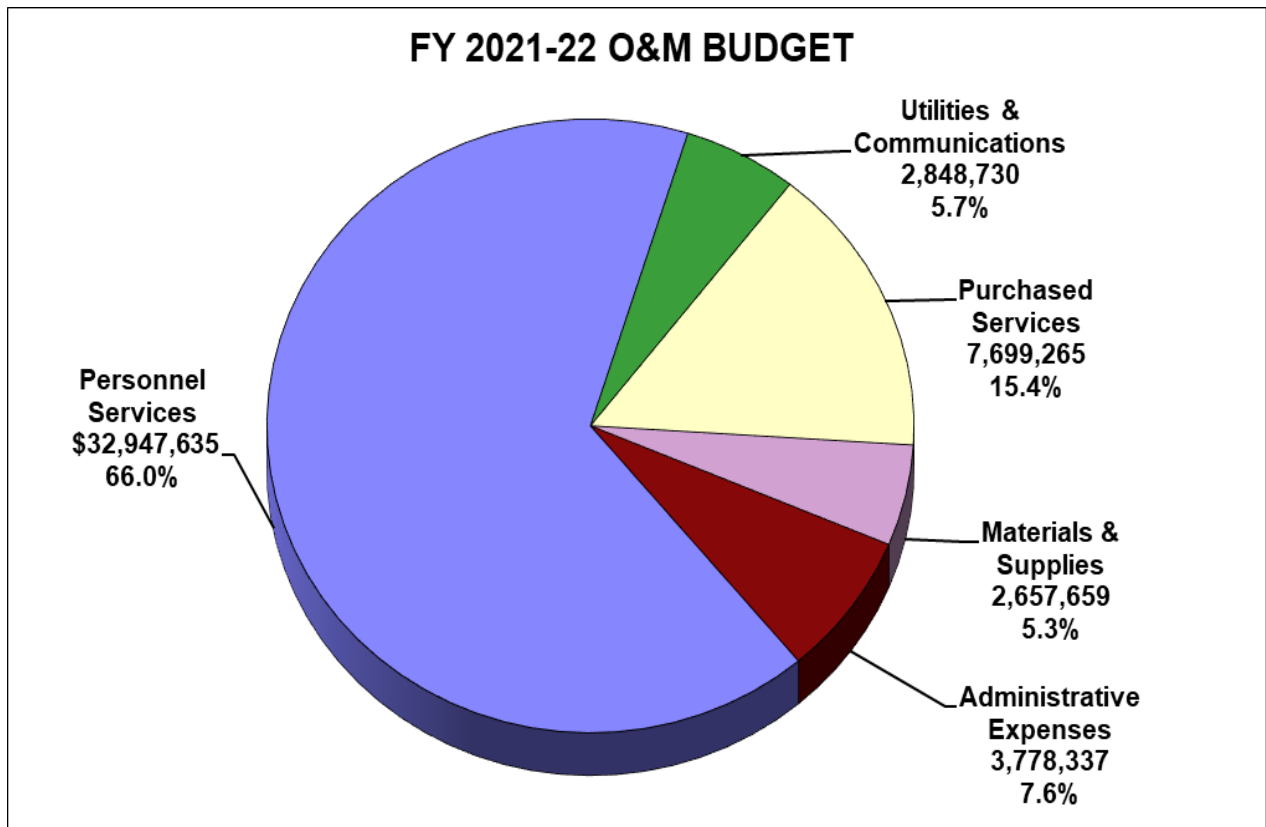
Section 7 – Expenditures

**Reno-Tahoe Airport Authority
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ANNUAL BUDGET
Section 7 – Expenditures**

This section describes the FY 2021-22 Operating and Maintenance (O&M) Budget by expense category with an analysis of changes from the prior budget year FY 2020-21. Categories include personnel services, utilities, services, supplies and administrative expenses.

The FY 2021-22 adopted budget of \$49.932 million is increasing \$5.540 million or 12.5% from the prior fiscal year as the organization plans its return to normal operations after a year of significant budget cuts. The budgets allocated to all major expense categories, except for Utilities and Communications are increasing in FY 2021-22. A detailed discussion of each category follows in this section.

The FY 2021-22 O&M budget by expense category is depicted in the chart below. Personnel Services, RTAA’s largest expense category representing 66% of total O&M budget is related to its team of 275.5 employees.



Reno-Tahoe Airport Authority
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Section 7 – Expenditures

| Account Group | 2019-20 Actual | 2020-21 Budget | 2021-22 Budget | Percent Change |
|---------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Personnel Services | \$ 32,120,112 | \$ 31,147,425 | \$ 32,947,635 | 5.8% |
| Utilities & Communications | 2,881,068 | 2,891,714 | 2,848,730 | -1.5% |
| Purchased Services | 5,418,705 | 5,558,177 | 7,699,265 | 38.5% |
| Materials & Supplies | 2,340,685 | 2,397,307 | 2,657,659 | 10.9% |
| Administrative Expenses | 2,431,355 | 2,397,480 | 3,778,337 | 57.6% |
| Total Operating Expenses | \$ 45,191,926 | \$ 44,392,102 | \$ 49,931,626 | 12.5% |

RTAA has undergone a reorganization under the leadership of President/CEO Daren Griffin. The new organization has six divisions led by chief officers reporting directly to the President/CEO: Chief Operations and Safety Officer, Chief Infrastructure and Planning Officer, Chief Finance and Administration Officer, Chief Commercial Officer, Chief Marketing and Public Affairs Officer, and Chief People, Culture and Equity Officer.

The Operations and Public Safety division led by the Chief Operations and Safety Officer incorporates the following departments: Operations and Public Safety Administration, Airport Rescue and Fire, Landside Operations, Airside Operations, Airport Communications, Airport Police, Airport Security, and Reno-Stead Airport.

The Infrastructure and Planning division led by the Chief Infrastructure and Planning Officer incorporates the following departments: Infrastructure and Planning Administration, Facilities and Maintenance Administration, Building Maintenance, Airfield Maintenance, Engineering and Construction, and Planning and Environmental.

The Finance and Administration division led by the Chief Finance and Administration Officer incorporates the following departments: Technology and Information Systems, Finance and Budget, Accounting, Purchasing and Materials Management, and Internal Audit.

The Commercial Business division led by the Chief Commercial Officer incorporates the following departments: Air Service Development, Airport Economic Development, and Outside Properties.

The Marketing and Public Affairs and People, Culture and Equity divisions led by their respective chiefs are mono departmental, they are divisions representing single departments.

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Personnel Services

The Personnel Services budget of \$32.948 million includes the cost of salaries, wages, and benefits for RTAA’s employees. The approved budget includes funding for a team of 265.5 full time equivalent (FTE) positions. In comparison to the prior fiscal year budget, expenses for personnel services are approximately \$1.8 million or 5.8% higher.

An additional consequence of the recent reorganization is the decrease of five (5) FTE approved positions from 280.5 in the prior fiscal year, to 275.5 in FY 2021-22. Of these positions, ten (10) are “frozen” and are not funded in the approved budget. For additional information on the number of positions by department and by classification, see Section 4 – Organizational Guide.

| | 2019-20 | 2020-21 | 2021-22 | Percent |
|-------------------------|----------------------|----------------------|----------------------|----------------|
| | Actual | Budget | Budget | Change |
| Salaries and Wages | \$ 19,711,158 | \$ 19,177,634 | \$ 20,483,480 | 6.8% |
| Overtime | 1,317,840 | 1,264,196 | 1,401,435 | 10.9% |
| Employee Benefits | 4,160,346 | 4,680,395 | 4,685,120 | 0.1% |
| Retirement Contribution | 6,930,768 | 6,025,200 | 6,377,600 | 5.8% |
| Total | \$ 32,120,112 | \$ 31,147,425 | \$ 32,947,635 | 5.8% |

The Salaries and Wages category increased by approximately \$1.306 million or 6.8% compared to the prior fiscal year primarily due to the following:

- Restoring funding for some of the previously frozen positions and reclassifying some of the existing positions: (1) one Accounting Technician- Accounts Receivable (AR), (0.5) half a Marketing Coordinator, (1) one Property Specialist II, (1) one Battalion Chief, (1) one Airfield Automotive Technician III, and (1) one Facilities Supervisor resulting in approximately \$641,500 when compared to the prior fiscal year.
- The placeholder for vacancy savings was eliminated in FY2021-22, resulting in a budget increase of \$450,000 when compared to the prior fiscal year.
- Existing bargaining agreements with the International Brotherhood of Teamsters (Teamsters), Reno Airport Fire Fighters Association (RAFFA), and the Airport Authority Police Officers’ Protective Association (AAPOPA) expired on June 30, 2021. An agreement for a one-year contract extension was reached with AAPOPA and RAFFA after the FY 2021-22 budget was approved. Teamsters will enter into full negotiations in FY 2021-22. The approved budget includes a placeholder for salary increases for all three bargaining units, resulting in a 3% increase for RAFFA, 3% increase for AAPOPA and

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3.25% increase for Teamsters. The combined financial impact of these increases is approximately \$ 218,600.

The approved budget does not include funding of salary increases or gain share incentives for employees within the Management and Civil Service Plan groups for FY 2021-22.

Overtime budget has increased by approximately \$137,200 or 10.9% compared to prior fiscal year primarily due to Airport Rescue and Fire department overtime to address higher training and operational requirements.

Employee Benefits have slightly increased by \$4,700 or 0.01% compared to the prior fiscal year. This line item includes expenses for group insurance premiums to provide healthcare, dental, and vision benefits for employees, and premiums for Workers' Compensation insurance. Employee group healthcare insurance is the largest expense within this category, estimated at \$3.477 million, a decrease of \$31,500 or 0.09%. The decrease is due to not having a rate increase for calendar year 2021 compared to the 23% budgeted rate increase expectation. Group healthcare insurance plans are brokered on behalf of the RTAA to obtain the most competitive pricing and terms. Insurance premiums are budgeted to increase 17% as of January 1, 2022, the beginning of the next plan year. Workers' Compensation insurance premiums have increased approximately \$25,400 or 7.3% from the prior fiscal year.

Other healthcare benefits, including dental, vision, life insurance and long-term disability are anticipated to increase approximately \$14,800 or 3.8% from the prior fiscal year budget. There is a two-year contract for dental and vision plans effective January 1, 2020, through December 31, 2021, and a three-year contract for life insurance and disability plans effective January 1, 2020, through December 31, 2022. These contracts reflect an increase of 6% for dental and 4% for vision compared to the FY 2020-21 rates. No increases are anticipated for life and disability plans in FY 2021-22.

Retirement benefits are provided by contract with the Nevada Public Employees' Retirement System (PERS). Contribution rates are established by the Nevada Legislature during its biennial session that occurs during odd number years and are based on the state's actuarial valuation report adopted by the PERS Retirement Board. The contribution rates effective July 1, 2021 are 29.8% for regular employees, an increase of 0.5% from the prior rate of 29.25%. For Police and Airport Rescue and Fire the new contribution rate increased to 44.0% or 1.5% from 42.5%. As a result of these rate increases, retirement contributions to PERS are projected to increase by \$352,400 or 5.8% compared to the prior fiscal year.

Utilities and Communications

The Utilities and Communications category includes expense estimates for RTAA utilities, including electricity, water, sewer, natural gas, disposal, and voice/data communication services.

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The FY 2021-22 budget allocated \$2.849 million to this expense category, a slight decrease of \$43,000 or 1.5% compared to the prior fiscal year.

| | 2019-20 | 2020-21 | 2021-22 | Percent |
|-----------------|---------------------|---------------------|---------------------|----------------|
| | Actual | Budget | Budget | Change |
| Electricity | \$ 1,571,071 | \$ 1,666,986 | \$ 1,655,450 | -0.7% |
| Natural Gas | 381,158 | 416,703 | 387,700 | -7.0% |
| Water | 168,926 | 160,125 | 169,850 | 6.1% |
| Other Utilities | 759,913 | 647,900 | 635,730 | -1.9% |
| Total | \$ 2,881,068 | \$ 2,891,714 | \$ 2,848,730 | -1.5% |

The decrease is primarily due lower rates for electricity and natural gas anticipated in FY 2021-22. Disposal fees are projected to decrease primarily due to a decrease in usage during fiscal year. Utility expenses to operate the baggage handling system (BHS) equipment, including climate control systems and specialized inspection equipment, are separately metered and billed directly to the airlines through rates and charges.

Purchased Services

The Purchased Services expense category accounts for professional or specialized service contracts necessary to meet the support needs of RTAA, as well as maintenance and repair services for specialized systems/equipment, and related equipment rental. The FY 2021-22 Budget is \$7.699 million, an increase of approximately \$2.141 million or 38.5% from the FY 2020-21 Budget. Approximately \$544,800 of the funding for this category is from Customer Facility Charges (CFCs) collected from rental car customers in support of property management and repair and maintenance of rental car facilities owned by RTAA.

| | 2019-20 | 2020-21 | 2021-22 | Percent |
|-------------------------------|---------------------|---------------------|---------------------|----------------|
| | Actual | Budget | Budget | Change |
| Legal Services | \$ 726,338 | \$ 475,000 | \$ 450,000 | -5.3% |
| Data Processing | 594,444 | 867,837 | 963,910 | 11.1% |
| Other Professional Services | 663,414 | 560,710 | 2,139,875 | 281.6% |
| Contracted Services | 2,727,987 | 2,991,995 | 3,440,970 | 15.0% |
| Other Repair/Maintenance Svcs | 443,170 | 453,268 | 427,030 | -5.8% |
| Other Purchased Services | 263,352 | 209,367 | 277,480 | 32.5% |
| Total | \$ 5,418,705 | \$ 5,558,177 | \$ 7,699,265 | 38.5% |

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Notable changes in the approved budget as compared to the prior year budget are as follows:

- The decrease in Legal Services of \$25,000 is due to the budget allocated to labor relations being transferred from the General Counsel department to the People, Equity, and Culture department.
- The \$96,100 increase in Data Processing is due to new video surveillance license and support, virtual server maintenance, and cyber security testing and monitoring.
- The budget allocated to Other Professional Services is increasing by \$1.579 million in FY2021-22 primarily due to the following items:
 - ✓ Air service passenger, and cargo studies of \$250,000.
 - ✓ Landside planning study to develop overflow parking solutions of \$200,000.
 - ✓ Implementation of a new airport website of \$200,000.
 - ✓ Information Technology master plan to identify, prioritize, and program information technology initiatives of \$125,000.
 - ✓ Electrical hazard assessment to maintain the electrical system for the RNO terminal building and establish safety protocols of \$100,000.
 - ✓ Administrative office workplace study to review the RTAA's existing administrative space and required space for infrastructure of \$100,000.
 - ✓ Land development consultant of \$90,000.
 - ✓ Legal services to address labor negotiations of \$80,000.
 - ✓ Identity management planning study to review software identity solutions of \$75,000.
 - ✓ Airport operations database replacement planning study to review needs and cost for a new operations system of \$75,000.
 - ✓ Accounting consultant to address GASB 87 Compliance of \$50,000.
- The increase in Contracted Services of \$449,000 is primarily due to the renewal of contracts in FY2021-22:
 - ✓ BHS maintenance contract of \$249,300.
 - ✓ Physical security assessment at RNO of \$61,000.
 - ✓ Terminal cleaning support at RNO of \$60,200.
 - ✓ Scheidt & Bachman (S&B) parking and revenue control system of \$38,300.
 - ✓ Service contract to support the automated external defibrillator (AED) notification system and installation of an additional AED allocated in the Airport Fire and Rescue department of \$29,200.
- The decrease of \$26,200 in Other Repair/Maintenance Services line item is primarily due to the \$130,000 budget reduction in maintenance contracts as a result of the new technology for the airport communications system, partially offset by an increase of \$40,000 for small

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projects in building maintenance, \$34,000 for outside properties repair and maintenance cost, and \$28,600 for phase two of warehouse floor resurfacing.

- The increase in Other Purchased Services of \$68,100 is primarily due to \$50,000 allocated for offsite parking and shuttle rental to accommodate overflow parking during peak seasons, \$8,000 for holiday decorations and \$ 5,000 for advertising maintenance.

Materials and Supplies

The Materials and Supplies category accounts for the cost of items needed by RTAA personnel to maintain both airports. The FY 2021-22 Budget estimates a total funding need of \$2.658 million for this category, an increase of \$260,400, or 10.9% above the FY 2020-21 Budget.

| | 2019-20 | 2020-21 | 2021-22 | Percent |
|---------------------------------|---------------------|---------------------|---------------------|----------------|
| | Actual | Budget | Budget | Change |
| Office Supplies | \$ 120,320 | \$ 145,010 | \$ 156,666 | 8.0% |
| Operating Supplies | 589,239 | 591,969 | 672,076 | 13.5% |
| Repair and Maintenance Supplies | 722,923 | 677,900 | 712,650 | 5.1% |
| Small Tool and Minor Equipment | 908,203 | 982,428 | 1,116,267 | 13.6% |
| Total | \$ 2,340,685 | \$ 2,397,307 | \$ 2,657,659 | 10.9% |

Notable changes in the approved budget as compared to the prior year are as follows:

- The increase in Office Supplies of \$11,700 is primarily due to promotional and protocol gifts for air service development, and office supplies for all departments.
- The increase in Operating Supplies of \$80,100 is primarily due to equipment and supplies including three (3) Panasonic Toughbooks, six (6) AED's, a hose, ropes and riggings, and medical supplies for the Airport Fire and Rescue department. Additionally, increased budget allocations were made for janitorial supplies, herbicides, and firearms.
- The increase in Repair and Maintenance Supplies of \$34,800 is primarily due to \$17,500 for replacement parts and repairs related to BHS, \$12,000 for S&B backup equipment for landside parking system, and \$11,000 for replacement of carbon media filters in air handlers. These budget increases are slightly offset by a decrease in electrical supplies due to uninterruptible power supply (UPS) battery replacement completed in prior fiscal year, and not needed in FY 2021-22.
- The \$133,800 increase in Small Tools and Minor Equipment is primarily due to \$109,300 in additional software purchases related to Microsoft Office 365, and software as a service

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(SaaS). Additionally, there is \$18,000 increase for Airport Communications backup equipment, \$17,700 increase in furniture for President/CEO, Airport Fire and Rescue, and Police departments.

Administrative Expenses

The Administrative Expenses budget category includes funding for staff training, conferences, travel, air service development, insurance premiums and credit card processing fees. In comparison to the prior year, this expense category increased by \$1.381 million or 57.6% from the FY 2020-21 Budget. At the onset of the COVID-19 pandemic, RTAA has implemented significant cost cutting measures, especially in the non-mission-critical expense categories. Hardest hit were administrative expenses. The FY 2021-22 Budget restored funding for staff professional development, air service and economic development, etc.

| | 2019-20 | 2020-21 | 2021-22 | Percent |
|---------------------------------|---------------------|---------------------|---------------------|----------------|
| | Actual | Budget | Budget | Change |
| Educational & Professional Fees | \$ 381,991 | \$ 344,200 | \$ 516,971 | 50.2% |
| Travel & Reimbursed Expense | 122,613 | 82,800 | 267,636 | 223.2% |
| Recruitment | 7,657 | 9,300 | 6,600 | -29.0% |
| Air Service Development | 277,611 | 118,300 | 836,500 | 607.1% |
| Economic Development | - | 25,000 | 50,000 | 100.0% |
| Conference Sponsorship | 82,648 | 20,000 | 105,000 | 425.0% |
| Community Outreach | 124,189 | 83,300 | 139,200 | 67.1% |
| Publications / Advertising | 134,367 | 248,780 | 187,130 | -24.8% |
| Airport Insurance | 990,472 | 1,284,900 | 1,373,450 | 6.9% |
| Credit Card Fees | 307,057 | 180,900 | 295,850 | 63.5% |
| Fines and Settlements | 2,750 | - | - | 0.0% |
| Total | \$ 2,431,355 | \$ 2,397,480 | \$ 3,778,337 | 57.6% |

Notable changes in the approved budget for Administrative Expenses as compared to the prior year are as follows:

- The budget for Educational and Professional Fees increased by \$172,800 primarily due to allocating additional resources to professional development in FY2021-22:
 - ✓ Increase in conference registration of \$70,900.
 - ✓ Increase in organizational training of \$84,300.
 - ✓ Increase in books and subscription for People, Culture and Equity of \$15,000.
 - ✓ Increase in membership dues for the President/CEO of 13,400.

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- Travel and Reimbursement Expense budget increased by \$184,800 primarily due to restoring some of the budget cuts made to staff's professional development at the onset of the COVID-19 pandemic.
- The Air Service Development line item is increasing by \$718,200 or 607.1%, this is primarily due to restoring air service development expenses in FY2021-22:
 - ✓ Air Service incentive program for new routes of \$325,000.
 - ✓ Advertising campaign for Air Service of \$280,000.
 - ✓ Jumpstart conference activities of \$120,000.
- A \$50,000 budget is allocated to the Economic Development line item to account for potential commercial development costs.
- The budget allocated to Conference Sponsorship is increasing by \$85,000 primarily due to the RTAA will be hosting the Airport Council International North America (ACI-NA) Annual Conference in November 2021.
- The Community Outreach line item is increasing by \$55,900 or 67.1% compared to the prior fiscal year. The increase is primarily due to additional funds allocated to the air races - a popular local event planned to come back in September 2021. In addition, funds were allocated to the tenant BBQ event, and community sponsorship booths.
- The budget allocated to Publications and Advertising is decreasing by \$61,700 primarily due to the completion of the Recovery Advertising Campaign in FY 2020-21 associated with the RTAA's Recovery Plan in response to the COVID-19 pandemic.
- The Airport Insurance budget associated with airport property and liability insurance premiums is increasing by \$88,600 or 6.9% from the prior fiscal year due to cost increases in most lines of liability, and property coverage: \$38,300 for airport general liability, \$27,000 for buildings and contents, and \$11,800 for vehicle liability.
- The budget estimate for Credit Card Fees is increasing by \$115,000 or 63.5% from the FY 2020-21 budget. This comes as a direct result of higher forecasted credit card transaction volume due to the anticipated passenger traffic recovery in FY 2021-22.

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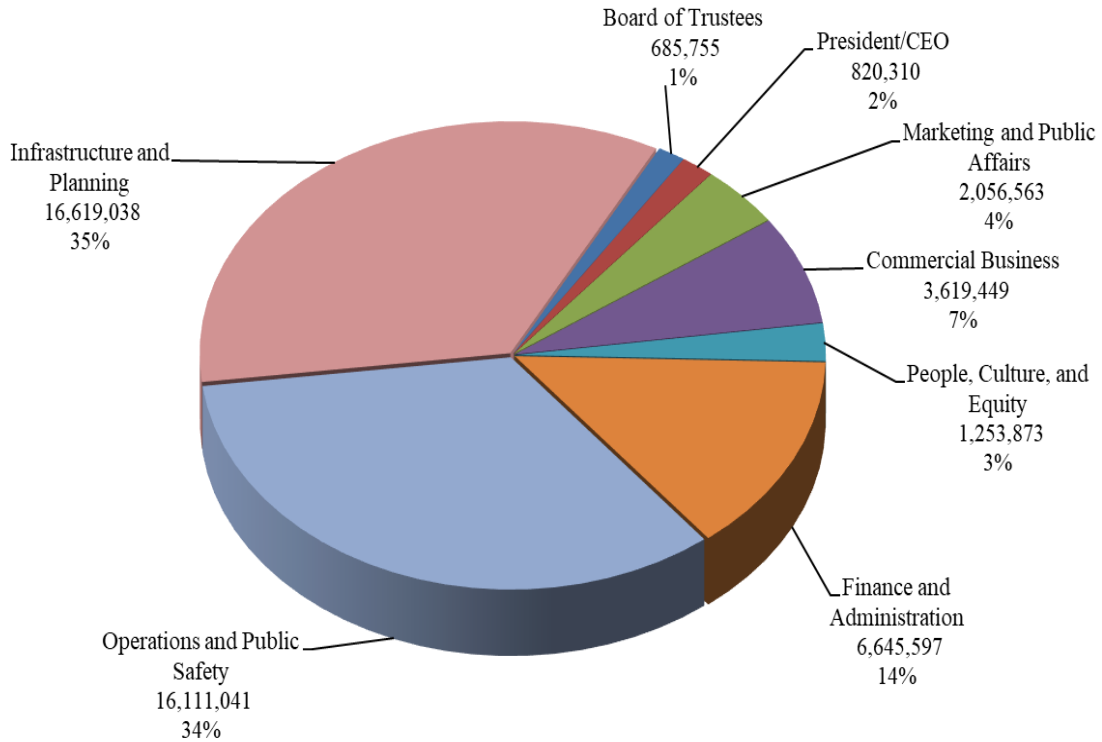
Summary of Changes Between Proposed and Adopted Budget

| Account Group | Amount | Description |
|-------------------------|-------------------|--|
| Personnel Services | \$ 327,000 | Placeholder for salary and benefit increases for Teamsters, RAFFA, and AAPOPA due to on-going labor negotiations. In addition three (3) Battalion Chiefs were added. All three are a result of reclassification of existing positions. |
| | 16,300 | Workers Compensation original budget was inadequate, final quote was received after the proposed budget. |
| Purchased Services | 20,000 | Additional labor relations consultant budgeted in People, Culture & Equity division. |
| | 100,000 | Additional consultant budgeted for a workspace study in the Engineering department. |
| Administrative Expenses | (220,000) | Liability and property insurance final quote received after proposed budget resulting in a decrease from the original budget. |
| Total | \$ 243,300 | |

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 ANNUAL BUDGET
 Section 7 – Expenditures**

Budgeted Expenses by Organizational Unit

FY 2021-22 O&M by Division



| Division | |
|-------------------------------------|----------------------|
| Board of Trustees | 685,755 |
| President/CEO | 820,310 |
| Marketing and Public Affairs | 2,056,563 |
| Commercial Business | 3,619,449 |
| People, Culture, and Equity | 1,253,873 |
| Finance and Administration | 6,645,597 |
| Operations and Public Safety | 16,111,041 |
| Infrastructure and Planning | 16,619,038 |
| Nondepartmental Expenses | 2,120,000 |
| Total | \$ 49,931,626 |

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Summary of Budgeted Expenditures

| Account Group | 2019-20 Actual | 2020-21 Budget | 2021-22 Budget | Percent Change |
|---------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Personnel Services | \$ 32,120,112 | \$ 31,147,425 | \$ 32,947,635 | 5.8% |
| Utilities & Communications | 2,881,068 | 2,891,714 | 2,848,730 | -1.5% |
| Purchased Services | 5,418,705 | 5,558,177 | 7,699,265 | 38.5% |
| Materials & Supplies | 2,340,685 | 2,397,307 | 2,657,659 | 10.9% |
| Administrative Expenses | 2,431,355 | 2,397,480 | 3,778,337 | 57.6% |
| Total Operating Expenses | \$ 45,191,926 | \$ 44,392,102 | \$ 49,931,626 | 12.5% |
| Property, Plant and Equipment | 1,380,010 | 449,861 | 1,006,041 | 123.6% |
| Total | \$ 46,571,936 | \$ 44,841,963 | \$ 50,937,667 | 13.6% |

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Resources Applied by Organizational Unit

| | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | CHANGE |
|--|-------------------|-------------------|-------------------|---------|
| Board of Trustees | | | | |
| Board of Trustees | \$ 213,803 | \$ 122,250 | \$ 132,130 | 8.1% |
| Legal Counsel | 730,342 | 498,625 | 553,625 | 11.0% |
| TOTAL | 944,145 | 620,875 | 685,755 | 10.4% |
| President/CEO | | | | |
| President/CEO | 791,303 | 829,954 | 820,310 | -1.2% |
| Executive Vice-President/COO | 399,089 | 315,030 | - | -100.0% |
| Unmanned Aircraft Systems | 699 | 2,600 | - | -100.0% |
| TOTAL | 1,191,092 | 1,147,584 | 820,310 | -28.5% |
| Marketing and Public Affairs | | | | |
| Marketing and Public Affairs | 1,563,567 | 1,366,635 | 2,056,563 | 50.5% |
| TOTAL | 1,563,567 | 1,366,635 | 2,056,563 | 50.5% |
| Commercial Business Development | | | | |
| Air Service Development | 529,405 | 502,108 | 948,288 | 88.9% |
| Economic Development | 1,024,447 | 1,078,100 | 1,411,395 | 30.9% |
| Outside Properties | 950,909 | 1,160,131 | 1,259,766 | 8.6% |
| TOTAL | 2,504,760 | 2,740,339 | 3,619,449 | 32.1% |
| People, Culture and Equity | | | | |
| People, Culture and Equity | 1,059,170 | 1,066,705 | 1,253,873 | 17.5% |
| TOTAL | 1,059,170 | 1,066,705 | 1,253,873 | 17.5% |
| Finance and Administration | | | | |
| Accounting | 1,115,589 | 1,115,364 | 1,323,499 | 18.7% |
| Finance and Budgeting | 310,220 | 310,940 | 374,240 | 20.4% |
| Purchasing and Materials Management | 655,311 | 648,749 | 714,014 | 10.1% |
| Internal Audit | 310,516 | 305,785 | 322,875 | 5.6% |
| Technology and Information Systems | 2,926,662 | 3,400,869 | 3,910,969 | 15.0% |
| TOTAL | 5,318,298 | 5,781,707 | 6,645,597 | 14.9% |
| Operations and Public Safety | | | | |
| Operations and Public Safety | 334,938 | 348,875 | 444,775 | 27.5% |
| Airside Operations | 2,322,508 | 2,628,685 | 1,214,125 | -53.8% |
| Landside Operations | 1,620,843 | 1,559,868 | 1,833,268 | 17.5% |
| Airport Rescue and Fire | 3,638,937 | 3,695,897 | 4,462,597 | 20.7% |
| Airport Police | 3,791,120 | 3,961,956 | 3,976,358 | 0.4% |
| Airport Communications | - | - | 1,406,233 | n.a. |
| Airport Security | 1,677,727 | 1,748,235 | 1,678,010 | -4.0% |
| Reno-Stead Airport | 1,086,017 | 1,081,566 | 1,095,675 | 1.3% |
| TOTAL | 14,472,090 | 15,025,082 | 16,111,041 | 7.2% |
| Infrastructure and Planning | | | | |
| Infrastructure and Planning | 305,074 | 311,160 | 369,215 | 18.7% |
| Planning and Environmental Services | 747,133 | 719,490 | 1,103,295 | 53.3% |
| Engineering and Construction | 760,841 | 812,621 | 1,236,469 | 52.2% |
| Facilities and Maintenance | 734,017 | 735,630 | 458,560 | -37.7% |
| Airfield Maintenance | 3,706,516 | 3,678,056 | 3,927,384 | 6.8% |
| Building Maintenance and Services | 7,518,976 | 7,576,655 | 7,799,415 | 2.9% |
| Baggage Handling System | 1,588,798 | 1,483,364 | 1,724,700 | 16.3% |
| TOTAL | 15,361,353 | 15,316,976 | 16,619,038 | 8.5% |
| Nondepartmental Operation and Maintenance Expenses | | | | |
| Non Departmental | 2,777,450 | 1,326,200 | 2,120,000 | 59.9% |
| TOTAL | 2,777,450 | 1,326,200 | 2,120,000 | 59.9% |
| Total Operations and Maintenance Expense | 45,191,926 | 44,392,102 | 49,931,626 | 12.5% |
| Property, Plant & Equipment | 1,380,010 | 449,861 | 1,006,041 | 123.6% |
| TOTAL | \$ 46,571,936 | \$ 44,841,963 | \$ 50,937,667 | 13.6% |

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Board of Trustees

Mission Statement: Establish policies that govern the operation of the RTAA through the adoption of resolutions and awarding of contracts.

Key Duties and Responsibilities:

- Establish permanent and temporary Board Committees.
- Evaluate the President/CEO's performance.
- Exercise the authority granted under Statutes of Nevada through collective Board action.
- Disclose all conflicts and/or possible conflicts that might compromise a Board member's fiduciary duty.
- Adopt Policies, Regulations and Actions as guides for the action of those to whom it delegates authority.

General Counsel

Mission Statement: Provide legal services to the Board of Trustees and RTAA staff including legal opinions, litigation defense, contract and legal document review, regulatory and legislative consultation, and legal representation at Board meetings and other meetings as required, and performance of other duties as required.

Key Duties and Responsibilities:

- Provide legal advice.
- Advise on individual, labor and employment matters.
- Review personnel, fiscal and other policies, as well as RTAA by-laws and resolutions.
- Defend lawsuits, administrative claims, or other legal claims.
- Conduct litigation as necessary.
- Maintain knowledge of issues facing the RTAA and be prepared to offer legal opinions.
- Provide legal expertise in the following areas:
 - Airport and aviation-related matters
 - Airline Use and Lease Agreements
 - Employment and Labor Law
 - Collective Bargaining and arbitration
 - Environmental Law
 - Contract Law
 - Nevada Revised Statutes – Purchasing / Public Works
 - General Tort Law

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- Water Rights Law
- Property Development and commercial transactions
- Airline and Tenant Bankruptcy
- Noise abatement and/or mitigation
- Open Records Law
- Prepare, review, consult, and approve contracts.
- Advise on government grant and contract issues.
- Review and approve legislative documents.
- Advise on responses to subpoenas, court orders, and requests for information from third parties.
- Attend Board of Trustee and Committee meetings, as necessary.
- Attend work sessions and meetings with staff as required.
- Coordinate the services of outside legal firms and review all outside counsel invoices.

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BOARD OF TRUSTEES

Section 101

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|----------------|-------------------|-------------------|-------------------|-------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$21,321 | \$32,300 | \$35,200 | 9% |
| Trustee Stipend | 51190 | 60,480 | 60,480 | 60,480 | 0% |
| Service Awards | 51270 | 0 | 650 | 650 | 0% |
| Medicare | 51320 | 8 | 0 | 500 | 0% |
| Group Insurance | 51340 | 2,442 | 4,200 | 4,100 | -2% |
| Retirement | 51360 | 6,207 | 9,400 | 10,500 | 12% |
| TOTAL PERSONNEL SERVICES | | 90,458 | 107,030 | 111,430 | 4% |
| PURCHASED SERVICES | | | | | |
| Consultants - General | 63140 | 109,367 | 0 | 0 | 0% |
| Maintenance Agreement-Copier | 63345 | 1,590 | 1,900 | 400 | -79% |
| Freight Expense | 63430 | 57 | 0 | 100 | 0% |
| Other Purchased Services | 63490 | 553 | 500 | 600 | 20% |
| TOTAL PURCHASED SERVICES | | 111,567 | 2,400 | 1,100 | -54% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 1,474 | 2,000 | 1,000 | -50% |
| Paper | 64110 | 268 | 400 | 0 | -100% |
| Postage | 64120 | 38 | 20 | 200 | 900% |
| Printing & Forms | 64130 | 294 | 200 | 700 | 250% |
| Office Small Equipment | 64410 | 188 | 0 | 0 | 0% |
| Safety Equipment | 64450 | 209 | 0 | 0 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 2,471 | 2,620 | 1,900 | -27% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Conference Registration Fees | 65130 | 1,775 | 1,500 | 4,000 | 167% |
| Training Expense | 65140 | 157 | 700 | 700 | 0% |
| Meeting Expense | 65150 | 5,827 | 5,000 | 6,000 | 20% |
| Travel & Reimbursed Expense | 65210 | 1,548 | 3,000 | 7,000 | 133% |
| TOTAL ADMINISTRATIVE EXPENSES | | 9,307 | 10,200 | 17,700 | 74% |
| TOTAL EXPENSES BEFORE FIXED ASSETS | | 213,803 | 122,250 | 132,130 | 8% |
| FIXED ASSET ACQUISITION | | | | | |
| Fixed Asset Acquisition | 68150 | 0 | 0 | 0 | 0% |
| TOTAL SECTION EXPENSES | | <u>\$213,803</u> | <u>\$122,250</u> | <u>\$132,130</u> | <u>8%</u> |

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GENERAL COUNSEL

Section 102

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|----------------|-------------------|-------------------|-------------------|-------------------|
| PURCHASED SERVICES | | | | | |
| Legal Contracted Service | 63110 | \$723,338 | \$475,000 | \$450,000 | -5% |
| Other Professional Services | 63190 | 5,808 | 20,000 | 100,000 | 400% |
| Other Purchased Services | 63490 | 601 | 625 | 625 | 0% |
| TOTAL PURCHASED SERVICES | | 729,746 | 495,625 | 550,625 | 11% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Conference Registration Fees | 65130 | 0 | 1,200 | 1,200 | 0% |
| Travel & Reimbursed Expense | 65210 | 596 | 1,800 | 1,800 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 596 | 3,000 | 3,000 | 0% |
| TOTAL EXPENSES BEFORE FIXED ASSETS | | 730,342 | 498,625 | 553,625 | 11% |
| FIXED ASSETS | | | | | |
| Fixed Asset Acquisition | 68150 | 0 | 0 | 0 | 0% |
| TOTAL SECTION EXPENSES | | \$730,342 | \$498,625 | \$553,625 | 11% |

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President/CEO

Mission Statement: Implement Board policy to ensure the operation and maintenance of a safe, efficient, customer service oriented, and financially self-sufficient airport system. In addition, this department is responsible for the achievement of Board adopted strategic initiatives, maintaining strong relations with the community, and representing the RTAA's interests at the local, state, and federal government levels.

Key Duties and Responsibilities:

- Develop policies and plans for the safe and efficient operation of the Reno-Tahoe International Airport (RNO) and the Reno-Stead Airport (RTS).
- Direct and manage staff in the development and implementation of work plans to achieve the Strategic Priorities established by the Board of Trustees.
- Oversee the RNO air service development effort and promote air carriers and their services to the Reno-Tahoe community.
- Lead and/or work closely with the state and local economic development agencies and other community partners to attract and expand business opportunities and real estate development at both airports.
- Maintain continuing and pertinent communication with the Board of Trustees.
- Represent the RTAA's plans and initiatives through speaking engagements in professional meetings.
- Lead negotiations with regulators, major customers and other stakeholders.
- Communicate effectively with public, government, community and aviation industry leaders.

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PRESIDENT/CEO

Section 201

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---------------------------------------|-------------|------------------|------------------|------------------|----------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$359,364 | \$366,500 | \$365,200 | 0% |
| Vacation Pay | 51130 | 31,946 | 5,700 | 6,900 | 21% |
| Sick Leave | 51140 | 10,786 | 6,800 | 200 | -97% |
| Holiday Pay | 51150 | 18,763 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (8,024) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 712 | 0 | 200 | 0% |
| Automobile Allowance | 51250 | 7,377 | 7,200 | 7,200 | 0% |
| Premium Payroll Accrual | 51285 | (138) | 0 | 0 | 0% |
| Medicare | 51320 | 6,263 | 5,300 | 5,300 | 0% |
| Group Insurance | 51340 | 15,180 | 16,600 | 23,100 | 39% |
| Disability Insurance | 51342 | 2,508 | 2,900 | 2,800 | -3% |
| Vision Insurance | 51344 | 143 | 100 | 200 | 100% |
| Dental Insurance | 51347 | 964 | 900 | 2,100 | 133% |
| Workers Comp | 51350 | 410 | 400 | 400 | 0% |
| Retirement | 51360 | 101,549 | 107,200 | 98,200 | -8% |
| Accrued PERS Expense | 51365 | (1,973) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 545,830 | 519,600 | 511,800 | -2% |
| PURCHASED SERVICES | | | | | |
| Legal Contracted Services | 63110 | 3,000 | 0 | 0 | 0% |
| Consultants - General | 63140 | 0 | 0 | 0 | 0% |
| Other Professional Services | 63190 | 111,198 | 160,000 | 156,000 | -3% |
| Office Equipment Rental | 63210 | 0 | 0 | 0 | 0% |
| Maintenance Agreement-Copier | 63345 | 765 | 850 | 400 | -53% |
| Freight Expense | 63430 | 1 | 250 | 300 | 20% |
| TOTAL PURCHASED SERVICES | | 114,965 | 161,100 | 156,700 | -3% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 2,147 | 3,400 | 3,400 | 0% |
| Postage | 64120 | 24 | 125 | 100 | -20% |
| Printing & Forms | 64130 | 68 | 500 | 200 | -60% |
| Refreshments and Breakroom Supplies | 64140 | 1,058 | 850 | 800 | -6% |
| Janitorial Supplies | 64260 | 261 | 0 | 300 | 0% |
| Furniture and Accessories | 64415 | 0 | 0 | 8,000 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 3,558 | 4,875 | 12,800 | 163% |
| ADMINISTRATION EXPENSES | | | | | |
| Membership Dues | 65110 | 115,443 | 107,589 | 120,950 | 12% |
| Books & Subscriptions | 65120 | 0 | 90 | 60 | -33% |
| Conference Registration Fees | 65130 | 625 | 700 | 2,800 | 300% |
| Training Expense | 65140 | 0 | 0 | 500 | 0% |
| Meeting Expense | 65150 | 3,300 | 8,000 | 4,000 | -50% |
| Travel & Reimbursed Expense | 65210 | 5,784 | 3,000 | 10,000 | 233% |
| Relocation Expense | 65220 | 0 | 25,000 | 0 | -100% |
| Condolence/Sympathy/Customer Support | 65397 | 1,797 | 0 | 700 | 0% |
| Community Outreach | 65398 | 0 | 0 | 0 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 126,950 | 144,379 | 139,010 | -4% |
| TOTAL SECTION EXPENSES | | \$791,303 | \$829,954 | \$820,310 | -1% |

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Marketing and Public Affairs

Mission Statement: Provide internal and external communication 24 hours-a-day/7 days a week and support RTAA efforts to further its We Move You brand and customer service through media, government, and community relations and digital platforms.

Key Duties and Responsibilities:

- Provide internal/external messaging through various forms of media and platforms.
- Maintain and enhance customer service and community outreach by hosting staff and community meetings, as well as press conferences.
- Enhance service through the customer service feedback program, including answering Ask the Airport and social media questions.
- Work with RTAA staff, airlines, tenants and community partners to create targeted customer service programs that help passengers enjoy a positive travel experience, especially during peak travel times.
- Promote the airport brand by optimizing communication of airport activities, events and services.
- Emergency and crisis response programs.
- Provide equipment for the day-to-day operation and documentation of public relations, advertising and customer service programs.
- Utilize social media as a branding, public relations, and customer service tool.
- Use in-house graphic skills to enhance presentations, web site, social media, invitations, promotions and advertisements.
- Remain informed on media issues, record news stories and share media reports with staff.
- Compile and report quarterly statistics from media monitoring service.
- Provide airport information through media interviews and maintain positive media relations.
- Send alerts for every publicity opportunity to media outlets including press releases, social media, web and phone calls.
- Develop air service marketing and advertising programs to promote local market demand.
- Use magazine display advertising to promote convenience of using Reno-Tahoe International Airport (RNO) to regional and national passengers.
- Improve organizational communication.
- Provide for an RTAA Art Plan and program.
- Maintain and update RTAA's Website.
- Communicate airport construction impacts to customers and community.
- Coordinate at least four quarterly Community Outreach Committee (COC) Meetings.
- Continue RNO's music events in the terminal building, including holiday and Artown performances.

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- Design and modernize land development marketing materials.
- Provide Holiday decorations.
- Coordinate with the Reno-Sparks Convention and Visitors Authority (RSCVA), airlines, Transportation Security Administration (TSA), tenants and staff to provide outstanding service to convention visitors.
- Showcase honors, awards and RTAA milestones.

Marketing and Public Affairs - Initiatives:

FY 2020-21 Initiatives

1. Implement RNO Recovery Campaign.

Strategic Initiative: Air Service & Cargo

Long-Term Goal: Community Awareness and Support

Description: In order to support the new strategic plan tagline, “We Move You”, RTAA and digital marketing firm Noble Studios, planned to implement a combined air service education and airport branding campaign. In September 2019, new creative was launched featuring the “We Move You” tag line on google search, You Tube, Facebook, and Instagram. Due to the COVID-19 pandemic, the campaign was suspended and a much smaller campaign budget was realized in May 2020. The campaign was changed to “We Move You, Safely” to align with the RTAA’s COVID-19 recovery program, with a new video and still photographs, as well as a new landing page.

Performance Measure: Complete RNO Recovery Campaign by June 30, 2021.

Progress: 100% Completed. Noble Studios’ one-year contract extension was approved by the Board in June 2020. Due to COVID-19 cost reductions, the contract was approved for \$80,000 instead of the previous \$280,000. “We Move You, Safely” creative was implemented with a video displayed on Facebook, Instagram, and YouTube in FY 2020-21.

2. Maintain effective communication through social media and respond efficiently to customer information requests through social media and the airport website.

Strategic Initiative: Customer Experience

Long-Term Goal: Passenger Empowerment

Description: With the growth of social media over the years, this communication tool has become vital in the ability of the RTAA to reach an increasing number of its customers. This

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initiative is to provide interesting content and provide timely information regarding airport operations and air service that expands the reach of this tool.

Performance Measure: The following goals have been established to monitor and report the progress of this initiative in FY2020-21:

- ✓ Total Social Media Post: 312
- ✓ Respond to social media and airport website within 1 business day of receipt.

Progress: 100% Completed. In the past 12 months, 733 social media posts were made on Facebook, Instagram, and Twitter. 100% of all 3,381 Public Affairs, Ask the Airport, Front Desk/Reception/Lost & Found emails were answered within one business day of receipt.

3. Create a customer friendly travel experience, reduce stress of the traveling public, and provide on-going monitoring of customer satisfaction.

Strategic Initiative: Customer Experience

Long-Term Goal: Provide Memorable, Positive Travel Experience

Description: The RTAA is known throughout the industry as a leader for being creative, innovative, and spontaneous. Traveling through an airport can be stressful for passengers and the RTAA's focus is to help improve the experience, even if it's only for an hour or two. This is critical since RNO may very well be their first and last impression. In recent years, award-winning customer service programs and innovative event planning have focused on creating a positive travel experience that provides a warm welcome to our community, engaging social media posts, and creative media events.

One specific example is the Kindness Takes Flight (KTF) program made up of 23 people, all from different departments. The KTF team on average will complete one activity every other month.

The RTAA also offers therapy and emotional support animals at RNO to provide improved passenger experiences through its Paws 4 Passengers (P4P) therapy dog teams. These teams operate in the RNO terminal during high-traffic, high-stress travel periods and during special events. P4P volunteers welcome community VIPs, Reno-Tahoe conference attendees, military Honor Flight participants, and even Olympic medalists. But perhaps their most meaningful interactions are one-on-one encounters with passengers who all seem to benefit greatly from positive moments spent with a therapy dog.

In addition, the price of an airline ticket also provides a ticket to an art exhibit, a play or a musical performance throughout the year including major holidays and special events such

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as Artown, Burning Man and a host of tournaments and conferences. Due to COVID-19, many of these activities have been modified or cancelled; however, the RTAA hopes to return to these customer experiences in the future.

Performance Measure: The following goals have been established to monitor and report the progress of this initiative in FY 2020-21:

- ✓ P4P Number of Volunteer Hours: 384
- ✓ Kindness Takes Flight activities: 6
- ✓

Progress: 100% Completed. P4P Teams volunteered 972 hours and Kindness Takes Flight was able to achieve 6 activities by June 30, 2021.

4. Maintain and enhance positive public relations through media interviews & events, Outreach and communication to local civic groups & community organizations and Obtain stakeholder feedback through community outreach committee.

Strategic Initiative: Customer Experience

Long-Term Goal: RTAA brand and community leadership

Description: Conduct interviews to communicate with the community through local and national media outlets. This initiative is to plan and coordinate media events and visitor welcomes for major special events/conferences in the region, including an on-property hotel, and preparations for the 74th Annual SWAAAE Summer Conference. In FY 2020-21, Marketing & Public Affairs will once again use an enhanced media measuring service to quantify the reach and coverage of the RTAA’s public relations and marketing efforts.

In addition, this initiative involves on-going community outreach to raise the awareness of the RTAA’s value to the community and the services offered. This effort also includes broadening RTAA’s relations with governmental partners and key stakeholders in the community to strengthen our leadership role and enhance our brand.

Performance Measure: The following goals have been established to monitor and report the progress of this initiative in FY 2020-21:

- ✓ Dollar value of RTAA marketing and public relations: \$8 million
- ✓ Number of presentations to local community groups: 6
- ✓ Community Outreach Committee (COC) Meetings: 4

Progress: Partially Completed. Performance measure 2 was 50% achieved. Performance measure 1 and 3 were achieved. The RTAA marketing and public relations achieved a value

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of \$80.5 million in FY2020-21. Participated in 3 presentations to local community groups, which included: Sparks Rotary on July 8, 2020, Reno-Tahoe Territory on August 27, 2020, and TMCC Hospitality & Tourism Advisory Board on October 1, 2020. The Community Outreach Committee met on August 27, 2020, October 15, 2020, January 21, 2021, March 18, 2021, and May 20, 2021.

5. Coordinate annual holiday special event bringing together GA community and airport stakeholders for Children’s Cabinet.

Strategic Initiative: General Aviation

Long-Term Goal: GA Community Relationships

Description: Each December, the Reno-Tahoe International Airport GA Community hosts Operation Santa Claus. This holiday event brings the GA Community together to assist in providing Christmas to needy families served by the Children’s Cabinet. In its 6th year, 25 families were adopted, treated to a Holiday Party in a GA Hangar, enjoyed an Aircraft Parade, and received gifts to make their Holiday Season special.

In addition to Operation Santa Claus, the Reno-Tahoe Airport Authority hosts an Annual RNO gathering. In its 8th year, the RTAA is committed to making this work post COVID-19, as it’s an opportunity for the Airport Authority to say thank you to the RNO family for all they do, to include the GA Community.

Performance Measure: Coordinate Operation Santa Clause and the Tenant/Employee Appreciation Lunch with the GA Community and airport stakeholders for the Children’s Cabinet in FY 2020-21.

Progress: Partially Completed. Staff engaged in two events with the GA Community, including Tenant/Employee Sweet Treat Meet and Greet (intro to Daren), and Tenant Food Truck Appreciation. Operation Santa Claus was cancelled, with RTAA Employees and RNO Tenants participating individually in the Children’s Cabinet’s Adopt a Family program.

FY 2021-22 New Initiatives

1. Implement RNO Air Service and branding advertising campaign.

Strategic Initiative: Air Service & Cargo

Long-Term Goal: Community Awareness and Support

Description: In order to support the strategic plan tagline, “We Move You”, and air service

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recovery at RNO, Marketing/Public Affairs plans to continue a combined air service education and airport branding campaign. Due to our success in the past, the plan is for the new campaign to use digital and video platforms to inform the community of the air service available at a growing airport that truly cares, and plays a role, in the lives of its passengers and customers.

Performance Measure: Complete Campaign by June 30, 2022.

2. Respond efficiently to customer information requests through social media and the airport website.

Strategic Initiative: Customer Experience

Long-Term Goal: Passenger Empowerment

Description: With the growth of social media over the years, this communication tool has become vital in the ability of the RTAA to reach an increasing number of its customers. This initiative is to provide interesting content and provide timely information regarding airport operations and air service that expands the reach of this tool.

Performance Measure: The following goals have been established to monitor and report the progress of this initiative in FY2021-22:

- ✓ Total Social Media Post: 400
- ✓ Respond to social media and airport website within 1 business day of receipt.

3. Create a customer friendly travel experience.

Strategic Initiative: Customer Experience

Long-Term Goal: Passenger Empathy

Description: The RTAA is known throughout the industry as a leader for being creative, innovative, and spontaneous. Traveling through an airport can be stressful for passengers and the RTAA's focus is to help improve the experience, even if it's only for an hour or two. This is critical since RNO may very well be their first and last impression. The RTAA has created award-winning customer service programs that provide a positive travel experience and a warm welcome to our community. The Kindness Takes Flight (KTF) team is made up of 20 people, all from different departments. This team performs random acts of kindness to RNO's passengers on a monthly basis. The RTAA also offers therapy and emotional support animals at RNO to provide improved passenger experiences through its Paws 4 Passengers (P4P) therapy dog teams.

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Performance Measure: The following goals have been established to monitor and report the progress of this initiative in FY 2021-22:

- ✓ P4P Number of Volunteer Hours: 500
- ✓ Kindness Takes Flight activities: 6

4. Maintain and enhance positive public relations through media interviews & events, outreach and communication to local civic groups & community organizations and obtain stakeholder feedback through community outreach committee.

Strategic Initiative: Customer Experience

Long-Term Goal: RTAA brand and community leadership

Description: Conduct interviews to communicate with the community through local and national media outlets. Plan and coordinate media events and visitor welcomes for major special events/conferences in the region. Ongoing community outreach to raise the awareness of the RTAA's value to the community and services offered. Broaden RTAA's relations with governmental partners and key stakeholders in the community to strengthen our leadership role and enhance our brand.

Performance Measure: The following goals have been established to monitor and report the progress of this initiative in FY 2021-22:

- ✓ Dollar value of RTAA marketing and public relations: \$8 million
- ✓ Number of presentations to local community groups: 5
- ✓ Community Outreach Committee (COC) Meetings: 4

5. Coordinate annual holiday special events bringing together GA community and airport stakeholders for Children's Cabinet.

Strategic Initiative: General Aviation

Long-Term Goal: GA Community Relationships

Description: Each December, the Reno-Tahoe International Airport GA Community hosts Operation Santa Claus. This holiday event brings the GA Community together to assist in providing Christmas to needy families served by the Children's Cabinet. In addition, the Reno-Tahoe Airport Authority hosts an annual RNO Tenant/Employee Appreciation Lunch. This one-of-a-kind event includes food truck vendors, ice cream, music, prizes and fun. It's an opportunity for the Airport Authority to say thank you to the RNO family for all they do, to include the GA Community.

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Performance Measure: Coordinate Operation Santa Clause and the Tenant/Employee Appreciation Lunch with the GA Community and airport stakeholders in FY2021-22.

6. Implement new renoairport.com website.

Strategic Initiative: Customer Experience

Long-Term Goal: Passenger Empowerment

Description: The current website has a number of technical errors that are hampering the user experience as well as the site’s rankings within search engines, having a direct impact on the site’s visibility and traffic. It is recommended that we re-platform the current version of our content management system (Drupal 7) to a new platform that is more user-friendly, technically sound, and easier to maintain and manage in the future. This is also necessary, as Drupal 7 will reach its end-of-life and no longer be supported as of November 28, 2022.

Performance Measure: Complete 100% of implementation by June 30, 2022.

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MARKETING AND PUBLIC AFFAIRS

Section 203

| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|---|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$590,592 | \$660,500 | \$707,000 | 7% |
| Temporary Employees | 51120 | 30,044 | 35,500 | 40,000 | 13% |
| Vacation Pay | 51130 | 15,529 | 7,200 | 14,200 | 97% |
| Sick Leave | 51140 | 63,103 | 9,100 | 4,700 | -48% |
| Holiday Pay | 51150 | 34,968 | 0 | 0 | 0% |
| Comp Time | 51160 | 1,045 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (15,826) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 2,660 | 3,500 | 3,500 | 0% |
| Standby | 51220 | 887 | 0 | 0 | 0% |
| Automobile Allowance | 51250 | 4,918 | 4,800 | 4,800 | 0% |
| Premium Payroll Accrual | 51285 | (92) | 0 | 0 | 0% |
| Medicare | 51320 | 10,943 | 9,600 | 10,300 | 7% |
| FICA | 51321 | 1,433 | 2,000 | 2,000 | 0% |
| Group Insurance | 51340 | 64,566 | 69,800 | 85,400 | 22% |
| Disability Insurance | 51342 | 4,429 | 4,600 | 5,100 | 11% |
| Vision Insurance | 51344 | 704 | 600 | 800 | 33% |
| Dental Insurance | 51347 | 6,182 | 5,500 | 6,600 | 20% |
| Workers Comp | 51350 | 722 | 800 | 900 | 13% |
| Retirement | 51360 | 205,290 | 193,200 | 210,300 | 9% |
| Accrued PERS Expense | 51365 | (3,901) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 1,018,197 | 1,006,700 | 1,095,600 | 9% |
| PURCHASED SERVICES | | | | | |
| Consultants - General | 63140 | 0 | 0 | 200,000 | 0% |
| Other Professional Services | 63190 | 6,200 | 11,500 | 50,000 | 335% |
| Air Service Studies | 63193 | (146) | 0 | 0 | 0% |
| Office Equipment Rental | 63210 | 0 | 0 | 0 | 0% |
| Maintenance Agreement-Copier | 63345 | 1,859 | 1,800 | 1,900 | 6% |
| Other Repair/ Maintenance Svcs | 63390 | 0 | 0 | 0 | 0% |
| Freight Expense | 63430 | 505 | 1,000 | 1,000 | 0% |
| Information and Data Access Services | 63480 | 19,652 | 21,150 | 22,217 | 5% |
| Other Purchased Services | 63490 | 8,754 | 2,600 | 10,600 | 308% |
| TOTAL PURCHASED SERVICES | | 36,823 | 38,050 | 285,717 | 651% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 4,143 | 5,200 | 8,761 | 68% |
| Paper | 64110 | 22 | 500 | 500 | 0% |
| Postage | 64120 | 119 | 500 | 500 | 0% |
| Printing & Forms | 64130 | 229 | 0 | 1,000 | 0% |
| Refreshments and Breakroom Supplies | 64140 | 798 | 1,000 | 1,000 | 0% |
| Protocol Gifts and Promotional Supplies | 64150 | 2,280 | 1,000 | 27,000 | 2600% |
| Furniture and Accessories | 64415 | 462 | 0 | 0 | 0% |
| Sign and Sign Maintenance | 64430 | 955 | 6,000 | 6,000 | 0% |
| Holiday and Other Event Display | 64435 | 2,492 | 1,000 | 2,000 | 100% |
| Employee Uniform | 64445 | 86 | 1,500 | 2,000 | 33% |
| Safety Equipment | 64450 | 3,303 | 0 | 500 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 14,889 | 16,700 | 49,261 | 195% |

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MARKETING AND PUBLIC AFFAIRS

Section 203

| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|--------------------------------------|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| ADMINISTRATIVE EXPENSES | | | | | |
| Membership Dues | 65110 | 8,150 | 19,200 | 14,050 | -27% |
| Books & Subscriptions | 65120 | 1,032 | 600 | 1,000 | 67% |
| Conference Registration Fees | 65130 | 3,640 | 2,345 | 3,195 | 36% |
| Training Expense | 65140 | 99 | 0 | 2,000 | 0% |
| Meeting Expense | 65150 | 2,185 | 3,500 | 3,500 | 0% |
| Travel & Reimbursed Expense | 65210 | 7,425 | 5,400 | 8,400 | 56% |
| Air Service Development | 65350 | 243,700 | 8,000 | 294,000 | 3575% |
| Advertising & Promotion | 65390 | 44,262 | 164,340 | 100,340 | -39% |
| Conference Sponsorship | 65391 | 57,648 | 20,000 | 55,000 | 175% |
| Art Program | 65393 | 3,100 | 1,000 | 5,000 | 400% |
| Condolence/Sympathy/Customer Service | 65397 | 0 | 0 | 2,800 | 0% |
| Community Outreach | 65398 | 122,416 | 80,800 | 136,700 | 69% |
| TOTAL ADMINISTRATIVE EXPENSES | | <u>493,658</u> | <u>305,185</u> | <u>625,985</u> | <u>105%</u> |
| TOTAL SECTION EXPENSES | | <u>\$1,563,567</u> | <u>\$1,366,635</u> | <u>\$2,056,563</u> | <u>50%</u> |

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Commercial Business Development Division

Mission Statement: The mission of the Commercial Business Development department is to generate aeronautical and non-aeronautical revenue by planning, organizing, and managing all commercial development efforts, programs, and initiatives, while maintaining all airline, airport, and community stakeholder relationships in order to achieve the strategic objectives of the Reno-Tahoe Airport Authority (RTAA).

The department is responsible for maintaining, developing, directing, and managing comprehensive passenger and air cargo route development initiatives, programs, and strategies to promote increased utilization of the airport for passenger travel and air cargo services. The team performs a variety of duties involved in economic, land and business development, strategic planning, lease negotiations and lease agreement administration. Additionally, the department develops and manages several non-aeronautical revenue producing programs such as the outside commercial property assets, in-terminal concessions and advertisement management, general aviation, rental cars, and land development within a complex airport-related real estate portfolio.

The Commercial Business Development team is responsible for the vertical integration of the airline relationships from the local to the corporate level. The team handles every aspect of the airline relationship from route development to lease compliance. Those relationships include but are not limited to: Local Station Leadership, Commercial Development (Network Planning, Schedule Planning and Business Development), Airport Affairs (Properties), Operations and Executive Staff.

Air Service Development

Mission Statement: Maintain and/or increase the level of passenger and cargo air service at the Reno-Tahoe International Airport (RNO) by collaborating with community stakeholders to define critical markets and together aggressively pursue them with key airline decision makers.

Key Duties and Responsibilities:

- Communicate current airport status and promote air carriers and their destinations to the Reno-Tahoe community.
- Develop and present route analyses and business plans to airlines designed to maintain existing air service, as well as attract new air service opportunities.
- Develop air service marketing and advertising programs, in conjunction with the Marketing and Public Relations team, to promote local market demand and incorporate the business community in the messaging.
- Develop and present air cargo business plans to domestic and international cargo carriers.

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- Meet with carriers, freight forwarders, end users and other air cargo entities; utilizing existing relationships, present comprehensive business cases to key staff and stakeholders to further the development process, leading to new service.
- Partner with community organizations that contribute to the air service and business development of RNO such as the Regional Air Service Corporation (RASC), Economic Development Authority of Western Nevada (EDAWN), Northern Nevada Development Authority (NNDA), Reno Sparks Convention and Visitors Authority (RSCVA), Nevada Commission of Tourism (NCOT) and the Governor’s Office of Economic Development (GOED), Tahoe North Visitors and Convention Bureau (TNVCB), and Lake Tahoe Visitors Authority (LTVA).
- Partner with business and professional organizations that are related to the travel industry such as the American Association of Airport Executives (AAAE), and Airports Council International- North America (ACI-NA).
- Increase knowledge of air passenger, air cargo and travel industry by participating in professional training, which may include seminars hosted by AAAE, ACI JumpStart, ACI Data Planning Seminar, and ACI Air Cargo conference.
- Proactively seek ad hoc opportunities to increase air passenger and/or cargo service i.e., charters, extra sections, larger aircraft.
- Pursue international charters.
- Build on relationships with RNO airline station managers and airline executive decision makers.
- Enhance relationships with local, national, and international freight forwarders.
- Build on air service recovery by forging strong airline relationships through a combination of conference and headquarter meetings.
- Use marketing and resort relationships to maintain status as the “Gateway to Lake Tahoe”.
- Determine and report the level of air carrier activity at RNO by completing a Monthly Flight Schedule.
- Gather and report the monthly and year-to-date passenger and air cargo activity at RNO.
- Research and monitor the current route health of existing flights at RNO.

Air Service Development - Initiatives:

FY 2020-21 Initiatives

1. Hold meetings including route analyses and market opportunities.

Strategic Initiative: Air Service and Cargo

Long-Term Goal: Air Service Status Indicators

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Description: This initiative involves the development of realistic business opportunities at RNO for air carriers including possible incentives, marketing support, and risk mitigation available from the community. Due to the COVID-19 pandemic and the universal recommendation to social distance, many airlines may be reluctant to schedule HDQ visits/meetings in the foreseeable future. Therefore, we are anticipating that most of staff's airline meetings with network planners will take place at airline/airport conferences. In addition, if necessary, we will hold these typically in-person meetings via video conferencing on platforms such as Zoom and Webex.

Performance Measure: The following goals have been established to monitor and report the marketing efforts and levels of air service to be achieved at RNO in FY 2020-21:

- ✓ Number of Passenger Airline Meetings: 25
- ✓ Average Number of Carriers: 6
- ✓ Average Number of Non-Stop Destinations: 10
- ✓ Number of Average Daily Seats: 4,323
- ✓ Retain and Grow Number of Domestic Non-Stop Destinations: 10
- ✓ Aircraft Landed Weight (Passenger): 1,443,502 (000) lbs.

Progress: 100% Achieved. Air Service staff participated in over 26 pre-arranged meetings with airline network planning teams during the year. During the pandemic year, RNO not only kept all nine commercial airlines, but added JSX, the 10th airline, which began service in September 2020. As of June 30, 2021; the average number of daily non-stop flights equals 17, with RNO's highest number at 24 destinations. Of special note: RNO converted two markets from seasonal to year-round during FY 2020-21 (Houston Intercontinental and New York), added four new seasonal markets (Charlotte, Jackson Hole, Houston Hobby and Chicago Midway), and added year-round service to two new markets (Burbank and Orange County). Additionally, the FY 2020-21 average daily seats were 5,273 one way (June 8,324 seats), the number of domestic non-stop destinations were 24, the number of international non-stop destinations was at one. The passenger landed weight as of June 30, 2021, was 1,743,063 lbs.

2. Collaborate and coordinate with Regional Air Service Corporation (RASC) and other key stakeholders.

Strategic Initiative: Air Service and Cargo

Long-Term Goal: Air Service Status Indicators

Description: Under FAA policy, the RTAA is not permitted to provide any financial support to airlines other than the waiver of certain rates and charges and providing marketing of new routes. However, staff can facilitate relationships and cooperate closely with the Regional Air Service Corporation (RASC).

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The RASC is a corporation formed for the purpose of supporting air service to the RNO catchment area. By retaining and expanding membership by local businesses, the available funding and marketing support of new air service through airline risk mitigation is expanded.

Performance Measure: RTAA staff to attend all RASC Marketing Committee, Executive Committee and Board Meetings.

Progress: 100% Achieved. Staff attended all the RASC meetings in FY 2020-21. These meetings include quarterly board meetings, Marketing Committee meetings, Executive Committee meetings, and ad-hoc meetings as required.

3. Update annual plan for Air Service Development.

Strategic Initiative: Air Service and Cargo

Long-Term Goal: Maintenance of existing air service routes

Description: This initiative involves regular updating of the Air Service Development (ASD) plan by regularly assessing existing service, identifying opportunities, identifying major stakeholders, identifying and securing available resources, establishing and validating goals, as well as determining strategy and techniques.

Performance Measure: Air Service Staff to update RTAA Air Service Development Plan annually, no later than June 30, 2021.

Progress: 100% Completed. In October 2021, staff defined the 5-year air service roadmap. Staff shifted from an air carrier focus to a market focus, with emphasis placed on the retention of existing carriers and routes, the expansion of seasonal routes to annual and regaining routes lost during the pandemic. Despite the diminished air travel demand for much of the year and the volatile flight schedules during the pandemic, RNO ended the fiscal year near 2019 pre-pandemic levels.

4. Conduct education sessions on the RTAA’s Air Service Development Program to local community and business stakeholders.

Strategic Initiative: Air Service and Cargo

Long-Term Goal: Community Awareness

Description: This initiative will conduct education sessions with tourism sales representatives, business leaders, and civic organizations to educate the community about

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air service development. These sessions will also promote increased loyalty to existing air carriers serving RNO. Due to the COVID-19 pandemic and the directive from many states, including Nevada, to limit social interactions to small groups, these typically in-person meetings may be held via video conferencing on platforms such as Zoom and Webex.”

Performance Measure: Hold at least six (6) community and business stakeholders sessions to educate and promote RTAA air service development by June 30, 2021.

In addition, RTAA staff will communicate airfare deals available at RNO through weekly e-mails or RNO Explorer (26 times annually) through RTAA’s extensive database to stakeholders.

Progress: Partially Achieved. Staff held over 6 community and stakeholder sessions during FY 2020-21. Staff attended and presented at several community meetings, to include the Reno Sparks Convention and Visitors Authority (RSCVA), other Convention and Visitor Bureaus (CVBs), Destination Management Organizations (DMOs), chambers, and hotel and business partners in the catchment area. Unfortunately, due to the COVID-19 pandemic and the community’s initial reluctance to fly, the decision was made to suspend the RNO Explorer’s weekly airfare deals.

5. Hold meetings with cargo carriers.

Strategic Initiative: Air Service and Cargo

Long-Term Goal: Air Cargo Growth

Description: This initiative will involve direct meetings with carriers, forwarders, end users and other air cargo entities to enhance existing relationships and develop new opportunities. This effort will share new regional developments and enhance RTAA understanding of future cargo plans. These meetings will also include presenting a comprehensive business case in support of additional cargo air service in the Northern Nevada Region.

Performance Measure: The following goals have been established to monitor and report the marketing efforts and levels of cargo service to be achieved at RNO in FY 2020-21. Hold three (3) meetings by June 30, 2021.

- ✓ Number of Cargo Carrier Meetings: 3
- ✓ Landed Weight for Cargo Carriers: 597,002 (000) lbs.
- ✓ Pound of Cargo Carried: 143,983,647 lbs.

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Progress: 100% Achieved. Staff held three one-on-one meetings with cargo airlines. The airlines carried 152,807,230 pounds of air cargo in FY 2020-21, a year-over-year increase of 6.1%. The landed weight for cargo carriers was 640,682 million pounds.

FY 2021-22 New Initiatives

1. Achieve Air Service status indicators (based on the current Air Service strategic plan).

Strategic Initiative: Air Service and Cargo

Long-Term Goal: Air Service Status Indicators

Description: This initiative involves the development of realistic business opportunities at RNO for air carriers including possible incentives, marketing support, and risk mitigation available from the community.

Performance Measure: The following goals have been established to monitor and report the marketing efforts and levels of air service to be achieved at RNO in FY 2021-22:

- ✓ Retain Airlines: 9
- ✓ Retain Destinations: 21 non-stop
- ✓ Achieve annual passenger revenue: \$ 6.724 million
- ✓ Achieve annual landed weight: 2,0081,684 (000) lbs.
- ✓ Achieve annual cargo revenue: \$ 2.004 million
- ✓ Achieve annual landed weight: 620,283 (000) lbs.
- ✓ Retain Cargo Carriers: 3

2. Air Service Development strategic plan.

Strategic Initiative: Air Service and Cargo

Long-Term Goal: Maintenance of existing air service routes

Description: This initiative involves regular updating of the Air Service Development (ASD) plan/strategy by assessing existing service, identifying opportunities, identifying major stakeholders, identifying, and securing available resources, establishing, and validating goals, as well as determining strategy and techniques.

Performance Measure: Air Service Staff to annually update RTAA Air Service Development Plan/Strategy with target markets and carriers to include annual passenger volumes, no later than June 30, 2022.

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AIR SERVICE BUSINESS DEVELOPMENT

Section 202

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$204,205 | \$236,100 | \$244,300 | 3% |
| Vacation Pay | 51130 | 23,296 | 2,700 | 6,900 | 156% |
| Sick Leave | 51140 | 14,596 | 5,300 | 5,800 | 9% |
| Holiday Pay | 51150 | 12,176 | 0 | 0 | 0% |
| Comp Time | 51160 | 2,270 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (4,255) | 0 | 0 | 0% |
| Medicare | 51320 | 3,655 | 3,400 | 3,500 | 3% |
| Group Insurance | 51340 | 35,042 | 39,100 | 38,100 | -3% |
| Disability Insurance | 51342 | 2,440 | 2,200 | 2,400 | 9% |
| Vision Insurance | 51344 | 394 | 300 | 400 | 33% |
| Dental Insurance | 51347 | 3,385 | 3,100 | 3,200 | 3% |
| Workers Comp | 51350 | 615 | 600 | 600 | 0% |
| Retirement | 51360 | 70,550 | 69,000 | 72,700 | 5% |
| Accrued PERS Expense | 51365 | (1,247) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 367,123 | 361,800 | 377,900 | 4% |
| PURCHASED SERVICES | | | | | |
| Other Professional Services | 63190 | 0 | 0 | 250,000 | 0% |
| Maintenance Agreement-Copier | 63345 | 18 | 0 | 0 | 0% |
| Freight Expense | 63430 | 1,299 | 500 | 1,000 | 100% |
| Information and Data Access Services | 63480 | 53,300 | 53,800 | 53,800 | 0% |
| Other Purchased Services | 63490 | 78 | 80 | 80 | 0% |
| TOTAL PURCHASED SERVICES | | 54,695 | 54,380 | 304,880 | 461% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 216 | 150 | 500 | 233% |
| Postage | 64120 | 0 | 25 | 50 | 100% |
| Printing & Forms | 64130 | 0 | 200 | 200 | 0% |
| Protocol Gifts and Promotional Supplies | 64150 | 21,449 | 18,500 | 0 | -100% |
| Sign and Sign Maintenance | 64430 | 1,500 | 5,000 | 0 | -100% |
| Safety Equipment | 64450 | 64 | 0 | 0 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 23,229 | 23,875 | 750 | -97% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 0 | 550 | 0 | -100% |
| Conference Registration Fees | 65130 | 11,398 | 10,303 | 13,268 | 29% |
| Meeting Expense | 65150 | 3,637 | 2,500 | 3,000 | 20% |
| Travel & Reimbursed Expense | 65210 | 13,659 | 16,400 | 32,790 | 100% |
| Travel&Reimb Exp-Air Svc Task | 65211 | 332 | 0 | 0 | 0% |
| Employee Mileage Reimbursement | 65240 | 0 | 500 | 200 | -60% |
| Air Service Development | 65350 | 15,905 | 17,300 | 153,500 | 787% |
| Advertising & Promotion | 65390 | 14,427 | 14,500 | 12,000 | -17% |
| Conference Sponsorship | 65391 | 25,000 | 0 | 50,000 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 84,358 | 62,053 | 264,758 | 327% |
| TOTAL SECTION EXPENSES | | \$529,405 | \$502,108 | \$948,288 | 89% |

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Airport Economic Development

Mission Statement:

The Airport Economic Development (AED) Department serves to attract, retain, and expand the variety and number of in-terminal, non-airline revenue tenants, as well as its on- and off- airport tenant base, resulting in long-term leases and increased non-airline revenue. AED monitors and administers airline contracts and tenant compliance (passenger, cargo, and ground handlers), as well as rental car operators, in-terminal concessions, including food and beverage, retail, gaming, advertising, luggage carts, ATMs, and other services. Additionally, AED oversees approximately 200 general aviation tenants and effectively manages real property assets at both Reno-Tahoe International Airport (RNO) and Reno-Stead Airport (RTS).

AED strives to maintain and increase non-airline revenues to keep operating costs as low as possible for the airlines through revenue sharing, provide exceptional food and beverage and retail concessions and service opportunities for the traveling public, offer superior general aviation facilities and services, provide supporting contract administration, provide property management and land development services, and attract new aviation-compatible businesses through land development opportunities.

Key Duties and Responsibilities:

- Manage approximately 1,000 leases/contracts for both RNO and RTS.
- Manage the Tenant Improvement process, oversee lease compliance and manage customer relations for all tenants at RNO and RTS, including government agencies such as the FAA, TSA, and the Nevada Air National Guard.
- Request RTAA-owned facility assessments to identify and correct deferred maintenance in-order to increase utilization, occupancy rates, and revenue.
- Optimize the use of the property management software and focus on system updates and data monitoring to ensure the following: (1) accurate billing statements each month to secure revenue; (2) all active lease information is entered, monitored, and maintained; and (3) effective management of all lease compliance activities.
- Provide excellent communication, service and product delivery to customers, stakeholders, and internal RTAA divisions.
- Support employee training to ensure staff stays current with industry knowledge, trends, and best practices.

Concessions

- Review the services and products offered to the traveling public with a focus on the following: (1) increasing sales; (2) refreshing services and products; (3) providing excellent

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value and customer satisfaction; (4) increasing the customer service performance of all retail, food and beverage, in-terminal services, and rental car operators; and (5) improving the airport environment and experience.

- Issue Requests for Proposals (RFPs) for concession opportunities, as appropriate, to optimize non-airline revenue and enhance customer experience.
- Provide contract support for community partnership agreements and specialty display opportunities.
- Manage the advertisement program to: (1) update the advertising program; (2) review and revise, as necessary, the advertising locations and refresh the concepts to attract and diversify advertising clients; and (3) retain and expand client marketing opportunities.
- Participate in the Nevada Unified Certification Program (NUCP) for certification of Airport Concession Disadvantaged Business Enterprises (ACDBE) and, as a certifying agency, manage continuing certification compliance requirements.
- Oversee and manage rental car concession and service-storage facility leases at RNO including use of customer facility charge (CFC) revenue to maintain and improve RTAA-owned rental car facilities.

Airlines, Cargo, and Aviation Support Services

- Manage RNO terminal airline space including Airline Ticket Counter and Airline Ticket Office, Baggage Service Office, Operations, Gate and Holdroom space.
- Coordinate and ensure signatory and non-signatory airline contract compliance as outlined in the Airline-Airport Use and Lease Agreements and Airline Operating Agreements.
- Provide communication and maintain customer relations with local and corporate airline representatives including attending Airline Station Managers and Airline Airport Affairs Committee meetings.
- Originate and manage contracts and compliance for air cargo operations.
- Originate and manage contracts for all ground handler/aviation support services.
- Coordinate charter aircraft operations and compliance.

General Aviation (GA) at RNO and RTS

- Prepare leases and manage general aviation box hangars at RNO including billing, compliance and repair and maintenance.
- Work with the Fixed Based Operator (FBO) to manage general aviation T-hangar tenants at RNO including direct management of the T-Hangar tenant billing system.
- Attend regularly held general aviation meetings including the Stead Airport Users Association and the RTIA User Committee.
- Develop, implement and revise General Aviation Minimum Standards (GAMS) for both airports.

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- Encourage private capital investment for new GA facilities on vacant aeronautical land at both airports.
- Originate and manage Operating Agreements for Commercial Aeronautical Operators as defined in the GAMS.
- Originate and manage contracts for aviation fuel providers and related facilities at RNO.

Outside Properties

- Perform market rate surveys using best practices to remain competitive in marketing all RTAA owned non-aeronautical facilities.
- Perform needed repairs, preventative maintenance, and capital improvements, as appropriate, to maintain the facilities in leasable condition.
- Manage the Airport Mini-Warehouse, Park to Travel, 1280 Terminal Way, Hyatt Place Hotel and other commercial properties and government facilities with a focus on increasing utilization, occupancy and revenue.
- Negotiate and draft commercial leases.
- Provide full-service property management to all commercial tenants in RTAA-owned buildings.

Land and Economic Development at RNO and RTS

- Lead and/or work closely with the state and local economic development agencies and other community partners, to proactively attract and expand business opportunities and capital investment at both airports.
- Work with appraisers, surveyors, title companies and others to evaluate development potential and constraints on RTAA-owned lands.
- Meet with prospective tenants, prepare responses to Requests for Information, and maintain broker relations.
- Negotiate business terms with prospective tenants and secure Board approval.
- Prepare hold harmless and right of entry agreements, draft and negotiate ground leases, and prepare other legal documents in support of tenants and lease negotiations.
- Manage the Land Development Tenant Improvement process, working collaboratively with RTAA Planning & Engineering as well as City of Reno Community Development and tenants at both airports.
- Maintain relationships with tenants and manage contracts, including RTS Terminal tenants.
- Facilitate redevelopment of Airport-owned property as needed.
- Facilitate land disposal and acquisition as needed.
- Work with the RTS master developer to support implementation of the Master Development Agreement.
- Negotiate, prepare and manage the Reno Air Racing Association (RARA) leases and event permits.

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- Coordinate and manage existing easements and the granting of new easements to tenants and community partners to help facilitate development of both airports and the surrounding communities.
- Issue Requests for Proposals (RFPs) for land development opportunities, as appropriate, to support the implementation of the RNO Master Plan and to optimize non-airline revenue.

Airport Economic Development - Initiatives:

FY 2020-21 Initiatives

- 1. Encourage and foster new services and product offerings to address evolving market segments and customer expectations.**

Strategic Initiative: Financial Diversification and Growth

Long-Term Goal: Financial Status Indicators

Description: Non-airline revenues comprised of rental car and terminal concessions, rents collected from tenants, and hangar and land leases generate 62% of total RTAA operating revenues. The net revenues allow the RTAA to reinvest back into facilities at both airports and lower airline costs at RNO through a revenue sharing arrangement with signatory passenger carriers. The RTAA has an opportunity to offer new services to meet changing consumer needs and preferences, which in turn can generate additional non-airline revenues.

Performance Measure: Non-airline revenues (terminal concession, rental car concession, other rents, and miscellaneous revenue) per enplaned passenger of \$15.60.

Progress: Not Achieved. Non-Airline revenue per enplaned passenger of \$15.34 was calculated at the end of June 2021 for FY 2020-21, based on preliminary results. Most concessionaires met or slightly exceeded projections with the largest contributing factor attributed to rental car operators; these operators experienced an increased demand in addition to increased rental rates. Non-airline revenue ended at 27.7% above the FY 2020-21 budget; however, passenger traffic was 30.1% above, resulting in a lower revenue per enplaned passenger rate.

- 2. Facilitate and conclude an RFI for GA at RTS.**

Strategic Initiative: General Aviation

Long-Term Goal: GA Service Providers

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Description: Issue a RFI for GA development at RTS (FBO, MRO and/or market-driven facilities).

Performance Measure: Draft and issue an RFI for GA at RTS by June 30, 2021.

Progress: 100% Completed. An RFP was issued in February 2021.

3. Market and proactively rent RNO outside commercial properties.

Strategic Initiative: Financial Diversification and Growth

Long-Term Goal: Non-Aeronautical Development at Both Airports

Description: Maintain facilities to maximize occupancy and non-airline revenue

Performance Measure: Achieve 85% or better occupancy in FY 2020-21.

Progress: 100% Achieved. RTAA Staff achieved a 92% occupancy rate as of June 30, 2021.

4. Market proactively and rent RNO GA box and T- hangars.

Strategic Initiative: General Aviation

Description: GA User Needs and Market Demand

Performance Measure: Achieve 85% or better hangar occupancy in FY 2020-21.

Progress: 100% Achieved. RTAA Staff archived a 100% occupancy rate as of June 30, 2020.

5. Adjust Customer Facility Charge (CFC) rate as needed to finance a Consolidated Rental Car Facility (CONRAC).

Strategic Initiative: Facilities for the Future

Long-Term Goal: Plan of Finance and Business/Intergovernmental Agreements

Description: Continue funding, for Phase II of the Consolidated Rental Car Facility (CONRAC) facility.

Performance Measure: After Consultation with rental car companies, increase the CFC rate by June 30, 2021 to begin funding the new CONRAC facility.

Progress: 100% Achieved. CFC increased to \$5.50 per transaction per day on July 1, 2020.

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FY 2021-22 New Initiatives

1. Encourage and foster new services and product offerings to address evolving market segments and customer expectations.

Strategic Initiative: Financial Diversification and Growth

Long-Term Goal: Financial Status Indicators

Description: Non-airline revenues comprised of rental car and terminal concessions, rents collected from tenants, and hangar and land leases generate 65% of total RTAA operating revenues. The net revenues allow the RTAA to reinvest back into facilities at both airports and lower airline costs at RNO through a revenue sharing arrangement with signatory passenger carriers. The RTAA has an opportunity to offer new services to meet changing consumer needs and preferences, which in turn can generate additional non-airline revenues.

Performance Measure: Non-airline revenues (terminal concession, rental car concession, other rents, and miscellaneous revenue) per enplaned passenger of \$12.55.

2. Airport land development at both airports.

Strategic Initiative: Financial Diversification and Growth

Long-Term Goal: Land Development

Description: Market opportunities for available land with prospective tenants, developers, and capital investors.

Performance Measure: Execution of RTS utility easements with multiple agencies, draft, and issue solicitation for sale of Conductor Heights parcels, preparation of Southwest Quadrant for any upcoming opportunities by June 30, 2022.

3. Facilitate and conclude an RFP for GA at RTS.

Strategic Initiative: Financial Diversification and General Aviation

Long-Term Goal: GA Service Providers

Description: Facilitate and conclude RTS GA RFP for GA development at RTS (Hangars, FBO and/or market-driven facilities).

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Performance Measure: Execute at least one Memorandum of Understanding (MOU) with a selected respondent, if identified through RFP process by June 30, 2022.

4. Market and proactively rent RNO outside commercial properties.

Strategic Initiative: Financial Diversification and Growth

Long-Term Goal: Non-Aeronautical Development at Both Airports

Description: Maintain facilities to maximize occupancy and non-airline revenue.

Performance Measure: Achieve 85% or better occupancy in FY 2021-22.

5. Market proactively and rent RNO GA box and T- hangars.

Strategic Initiative: General Aviation

Long-Term Goal: GA User Needs and Market Demand

Description: Continue to maximize non-airline revenue by leasing RNO hangars.

Performance Measure: Achieve 85% or better hangar occupancy in FY 2021-22.

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ECONOMIC DEVELOPMENT

Section 205

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$558,987 | \$650,400 | \$757,800 | 17% |
| Vacation Pay | 51130 | 49,227 | 6,200 | 16,000 | 158% |
| Sick Leave | 51140 | 28,514 | 3,300 | 4,300 | 30% |
| Holiday Pay | 51150 | 31,417 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (15,465) | 0 | 0 | 0% |
| Car Allowance | 51250 | 4,918 | 4,800 | 4,800 | 0% |
| Premium Payroll Accrual | 51285 | (92) | 0 | 0 | 0% |
| Medicare | 51320 | 9,839 | 9,400 | 11,000 | 17% |
| Group Insurance | 51340 | 64,293 | 90,000 | 99,000 | 10% |
| Disability Insurance | 51342 | 5,716 | 5,900 | 6,700 | 14% |
| Vision Insurance | 51344 | 670 | 700 | 900 | 29% |
| Dental Insurance | 51347 | 5,329 | 5,900 | 7,200 | 22% |
| Workers Comp | 51350 | 718 | 700 | 800 | 14% |
| Retirement | 51360 | 186,610 | 190,200 | 225,500 | 19% |
| Accrued PERS Expense | 51365 | (4,272) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 926,409 | 967,500 | 1,134,000 | 17% |
| UTILITIES AND COMMUNICATIONS | | | | | |
| Electricity | 62110 | 597 | 700 | 700 | 0% |
| Water | 62130 | 24,086 | 15,000 | 20,000 | 33% |
| Sewer | 62140 | 20,220 | 21,750 | 15,500 | -29% |
| TOTAL UTILITIES & COMMUNICATIONS | | 44,902 | 37,450 | 36,200 | -3% |
| PURCHASED SERVICES | | | | | |
| Consultants - General | 63140 | 15,293 | 7,500 | 100,000 | 1233% |
| Real Estate Appraising & Neg. | 63170 | 4,500 | 5,000 | 15,500 | 210% |
| Other Professional Services | 63190 | 1,592 | 3,400 | 9,000 | 165% |
| Land Rental | 63240 | 4,488 | 5,000 | 4,600 | -8% |
| Contracted Services | 63340 | 5,023 | 7,000 | 9,500 | 36% |
| Maintenance Agreement - Copier | 63345 | 1,543 | 2,000 | 2,000 | 0% |
| Other Repair/Maintenance Svcs | 63390 | 0 | 1,000 | 1,000 | 0% |
| Freight Expense | 63430 | 94 | 400 | 400 | 0% |
| Permits & Fees | 63460 | 50 | 50 | 50 | 0% |
| Airport Advertising | 63470 | 0 | 4,000 | 4,500 | 13% |
| Information and Data Service | 63480 | 90 | 1,200 | 1,200 | 0% |
| Other Purchased Services | 63490 | 1,661 | 3,000 | 8,000 | 167% |
| TOTAL PURCHASED SERVICES | | 34,333 | 39,550 | 155,750 | 294% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 602 | 1,000 | 1,000 | 0% |
| Paper | 64110 | 166 | 400 | 400 | 0% |
| Postage | 64120 | 130 | 400 | 400 | 0% |
| Printing & Forms | 64130 | 317 | 1,000 | 1,000 | 0% |
| Janitorial Paper Supplies | 64250 | 21 | 0 | 0 | 0% |
| Janitorial Supplies | 64260 | 0 | 0 | 100 | 0% |
| Furniture and Accessories | 64415 | 2,159 | 0 | 1,500 | 0% |
| Sign and Sign Maintenance | 64430 | 0 | 1,700 | 3,700 | 118% |
| Safety Equipment | 64450 | 242 | 0 | 100 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 3,638 | 4,500 | 8,200 | 82% |

**Reno-Tahoe Airport Authority
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ECONOMIC DEVELOPMENT

Section 205

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|--------------------------------------|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 6,550 | 2,050 | 7,050 | 244% |
| Books & Subscriptions | 65120 | 1,088 | 0 | 0 | 0% |
| Conference Registration Fees | 65130 | 551 | 0 | 5,445 | 0% |
| Training Expense | 65140 | 1,390 | 700 | 0 | -100% |
| Meeting Expense | 65150 | 1,586 | 1,000 | 1,000 | 0% |
| Travel & Reimbursed Expense | 65210 | 4,000 | 0 | 13,400 | 0% |
| Employee reimbursed mileage | 65240 | 0 | 350 | 350 | 0% |
| Legal Ads | 65340 | 0 | 0 | 0 | 0% |
| Economic Development | 65360 | 0 | 25,000 | 50,000 | 100% |
| Other Advertising & Promotion | 65390 | 0 | 0 | 0 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | <u>15,165</u> | <u>29,100</u> | <u>77,245</u> | <u>165%</u> |
| TOTAL SECTION EXPENSES | | <u>\$1,024,447</u> | <u>\$1,078,100</u> | <u>\$1,411,395</u> | <u>31%</u> |

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OUTSIDE PROPERTIES

Section 206

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$95,402 | \$98,800 | \$102,000 | 3% |
| Temporary Employees | 51120 | 2,164 | 0 | 0 | 0% |
| Vacation Pay | 51130 | 8,586 | 0 | 0 | 0% |
| Sick Leave | 51140 | 4,353 | 0 | 900 | 0% |
| Holiday Pay | 51150 | 5,687 | 0 | 0 | 0% |
| Workers Comp Pay | 51170 | 370 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (2,167) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 275 | 1,000 | 1,000 | 0% |
| Overtime Call Back | 51213 | 406 | 500 | 500 | 0% |
| Shift Differential | 51230 | 569 | 850 | 0 | -100% |
| Accrued Premium Payroll | 51285 | (24) | 0 | 0 | 0% |
| Medicare | 51320 | 1,602 | 1,400 | 1,500 | 7% |
| Group Insurance | 51340 | 28,069 | 29,200 | 28,400 | -3% |
| Disability Insurance | 51342 | 801 | 600 | 600 | 0% |
| Vision Insurance | 51344 | 314 | 200 | 200 | 0% |
| Dental Insurance | 51347 | 2,457 | 2,000 | 2,100 | 5% |
| Workers Comp | 51350 | 205 | 200 | 200 | 0% |
| Retirement | 51360 | 32,154 | 28,900 | 30,300 | 5% |
| Accrued PERS Expense | 51365 | (616) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 180,603 | 163,650 | 167,700 | 2% |
| UTILITIES AND COMMUNICATIONS | | | | | |
| Electricity | 62110 | 66,553 | 70,050 | 85,750 | 22% |
| Natural Gas | 62120 | 16,429 | 12,250 | 14,200 | 16% |
| Water | 62130 | 15,238 | 20,125 | 22,350 | 11% |
| Sewer | 62140 | 19,661 | 24,150 | 25,330 | 5% |
| Trash Disposal | 62150 | 15,887 | 16,400 | 16,400 | 0% |
| TOTAL UTILITIES & COMMUNICATIONS | | 133,767 | 142,975 | 164,030 | 15% |
| PURCHASED SERVICES | | | | | |
| Data Processing | 63130 | 6,859 | 8,650 | 8,750 | 1% |
| Consultants - Engineering | 63150 | 630 | 0 | 0 | 0% |
| Other Professional Services | 63190 | 210 | 0 | 0 | 0% |
| Contracted Services | 63340 | 519,974 | 676,111 | 695,591 | 3% |
| Other Repair/Maintenance Svcs | 63390 | 71,282 | 141,500 | 175,000 | 24% |
| Permits & Recorders Fees | 63460 | 906 | 875 | 875 | 0% |
| Other Purchased Services | 63490 | 80 | 0 | 0 | 0% |
| TOTAL PURCHASED SERVICES | | 609,941 | 827,136 | 900,216 | 9% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 129 | 400 | 400 | 0% |
| Paper | 64110 | 33 | 150 | 150 | 0% |
| Postage | 64120 | 396 | 520 | 520 | 0% |
| Printing & Forms | 64130 | 1,422 | 150 | 1,500 | 900% |
| Herbicides | 64221 | 306 | 250 | 300 | 20% |
| Auto Fuel | 64230 | 100 | 0 | 0 | 0% |
| Janitorial Supplies | 64260 | 433 | 550 | 650 | 18% |
| Other Operating Supplies | 64290 | 55 | 0 | 0 | 0% |

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OUTSIDE PROPERTIES

Section 206

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---------------------------------------|----------------|-------------------|-------------------|-------------------|-------------------|
| Repair & Maint. Supplies | 64300 | 0 | 500 | 500 | 0% |
| Locks & Hardware | 64333 | 829 | 2,600 | 2,600 | 0% |
| Electrical Supplies | 64360 | 124 | 0 | 0 | 0% |
| Other Repair and Maintenance | 64390 | 40 | 0 | 0 | 0% |
| Furniture and Accessories | 64415 | 498 | 0 | 0 | 0% |
| Sign and Sign Maintenance | 64430 | 69 | 200 | 200 | 0% |
| Employee Safety Equipment | 64450 | 24 | 0 | 0 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 4,458 | 5,320 | 6,820 | 28% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Legal and Business Procurement Ads | 65340 | 100 | 150 | 150 | 0% |
| Credit Card Fees | 65500 | 21,933 | 20,900 | 20,850 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 22,139 | 21,050 | 21,000 | 0% |
| FIXED ASSETS | | | | | |
| Fixed Asset Acquisition | | 15,635 | 0 | 0 | 0% |
| TOTAL SECTION EXPENSES | | 966,543 | 1,160,131 | 1,259,766 | 9% |

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People, Culture, and Equity

Mission Statement: To provide strategic, innovative and responsive human resource services to the RTAA.

Key Duties and Responsibilities:

- Monitor federal and state legislative changes, incorporating any applicable changes into current policies and procedures.
- Measure key organizational and People Operations functions to provide meaningful and relevant data in support of organizational effectiveness.
- Oversee the RTAA Culture Club which includes the following: (1) Events Committee; (2) Communication Committee; (3) Recognition Committee; (4) Values Committee; (5) Caring Campaign; and (6) Innovation Team (iTeam) with the goal of enhancing and supporting a positive work environment.
- Conduct research, compile data, perform statistical analyses and prepare comprehensive technical reports and summaries on various People Operations related issues.
- Provide excellent customer service to inquiries regarding job opportunities, the application and hiring process, requests for information and complaints.
- Build and maintain a robust workforce planning program to avoid talent surpluses or shortages related to both labor demand and skills.
- Develop and maintain a workforce plan to ensure an efficient employee/management team, maximize efficiencies and promote long-term success.
- Incorporate use of on-going succession planning program to develop a pool of identified successors for management and hard-to-fill positions.
- Provide on-going support to further promote THRIVE values throughout the organization. The acronym of THRIVE stands for “Teamwork for Results”, “Honesty and Integrity”, “Respect and Recognition”, “Inspire and Innovate”, “Versatility”, and “Enthusiasm for Excellence”.
- Plan and conduct employee recruitment and selection activities; confer with hiring authorities on job demands and appropriate requirements; develop job announcements, advertisements, supplemental applications and other recruitment materials; and incorporate THRIVE values into hiring process.
- Develop and administer job-related selection procedures and ensure that all phases of recruitment and selection comply with applicable federal, state and local laws, regulations and guidelines.
- Assist in orienting new employees by providing programs regarding policies and developing guiding/supporting materials that offer a comprehensive organizational overview and incorporate THRIVE values.

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- Provide managers with a framework and training for on-boarding their new employees to include checklists, discussion guides and additional resources.
- Conduct classification studies; prepare new or modified class specifications; recommend the classification of new or modified positions; conduct and participate in surveys and studies regarding compensation and benefits information.
- Provide on-going management training on the performance appraisal system. Support managerial efforts to review and update as necessary and support the completion of employee evaluations in a timely manner.
- Provide training to ensure proper administration and supervisory oversight of current and new provisions of the collective bargaining agreements.
- Insure that training offerings and opportunities operate in support of and maintain a close connection to the strategic plan and organizational values.
- Meet with managers, supervisors and staff to conduct needs analyses, identify performance barriers and training gaps and provide appropriate solutions.
- Within the framework of the Airport Authority University (AAU), plan, schedule, conduct and evaluate training programs and resources to all levels of the organization.
- Administer the employee emergency communications call system.
- Maintain the Human Resources Information System (HRIS).
- Support the organization's technology by offering continual training to increase end users' skill and comfort levels.
- Advise managers, supervisors and employees on a variety of employee and employee relations issues, including performance management, discipline and policy interpretation.
- Consult with employees and their representatives and assist in the resolution of routine grievances, disputes and contract interpretation.
- Coordinate labor contract negotiations, including development of management priorities, creation of bargaining proposals and facilitation of negotiation meetings.
- Administer, communicate and assist employees on employee benefit programs. These programs include the following: (1) medical, dental, vision, life, and accidental death and dismemberment, (2) long-term disability insurance, (3) Public Employee Retirement System (PERS), (4) tuition reimbursement, (5) deferred compensation, (6) Health Savings Accounts (HAS)/flexible spending accounts, and (7) worker's compensation.
- Coordinate the employee wellness program to foster healthier employee lifestyle choices.
- Administer programs such as employee recognition and incentive awards to increase engagement and support a more productive and satisfied workforce.
- Expand on existing celebrations and communications of employee achievements in real time via the HUB, e-mail, and all employee meetings; semi-annually and as achievements occur.
- Coordinate exiting processes and conduct employee exit interviews.
- Contribute to maintaining management turnover rate of no more than 7% due to bad attrition (i.e. voluntary separations for reasons other than retirement).
- Coordinate all employee Town Hall meetings so that information can be shared from

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management to front line staff and vice versa.

- Coordinate employee engagement surveys to identify areas of improvement to maintain a positive organizational culture.
- Enhance employee engagement and maximize the effectiveness of employee teams by facilitating annual departmental morale building activities.
- Conduct compensation surveys to assure that RTAA wages are appropriately competitive in order to maximize recruitment and retention efforts.
- Coordinate 360 Degree Feedback Surveys to provide management employees with more targeted feedback on their leadership effectiveness.

People, Culture, and Equity- Initiatives:

FY 2020-21 Initiatives

- 1. Provide on-going support of the THRIVE organizational values through relevant activities.**

Strategic Initiative: People

Long-Term Goal: THRIVE Organizational Values

Description: Provide ongoing support to the continued evolution and embedding of the THRIVE values into the RTAA culture in order to increase employee engagement and satisfaction.

Performance Measure: A minimum of four (4) activities supported by the various RTAA Culture Clubs will be conducted by June 30, 2021.

Progress: 100% Completed. The THRIVE committee hosted the cornhole tournament, provided support to the Nevada Human Society Duck Race, coordinated virtual THRIVE bingo and the Baskets of Value program.

- 2. Maximize the effectiveness of our teams through annual, departmental morale building activities.**

Strategic Initiative: People

Long-Term Goal: Employee Engagement

Description: Provide the opportunity for each division to identify and engage in an activity

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that promotes enhanced understanding and interaction between the members to improve team cohesiveness and enhanced morale.

Performance Measure: Each division will engage in one (1) morale building activity by June 30, 2021.

Progress: 0% Completed. Due to social distancing requirements related to the pandemic, this initiative was suspended.

3. Provide increased visibility to the RTAA Management staff on the effectiveness of their leadership through more targeted, 360 degree feedback.

Strategic Initiative: People

Long-Term Goal: RTAA Leadership Program

Description: To increase the amount of awareness and information that each member of the management team will need in order to grow their people leadership skills, and to further expand the level of trust that employees and managers need, 360 Degree Feedback Surveys will be implemented over a period of three (3) years.

Performance Measure: Begin the 360 Degree Feedback Survey process with a pilot group of at least three (3) Senior Leadership team members by June 30, 2021.

Progress: 0% Completed. This initiative was suspended for FY 2020-21 to allow the new Executive Team to build group identity and solidify as a team.

4. In collaboration with key stakeholders in our organization, continue creation of an employment branding program that sets the RTAA apart in the recruitment marketplace as an employer of choice.

Strategic Initiative: People

Long-Term Goal: Employer of Choice

Description: As an organization, we will THRIVE and grow only when we have a talented, committed, and engaged workforce. Our recruitment efforts need to reflect the vital and progressive organization that we are as embodied in our Mission, Vision, and Values. By creating and communicating a strong and cohesive identity, the RTAA will be better able to attract and retain the type of talent that we need for a successful future. This will differentiate us in a positive way from other airports as well other local employers.

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Performance Measure: Implement second phase of the Branding program by June 31, 2020.

Progress: 100% Completed. Phase II involved the creation of a “Culture Guide” that defines the culture of our organization, builds pride and identity and outlines expectations of our employees.

5. Maximizing the effectiveness of the RTAA Succession Planning Program through development of talent profiles for employees on succession slates.

Strategic Initiative: People

Long-Term Goal: Employee Satisfaction

Description: Utilize the Slates and Talent Profiles under the Succession Planning Program to support employee development, designed to increase the capacity of employees to fill progressively more responsible roles within the organization.

Performance Measure: At least 60% of employees on a succession slate will have a completed Talent Profile by June 30, 2021.

Progress: 100% Completed. As of June 30, 2021, 60% of employees on succession slate have a completed talent profile?

6. Maximizing the effectiveness of the RTAA Succession Planning Program through identification of specific developmental goals in performance evaluations to further expand management development.

Strategic Initiative: People

Long-Term Goal: Succession Planning

Description: In order to move the existing RTAA succession planning program from a passive to a proactive process and to become more purposeful in moving employees on slates who are identified as ready in “1 to 3 years” to being “ready now”, there will be a defined development structure to address existing deficiencies and a plan to address them.

Performance Measure: At least 60% of employees on a succession slate will have at least one (1) goal on their performance evaluation tied to their Talent Profile document by June 30, 2021.

Progress: 100% Completed. As of June 30, 2021, 60% of employees have at least 1 goal in

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the performance evaluation.

7. Monitor the progress of the RTAA Diversity Plan to enrich our workplace by developing a more diverse workforce.

Strategic Initiative: People

Long-Term Goal: Workforce Diversity

Description: Strengthen our focus on workforce diversity and inclusion to further enrich our workplace and more fully leverage our high-caliber workforce in producing creative and effective solutions that move our organization into the future.

Performance Measure: Continue to maintain strategies outlined in the Diversity plan and monitor progress towards identified goals by June 30, 2021, through quarterly review and reporting to CEO and COO.

Progress: 100% Completed. Although some initiatives were amended due to the pandemic based on quarterly review, all initiatives were implemented, and the organization renewed its focus on diversity, equity, and inclusion through organizational changes, such as the reclassification of the Chief People, Culture and Equity Officer and policy updates.

FY 2021-22 New Initiatives

1. Provide on-going support of the RTAA’s organizational culture.

Strategic Initiative: People

Long-Term Goal: THRIVE Organizational Values

Description: Provide ongoing support of organizational culture in order to increase employee engagement and satisfaction.

Performance Measure: A minimum of four (4) organizational engagement activities supported by the RTAA Culture Club will be conducted by June 30, 2022.

2. Continue to clarify and solidify RTAA’s employment brand to set the RTAA apart in the recruitment marketplace as an employer of choice, and articulate the connection between our Mission, Vision, Values, and operations.

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Strategic Initiative: People

Long-Term Goal: Employer of Choice

Description: As an organization, we will THRIVE and grow only when we have a talented, committed, and engaged workforce. Our operations need to reflect the vital and progressive organization that we are as embodied in our Mission, Vision, and Values. By clarifying and communicating a strong and cohesive identity, the RTAA will be better able to attract and retain the type of talent that we need for a successful future and will give our employees a clarity of purpose and a sense of pride that will enhance engagement.

Performance Measure: Enhance communication efforts at multiple points in the employee lifecycle (e.g., recruitment, onboarding, and retention) utilizing the revamped employee handbook and policies as the foundation by June 30, 2022.

3. Update the RTAA Succession Planning Program to reflect the RTAA’s reorganization efforts.

Strategic Initiative: People

Long-Term Goal: Succession Planning

Description: Utilize the revamped Succession Planning Program to support employee development, designed to increase the capacity of employees to fill progressively more responsible roles within the organization.

Performance Measure: New program will be communicated to employees throughout the organization by June 30, 2022.

4. Cultivate a diverse, welcoming, inclusive, and equitable work environment that allows employees to contribute to their full potential and feel connected to the RTAA’s mission and values.

Strategic Initiative: People

Long-Term Goal: Workforce Diversity

Description: The continued commitment to the principles of inclusiveness and equity are critical to allowing the RTAA to attract and retain diverse talent with the mix of skills and expertise needed to maximize effectiveness. By ensuring our employees reflect a diversity of thoughts, backgrounds, and experiences, we will be more flexible and resilient.

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Performance Measure: Continue to implement strategies outlined in the Diversity Plan and track progress towards identified goals through data analytics. Review and report progress through June 30, 2022.

5. Transform into reorganized People Operations department; utilize tools and best-practice methodologies to support the RTAA through this change.

Strategic Initiative: People

Long-Term Goal: Employee Satisfaction

Description: People Operations will provide consultation and resources to support all departments and employees in support of organizational and financial strategies. With areas of needed growth/development identified, People Operations ensures enterprise goals will be realized through consultation, leadership development, metrics, and enhanced employee experience.

Performance Measure: Based upon stakeholder survey, implement strategically targeted initiatives by June 30, 2022.

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PEOPLE, CULTURE AND EQUITY

Section 252

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$460,205 | \$497,500 | \$527,300 | 6% |
| Temporary Employees | 51120 | 10,337 | 0 | 40,000 | 0% |
| Vacation Pay | 51130 | 42,028 | 5,100 | 11,900 | 133% |
| Sick Leave | 51140 | 15,926 | 9,800 | 9,200 | -6% |
| Holiday Pay | 51150 | 25,973 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (11,054) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 368 | 770 | 770 | 0% |
| Automobile Allowance | 51250 | 4,918 | 4,800 | 0 | -100% |
| Incentive Awards and Employee Recognition | 51260 | 38,999 | 49,525 | 67,950 | 37% |
| Service Awards | 51270 | 4,161 | 5,550 | 5,220 | -6% |
| Premium Payroll Accrual | 51285 | (92) | 0 | 0 | 0% |
| Physical Exam Expense | 51310 | 8,950 | 14,645 | 13,120 | -10% |
| Medicare | 51320 | 7,890 | 7,200 | 7,600 | 6% |
| FICA | 51321 | 647 | 800 | 0 | -100% |
| Wellness Program | 51330 | 718 | 1,550 | 800 | -48% |
| Group Insurance | 51340 | 57,458 | 63,500 | 71,200 | 12% |
| PEBP Subsidy | 51341 | 115,638 | 122,000 | 112,000 | -8% |
| Disability Insurance | 51342 | 4,326 | 4,100 | 4,600 | 12% |
| Vision Insurance | 51344 | 605 | 500 | 600 | 20% |
| Dental Insurance | 51347 | 4,771 | 4,500 | 5,100 | 13% |
| Section 125 Flex Plan | 51349 | 5,956 | 6,000 | 6,000 | 0% |
| Workers Comp | 51350 | 513 | 500 | 500 | 0% |
| Retirement | 51360 | 147,971 | 145,500 | 156,900 | 8% |
| Accrued PERS Expense | 51365 | (2,784) | 0 | 0 | 0% |
| Unemployment | 51370 | 0 | 12,000 | 12,000 | 0% |
| TOTAL PERSONNEL SERVICES | | 944,427 | 955,840 | 1,052,760 | 10% |
| UTILITIES AND COMMUNICATIONS | | | | | |
| Communications | 62210 | 704 | 0 | 0 | 0% |
| TOTAL UTILITIES & COMMUNICATIONS | | 704 | 0 | 0 | 0% |
| PURCHASED SERVICES | | | | | |
| Consultants - General | 63140 | 5,500 | 5,500 | 35,500 | 545% |
| Other Professional Services | 63190 | 14,050 | 5,925 | 5,925 | 0% |
| Maintenance Agreement-Copier | 63345 | 1,970 | 1,500 | 1,200 | -20% |
| Freight Expense | 63430 | 355 | 300 | 198 | -34% |
| Permits and Recorders Fees | 63460 | 2,346 | 1,750 | 1,750 | 0% |
| Information & Data Access Services | 63480 | 1,474 | 2,160 | 2,610 | 21% |
| Other Purchased Services | 63490 | 11,481 | 14,145 | 11,275 | -20% |
| TOTAL PURCHASED SERVICES | | 37,176 | 31,280 | 58,458 | 87% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 1,576 | 1,700 | 1,700 | 0% |
| Paper | 64110 | 373 | 425 | 400 | -6% |
| Postage | 64120 | 354 | 300 | 300 | 0% |
| Printing & Forms | 64130 | 893 | 1,060 | 1,060 | 0% |
| Refreshments and Breakroom Supplies | 64140 | 84 | 150 | 150 | 0% |
| Janitorial Supplies | 64260 | 148 | 0 | 50 | 0% |
| Administrative Equipment and Repair Parts | 64410 | 0 | 0 | 0 | 0% |
| Furniture and Accessories | 64415 | 348 | 900 | 900 | 0% |
| Sign and sign maintenance | 64430 | 0 | 500 | 250 | -50% |
| TOTAL MATERIALS & SUPPLIES | | 3,775 | 5,035 | 4,810 | -4% |

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PEOPLE, CULTURE AND EQUITY

Section 252

| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|--------------------------------------|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 1,631 | 1,085 | 1,130 | 4% |
| Books & Subscriptions | 65120 | 594 | 560 | 15,360 | 2643% |
| Conference Registration Fees | 65130 | 7,774 | 6,000 | 15,000 | 150% |
| Training Expense | 65140 | 2,029 | 1,100 | 1,100 | 0% |
| Organizational Training | 65141 | 3,612 | 5,865 | 48,465 | 726% |
| Meeting Expense | 65150 | 789 | 1,200 | 1,050 | -13% |
| Tuition Reimbursement | 65160 | 20,498 | 22,000 | 22,000 | 0% |
| Accreditation Incentive Program | 65180 | 0 | 1,500 | 0 | -100% |
| Travel & Reimbursed Expense | 65210 | 12,685 | 15,000 | 19,200 | 28% |
| Recruitment Expense | 65230 | 7,657 | 9,300 | 6,600 | -29% |
| Legal and Business Procurement Ads | 65340 | 14,492 | 10,440 | 7,440 | -29% |
| Condolence/Sympathy/Customer Support | 65397 | 1,326 | 500 | 500 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | <u>73,088</u> | <u>74,550</u> | <u>137,845</u> | <u>85%</u> |
| TOTAL SECTION EXPENSES | | <u>\$1,059,170</u> | <u>\$1,066,705</u> | <u>\$1,253,873</u> | <u>18%</u> |

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Finance and Administration Division

Mission Statement: We emphasize a service-oriented, team approach to providing high quality accounting services, payroll, budget administration, procurement of goods and services, internal auditing, and technology solutions. We are committed to financial integrity, customer service, and delivering on technology initiatives. We succeed with these important endeavors through teamwork, honesty, trust, innovation, and accountability.

Accounting

Mission Statement: Provide accurate and timely financial and statistical information; maintain a strong internal control system; maximize investment earnings within prudent standards; bill and collect all RTAA revenue; and provide timely payment of bills. This section is responsible for maintenance, reporting, and management of all accounting services in support of the RTAA's financial goals and objectives.

Key Duties and Responsibilities:

- Prepare the Comprehensive Annual Financial Report (CAFR) including an introduction, management's discussion and analysis, footnotes, statistical section, and compliance.
- Process accounts payable biweekly including check issuance and wire transfer to ensure vendors are paid timely and accurately.
- Process purchasing cards payments on a timely basis and review reporting online.
- Prepare accounts receivable invoices twice monthly. Conduct monthly meetings to review outstanding accounts receivable and report to Senior Leadership all outstanding receivables over 60 days.
- Complete Payrolls bi-weekly. Assure compliance with all Internal Revenue System (IRS) wage and reporting regulations.
- Compile financial and statistical reports monthly and review for accuracy. Perform analytical reviews and reports for Senior Leadership.
- Develop and issue monthly financial statements and management reports.
- Record and track fixed assets including construction in progress and recognition of depreciation expenses.
- Record and report all FAA Airport Improvement Program grants and Passenger Facility Charge revenue activity.
- Administer Transportation Security Administration (TSA) grants associated with the canine explosive detection teams and law enforcement officer coverage of the security checkpoints.
- Account for Customer Facility Charge (CFC) revenue and expenditures associated with fees collection to maintain and repair rental car facilities.

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- Coordinate staff member work with independent auditors to compile the annual financial statements.
- Invests all RTAA funds in accordance with the investment policy with a focus on safety, liquidity, and yield.
- Reconcile all bank balances and resolve outstanding issues.
- Attend industry seminars and keep current on official pronouncements of accounting practice.
- Participate and provide financial support to ad-hoc and standing RTAA committees, which may include employee relations and strategic planning.
- Obtain the Government Finance Officers Association (GFOA) Award of Certificate of Achievement for Excellence in Financial Reporting.
- Complete and update annually the financial portion of the RTAA’s Fraud Risk Assessment.
- Obtain and update annually the RTAA’s Conflict of Interest Statements.
- Administer and manage RTAA debt pursuant to bond resolutions.

Accounting - Initiatives:

FY 2020-21 Initiatives

1. Implement new financial system.

Strategic Initiative: Sustainability

Long-Term Goal: Operational Efficiency

Description: Implement new financial system, including general ledger, accounts payable / receivable, billing, capital assets, cash management and project / grant accounting.

Performance Measure: Complete implementation by June 30, 2021.

Progress: 100% Completed. The new financial system (Tyler) went live effective July 1, 2021.

FY 2021-22 New Initiatives

1. Tyler accounting module rollout and training to RTAA stakeholders.

Strategic Initiative: Sustainability

Long-Term Goal: Operational Efficiency

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Description: Provide new financial system (Tyler) accounting training, best practice procedures, and continual support to key stakeholders in the organization.

Performance Measure: Introduction and on-boarding by December 31, 2021.

2. Implement GASB 87 compliance measures.

Strategic Initiative: Sustainability

Long-Term Goal: Operational Efficiency

Description: Implement system for tracking and computing value of all non-aeronautical leases to be recorded in RTAA financials.

Performance Measure: Complete implementation by June 30, 2022.

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ACCOUNTING AND ADMINISTRATION

Section 302

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---------------------------------------|-------------|--------------------|--------------------|--------------------|----------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$548,383 | \$609,900 | \$703,100 | 15% |
| Vacation Pay | 51130 | 59,428 | 6,200 | 13,400 | 116% |
| Sick Leave | 51140 | 26,834 | 6,800 | 7,500 | 10% |
| Holiday Pay | 51150 | 31,756 | 0 | 0 | 0% |
| Comp Time | 51160 | 231 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (11,781) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 164 | 350 | 250 | -29% |
| Automobile Allowance | 51250 | 4,918 | 4,800 | 0 | -100% |
| Premium Payroll Accrual | 51285 | (92) | 0 | 0 | 0% |
| Medicare | 51320 | 9,805 | 8,800 | 10,200 | 16% |
| Group Insurance | 51340 | 83,654 | 94,700 | 103,500 | 9% |
| Disability Insurance | 51342 | 5,530 | 5,300 | 6,000 | 13% |
| Vision Insurance | 51344 | 838 | 800 | 900 | 13% |
| Dental Insurance | 51347 | 6,514 | 6,500 | 7,000 | 8% |
| Workers Comp | 51350 | 619 | 700 | 800 | 14% |
| Retirement | 51360 | 180,194 | 178,400 | 209,200 | 17% |
| Accrued PERS Expense | 51365 | (3,335) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 943,661 | 923,250 | 1,061,850 | 15% |
| PURCHASED SERVICES | | | | | |
| Accounting and Auditing | 63120 | 73,600 | 64,000 | 115,000 | 80% |
| Banking Services and Fees | 63180 | 23,242 | 47,185 | 48,000 | 2% |
| Other Professional Services | 63190 | 52,738 | 59,200 | 58,950 | 0% |
| Maintenance Agreement-Copier | 63345 | 3,061 | 2,700 | 2,800 | 4% |
| Freight Expense | 63430 | 301 | 200 | 200 | 0% |
| Other Purchased Services | 63490 | 5,845 | 5,800 | 5,800 | 0% |
| TOTAL PURCHASED SERVICES | | 158,786 | 179,085 | 230,750 | 29% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 2,946 | 4,000 | 4,100 | 3% |
| Paper | 64110 | 822 | 1,000 | 1,200 | 20% |
| Postage | 64120 | 3,482 | 3,900 | 4,000 | 3% |
| Printing & Forms | 64130 | 941 | 1,200 | 1,200 | 0% |
| Furniture and Accessories | 64415 | 302 | 0 | 500 | 0% |
| Safety Equipment | 64450 | 599 | 0 | 750 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 9,091 | 10,100 | 11,750 | 16% |
| ADMINISTRATIVE EXPENSES | | | | | |
| Membership Dues | 65110 | 2,022 | 1,929 | 1,699 | -12% |
| Books & Subscriptions | 65120 | 179 | 600 | 700 | 17% |
| Conference Registration Fees | 65130 | 0 | 0 | 4,305 | 0% |
| Training Expense | 65140 | 1,246 | 0 | 3,500 | 0% |
| Meeting Expense | 65150 | 27 | 400 | 400 | 0% |
| Travel & Reimbursed Expense | 65210 | 576 | 0 | 8,495 | 0% |
| Bonds Employees/Officers | 65440 | 0 | 0 | 50 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 4,051 | 2,929 | 19,149 | 554% |
| TOTAL SECTION EXPENSES | | <u>\$1,115,589</u> | <u>\$1,115,364</u> | <u>\$1,323,499</u> | <u>19%</u> |

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Finance and Budgeting

Mission Statement: To provide financial analysis and budgeting services with a focus on effective resource utilization, asset protection, long-term strategic planning, and financial stability. This department is responsible for (1) budgeting and forecasting revenue and expense outcomes, (2) calculating airline rates, fees, and charges, (3) funding capital improvement project needs, and (4) providing risk management services through coordination with insurance brokers and securing insurance coverage at reasonable costs.

Key Duties and Responsibilities:

- Coordinate the RTAA’s annual operating budget including the forecast of revenues to assist in the establishment of expenditure targets.
- Obtain the Governmental Finance Officer Association (GFOA) “Distinguished Budget Presentation” award.
- Prepare the monthly financial package at the Finance and Business Development Committee meetings.
- Calculate airline rates and charges and perform the mid-year review and year end settlement analysis.
- Provide cost estimates for airlines considering air service to the RNO.
- Prepare financial feasibility analysis to evaluate the ability of the RTAA to afford future capital improvement programs and maintain prudent cash and liquidity reserves.
- Update and maintain the extensive financial models used to prepare the annual budget, calculate airline rates and charges, and forecast financial results under various scenarios.
- Administer the Passenger Facility Charge (PFC) program including development of new applications and quarterly reporting.
- Review Board memo fiscal impacts and other analyses as requested.
- Complete insurance applications, provide insurance company tours, administer RTAA liability claims, and review RTAA contract insurance requirements.
- Perform analytical reviews and reports for Senior Leadership.
- Each staff member, in conjunction with accounting, will work with independent auditors to compile the annual financial statements.
- 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 developing finance trends including public-private partnerships (P3s).
- Continue to aggressively apply for federal grants and maximize the use of PFCs to fund capital improvement projects.

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Finance and Budgeting - Initiatives:

FY 2020-21 Initiatives

1. Obtain FAA approval of PFC application #15.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Plan of Finance and Business/Intergovernmental Agreements

Description: Finalize pending application, submit to FAA, and obtain approval. The PFC application will request funding for Loop Road Reconstruction and Terminal Escalators.

Performance Measure: Obtain approval from FAA by June 30, 2021.

Progress: 100% complete. The application was approved by the FAA on June 4th, 2021.

2. Implement new budgeting system.

Strategic Initiative: Sustainability

Long-Term Goal: Operational Efficiency

Description: Implement new budgeting system to improve budget preparation activities, analytics, and budgetary controls.

Performance Measure: Complete implementation by June 30, 2021.

Progress: 100% Completed. The new financial system (Tyler) went live effective July 1, 2021. Budgets for FY2018-19, 2019-20, 2020-21, and 2021-22 have been uploaded to the new financial system. Finance will use the new budget module for the FY 2022-23 budget preparation.

FY 2021-22 New Initiatives

1. Tyler budget module rollout and training to RTAA stakeholders.

Strategic Initiative: Sustainability

Long-Term Goal: Operational Efficiency

Description: Provide new financial system (Tyler) budget training, best practice procedures, and continual support to key stakeholders in the organization.

Performance Measure: Complete training by June 30, 2022.

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FINANCE AND BUDGETING

Section 305

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---------------------------------------|----------------|-------------------|-------------------|-------------------|-------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | 159,548 | \$184,000 | \$190,400 | 3% |
| Vacation Pay | 51130 | 19,652 | 3,600 | 6,400 | 78% |
| Sick Leave | 51140 | 9,418 | 2,300 | 2,300 | 0% |
| Holiday Pay | 51150 | 9,578 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (3,809) | 0 | 0 | 0% |
| Medicare | 51320 | 2,813 | 2,700 | 2,800 | 4% |
| Group Insurance | 51340 | 23,298 | 26,000 | 25,300 | -3% |
| Disability Insurance | 51342 | 1,818 | 1,600 | 1,700 | 6% |
| Vision Insurance | 51344 | 247 | 200 | 200 | 0% |
| Dental Insurance | 51347 | 2,288 | 2,200 | 2,300 | 5% |
| Workers Comp | 51350 | 205 | 200 | 200 | 0% |
| Retirement | 51360 | 54,969 | 53,800 | 56,600 | 5% |
| Accrued PERS Expense | 51365 | (972) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 279,053 | 276,600 | 288,200 | 4% |
| PURCHASED SERVICES | | | | | |
| Consultants - General | 63140 | 27,684 | 30,000 | 75,000 | 150% |
| Office Equipment Rental | 63210 | 540 | 540 | 540 | 0% |
| Freight Expense | 63430 | 78 | 500 | 500 | 0% |
| TOTAL PURCHASED SERVICES | | 28,302 | 31,040 | 76,040 | 145% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 254 | 500 | 500 | 0% |
| Postage | 64120 | 59 | 200 | 200 | 0% |
| Printing & Forms | 64130 | 0 | 200 | 0 | -100% |
| Refreshments and Breakroom Supplies | 64140 | 12 | 0 | 0 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 325 | 900 | 700 | -22% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 1,385 | 1,500 | 1,600 | 7% |
| Conference Registration Fees | 65130 | 250 | 0 | 2,200 | 0% |
| Training Expense | 65140 | 0 | 300 | 300 | 0% |
| Meeting Expense | 65150 | 197 | 100 | 100 | 0% |
| Travel & Reimbursed Expense | 65210 | (9) | 0 | 4,400 | 0% |
| Legal Ads | 65340 | 717 | 500 | 700 | 40% |
| TOTAL ADMINISTRATIVE EXPENSES | | 2,540 | 2,400 | 9,300 | 288% |
| TOTAL SECTION EXPENSES | | <u>\$310,220</u> | <u>\$310,940</u> | <u>\$374,240</u> | <u>20%</u> |

Reno-Tahoe Airport Authority
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Purchasing and Materials Management

Mission Statement: To ensure that all materials, supplies, equipment, and services required to operate Reno-Tahoe International Airport (RNO) and Reno Stead Airport (RTS) are acquired in a timely manner, at the lowest possible cost, consistent with the quality required, and in compliance with all applicable procurement legislation.

Key Duties and Responsibilities:

- Purchase materials, supplies, equipment, and services needed for day-to-day operation in a timely, cost-effective manner in compliance with applicable laws.
- Comply with the requirements for competitive bidding contained in NRS 332 and 338 and the Airport Improvement Project Handbook by preparing bids and proposal requests.
- Inventory stored property and assist Departments/Divisions in identifying property for continued storage, addition to stock, or disposal.
- Review items in warehouse inventory to establish appropriate items and stock levels.
- Conduct bi-annual inventory of RTAA fixed assets, as statutorily mandated, utilizing barcoding equipment.
- Continue monitoring usage of and updates to the procurement card system and its interface with the RTAA's accounting system.
- Receive and issue materials and supplies for work order-based purchases.
- Order and receive stock inventory to support RTAA maintenance and operations.
- Ensure proper licensing and recording of all RTAA driver-operated vehicles and designated equipment with the Department of Motor Vehicles.
- Maintain and operate storeroom, stock locations and bins on a daily, on-going basis.
- Prepare and dispose of surplus property in bi-annual public auctions in accordance with statutory requirements.
- Evaluate Purchasing and Materials Management processes and procedures with a focus on continuous improvement.
- Cross train employees on customizing Agreements [Contracts, Change Orders, Professional Service Agreements, Amendments] and managing Solicitations [REOI, ITB, RFP, RFQ]
- Coordinate and administer RTAA's use of the Nevada Government eMarketplace (NGEM) procurement system including issuing new solicitations and encouraging vendor registration.
- Coordinate and administer RTAA's use of the Contracts Management database in the NGEM system to update current and input new contracts.
- Administer succession planning for Purchasing and Material Management positions.
- Serve as the Resource Group Leader/ Logistics Section Chief in RTAA emergency situations. This includes acquisition and delivery of supplies, food, and other support to responders.

**Reno-Tahoe Airport Authority
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Section 7 – Expenditures**

Purchasing - Initiatives:

FY 2020-21 Initiatives

1. Implement new purchasing system.

Strategic Initiative: Sustainability

Long-Term Goal: Operational Efficiency

Description: Implement new purchasing system, including: requisition, purchase orders, inventory and contracts modules.

Performance Measure: Complete implementation by June 30, 2021.

Progress: 100% Completed. The new financial system (Tyler) went live effective July 1, 2021.

2. Develop new purchasing policies and best practices procedural manual.

Strategic Initiative: Financial Diversification and Growth

Long-Term Goal: Sound Financial Practices

Description: A reference document is needed to provide consistent and clear instructions on the purchase of goods, services, and equipment.

Performance Measure: Complete development of a manual by June 30, 2021.

Progress: 80% Completed. This Initiative will be carried over into the next fiscal year. Alignment of processes and procedures with ERP implementation as well as finalizing signature authorization and spending limits will be completed by June 30, 2022.

FY 2021-22 New Initiatives

1. Implement new inventory bar code scanning system.

Strategic Initiative: Sustainability

Long-Term Goal: Operational Efficiency

Description: Replace current barcoding system (Scantron) with new system (Quatred) that integrates with the new ERP Munis system.

Performance Measure: Complete implementation by June 30, 2022.

Reno-Tahoe Airport Authority
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2. ERP purchasing, inventory and contracts modules on-boarding and continued training to RTAA stakeholders.

Strategic Initiative: Sustainability

Long-Term Goal: Operational Efficiency

Description: Provide additional ERP training and support for all end-users of the Purchasing, Inventory, and Contract Modules.

Performance Measure: On-boarding and targeted supplemental training completed by December 31, 2021.

3. Complete new purchasing policies and best practices procedural manual.

Strategic Initiative: Financial Diversification and Growth

Long-Term Goal: Sound Financial Practices

Description: A reference document is needed to provide consistent and clear instructions on the purchase of goods, services, and equipment.

Performance Measure: Complete development of a manual by June 30, 2022.

**Reno-Tahoe Airport Authority
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PURCHASING AND MATERIALS MANAGEMENT

Section 303

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$358,334 | \$402,600 | \$416,500 | 3% |
| Vacation Pay | 51130 | 31,119 | 4,200 | 7,100 | 69% |
| Sick Leave | 51140 | 11,131 | 3,700 | 4,600 | 24% |
| Holiday Pay | 51150 | 20,878 | 0 | 0 | 0% |
| Comp Time | 51160 | 444 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (8,627) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 14 | 500 | 500 | 0% |
| Medicare | 51320 | 6,033 | 5,800 | 6,000 | 3% |
| Group Insurance | 51340 | 60,535 | 67,000 | 71,700 | 7% |
| Disability Insurance | 51342 | 3,734 | 3,300 | 3,500 | 6% |
| Vision Insurance | 51344 | 603 | 500 | 600 | 20% |
| Dental Insurance | 51347 | 4,705 | 4,500 | 5,100 | 13% |
| Workers Comp | 51350 | 5,570 | 6,200 | 6,700 | 8% |
| Retirement | 51360 | 117,242 | 117,700 | 123,900 | 5% |
| Accrued PERS Expense | 51365 | (2,203) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 609,514 | 616,000 | 646,200 | 5% |
| PURCHASED SERVICES | | | | | |
| Other Professional Services | 63190 | 0 | 3,000 | 3,000 | 0% |
| Office Equipment Rental | 63210 | 1,140 | 0 | 0 | 0% |
| Contracted Services | 63340 | 2,797 | 3,000 | 3,000 | 0% |
| Maintenance Agreement-Copier | 63345 | 766 | 750 | 750 | 0% |
| Other Repair/Maintenance Svcs | 63390 | 25,818 | 890 | 29,450 | 3209% |
| Freight Expense | 63430 | 1,338 | 1,799 | 1,799 | 0% |
| Other Purchased Services | 63490 | 0 | 500 | 500 | 0% |
| TOTAL PURCHASED SERVICES | | 31,859 | 9,939 | 38,499 | 287% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 2,655 | 2,600 | 2,600 | 0% |
| Paper | 64110 | 268 | 300 | 300 | 0% |
| Postage | 64120 | 78 | 160 | 160 | 0% |
| Printing & Forms | 64130 | 248 | 475 | 100 | -79% |
| Refreshments and Breakroom Supplies | 64140 | 190 | 100 | 100 | 0% |
| Janitorial Supplies | 64260 | 229 | 50 | 300 | 500% |
| Medical Supplies | 64270 | 79 | 400 | 300 | -25% |
| Other Operating Supplies | 64290 | 922 | 2,005 | 2,005 | 0% |
| Vehicles | 64310 | 6 | 0 | 0 | 0% |
| Other Repairs- Maint Supplies | 64390 | 129 | 2,600 | 2,600 | 0% |
| Small Tools - Minor Equipment | 64400 | 412 | 2,880 | 500 | -83% |
| Computer Hardware and Accessory Supplies | 64405 | 0 | 300 | 300 | 0% |
| Administrative Equipment and Repair Parts | 64410 | 0 | 600 | 0 | -100% |
| Furniture and Accessories | 64415 | 0 | 300 | 300 | 0% |
| Employee Uniform | 64445 | 126 | 1,590 | 700 | -56% |
| Safety Equipment | 64450 | 514 | 400 | 1,000 | 150% |
| Purchase Price Variance | 64750 | 1,538 | 0 | 0 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 7,395 | 14,760 | 11,265 | -24% |

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PURCHASING AND MATERIALS MANAGEMENT

Section 303

| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| ADMINISTRATIVE EXPENSES | | | | | |
| Membership Dues | 65110 | 620 | 500 | 500 | 0% |
| Books & Subscriptions | 65120 | 23 | 350 | 350 | 0% |
| Conference Registration Fees | 65130 | 200 | 0 | 3,900 | 0% |
| Training Expense | 65140 | 435 | 1,000 | 0 | -100% |
| Meeting Expense | 65150 | 0 | 200 | 200 | 0% |
| Travel & Reimbursed Expense | 65210 | 1,596 | 0 | 7,100 | 0% |
| Legal and Business Procurement Ads | 65340 | 3,670 | 6,000 | 6,000 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | <u>6,543</u> | <u>8,050</u> | <u>18,050</u> | <u>124%</u> |
| TOTAL EXPENSES BEFORE FIXED ASSETS | | 655,311 | 648,749 | 714,014 | 10% |
| FIXED ASSETS | | | | | |
| Fixed Asset Acquisition M&E | 68151 | <u>0</u> | <u>0</u> | <u>10,500</u> | <u>0%</u> |
| TOTAL SECTION EXPENSES | | <u><u>\$655,311</u></u> | <u><u>\$648,749</u></u> | <u><u>\$724,514</u></u> | <u><u>12%</u></u> |

Reno-Tahoe Airport Authority
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Internal Audit

Mission Statement: The Mission of the Reno-Tahoe Airport Authority’s (RTAA) Internal Audit Department is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.

Internal auditing is an independent, objective, assurance and consulting activity designed to add value and improve an organization’s operations. It helps the RTAA accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Key Duties and Responsibilities:

- Perform risk-based analysis of the RTAA to determine high priority engagements and incorporate this review into Annual Audit Plan.
- Conduct audits that focus on value-added auditing techniques in conformity with the “International Standards for the Professional Practice of Internal Auditing”.
- Execute the annual Audit plan including lease compliance audits.
- Review Accounts Payable and Travel Expense reimbursements.
- Audit public parking revenues and operations in accordance with audit program.
- Audit monthly the rental car companies for agreement compliance.
- Perform an Enterprise Risk and Fraud Risk Assessment to evaluate potential risk areas and assist in the development of the annual audit plan.
- Conduct value added Performance Risk Assessment Audits of internal departments and concessions with a focus on internal controls, accurate reporting, and reducing financial, reputational, and procedural risks.
- Perform special assignments, as requested.
- Prepare proposed fiscal year budgets for the Internal Audit Department and assist with the General Counsel Budget.

Reno-Tahoe Airport Authority
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 ANNUAL BUDGET

INTERNAL AUDIT

Section 204

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---------------------------------------|-------------|-------------------|-------------------|-------------------|-------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$174,195 | \$198,800 | \$205,800 | 4% |
| Vacation Pay | 51130 | 18,585 | 3,600 | 6,700 | 86% |
| Sick Leave | 51140 | 12,447 | 2,500 | 2,800 | 12% |
| Holiday Pay | 51150 | 10,355 | 0 | 0 | 0% |
| Comp Time | 51160 | 452 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (4,224) | 0 | 0 | 0% |
| Medicare | 51320 | 3,121 | 2,900 | 3,000 | 3% |
| Group Insurance | 51340 | 29,158 | 32,500 | 31,700 | -2% |
| Disability Insurance | 51342 | 1,921 | 1,800 | 1,800 | 0% |
| Vision Insurance | 51344 | 321 | 300 | 300 | 0% |
| Dental Insurance | 51347 | 2,835 | 2,700 | 2,800 | 4% |
| Workers Comp | 51350 | 205 | 200 | 200 | 0% |
| Retirement | 51360 | 59,399 | 58,100 | 61,200 | 5% |
| Accrued PERS Expense | 51365 | (1,115) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 307,655 | 303,400 | 316,300 | 4% |
| PURCHASED SERVICES | | | | | |
| Maintenance Agreement-Copier | 63345 | 0 | 0 | 0 | 0% |
| Other Purchased Services | 63490 | 117 | 0 | 0 | 0% |
| TOTAL PURCHASED SERVICES | | 117 | 0 | 0 | 0% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 97 | 150 | 150 | 0% |
| Postage | 64120 | 10 | 25 | 25 | 0% |
| Furniture and Accessories | 64415 | 225 | 0 | 0 | 0% |
| Safety Equipment | 64450 | 51 | 0 | 0 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 384 | 175 | 175 | 0% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 1,500 | 1,210 | 1,000 | -17% |
| Books & Subscriptions | 65120 | 468 | 500 | 500 | 0% |
| Conference Registration Fees | 65130 | 0 | 0 | 1,000 | 0% |
| Training Expense | 65140 | 349 | 500 | 400 | -20% |
| Travel & Reimbursed Expense | 65210 | 43 | 0 | 3,500 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 2,360 | 2,210 | 6,400 | 190% |
| TOTAL SECTION EXPENSES | | \$310,516 | \$305,785 | \$322,875 | 6% |

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Section 7 – Expenditures

Technology and Information Systems (TIS)

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

Key Duties and Responsibilities:

- Maintain and repair the following information technology areas:
 - ✓ Computer workstations and printers
 - ✓ Data communications network infrastructure
 - ✓ Application and database servers
 - ✓ System backup and security
 - ✓ Safety and security systems
 - ✓ Passenger information systems
 - ✓ Business information systems
 - ✓ Customs and Border Protection (CBP) Passport kiosks
 - ✓ Policy and legal compliance

- Implement new Technology and Information Systems in support of passenger information, cyber security, financial systems, and emergency communication and security/safety systems.
- Limit access to RTAA information technology resources to authorized users. This includes email, data storage areas, and internet access.
- Manage and maintain software and hardware for airport security system equipment (Access Control and Alarm Monitoring Systems (ACAMS), incident management software (WebEOC), and closed-circuit televisions (CCTV)) including project management for upgrades.
- Comply with Purchasing Card Industry (PCI) security and privacy standards, as well as Nevada Revised Statute (NRS) 597.970 Electronic Data Privacy requirements.
- Implement and audit policies and procedures designed to further protect the RTAA's systems and data.

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Technology and Information Systems - Initiatives:

FY 2020-21 Initiatives

1. Replacement of security systems network, phase II.

Strategic Initiative: Safety and Security

Long-Term Goal: Safety/Security Systems Compliance / Enhancement

Description: The existing security systems network supports Access Control is 13 years old. The equipment is well beyond its 7-year recommended useful life and must be replaced. Replace the remaining half of security systems network switches.

Performance Measure: 50% Replacement of security systems network by June 30, 2021.

Progress: 95% Completed. Completion is anticipated July 2021.

2. Replacement of financial system replacement, phase II.

Strategic Initiative: Safety and Security

Long-Term Goal: Safety/Security Systems Compliance / Enhancement

Description: Facilitate replacement of Finance, Accounting, Revenue Management, and Project Accounting Systems.

Performance Measure: Complete 100% of implementation by June 30, 2021.

Progress: Partially Completed. 100% Tyler (Munis) implementation went live July 1, 2021. Civix (Revenue Management) implementation is in progress and anticipated phase I go -live on September 2021 and estimated at 25% as of June 30, 2021.

3. Replacement of legacy surveillance cameras.

Strategic Initiative: Safety and Security

Long-Term Goal: Safety/Security Systems Compliance / Enhancement

Description: The existing video surveillance is 13 years old. The equipment is well beyond its 7-year recommended useful life and must be replaced. Replace 25 analog security cameras.

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Performance Measure: Replace 25 cameras by June 30, 2021.

Progress: 50% Completed. Wiring is in progress; camera installation is anticipated in August 2021.

FY 2021-22 New Initiatives

1. Replace existing part 139 airfield operations database system.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Technology Integration

Description: This project consists of the replacement of existing Part 139 inspection database. The RTAA currently uses a record-keeping system that was designed, built, and supported by prior Airport Operations personnel more than 12 years ago. These resources are no longer available. In order to meet airfield operations and safety obligations under 14 CFR Part 139, the RTAA employs an automated Part 139 record keeping system. This system manages airfield inspection, maintenance, and training activities and records. RTAA is required to produce documentation verifying compliance in these areas during each annual Part 139 Safety Inspection. The RTAA currently uses a record-keeping system that was designed, built, and supported by prior Airport Operations personnel more than 12 years ago. These resources are no longer available.

Performance Measure: Complete 100% of replacement by June 30, 2022.

2. Develop an IT master plan.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Technology Integration

Description: This project consists of the preparation of an Information Technology (IT) Master Plan. Work with industry consultants, vendors, and internal and external stakeholders to identify, prioritize and program IT initiatives for the next 5 years. Measures of completion include the preparation of a written report detailing the priority, cost, order, and timing of major IT projects, as well as presentations to executive management and the Board of Trustees, prior to June 30, 2022.

Performance Measure: Complete 100% of master plan by June 30, 2022.

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3. Complete a Cyber Security Maturity Assessment

Strategic Initiative: Safety and Security

Long-Term Goal: Safety/Security Systems Compliance / Enhancement

Description: This initiative provides for the completion of a Cyber Security Maturity Assessment. It involves preparing a scope of services, conducting a competitive solicitation, and working with the selected vendor(s) to determine RTAA’s level of cyber security preparedness. The assessment will consider RTAA’s cyber security strategy, threat profile, existing controls, policies, procedures, budget, and staffing. Deliverable will include an assessment of the authority’s level of maturity as well as any recommendations for improvement. Upon completion, RTAA TIS staff will prepare and deliver presentations to the senior leadership team and the Board of Trustees.

Performance Measure: Complete a Cyber Security Maturity Assessment by June 30, 2022.

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TECHNOLOGY AND INFORMATION SYSTEMS

Section 253

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|-------------|----------------|----------------|----------------|----------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$771,694 | \$945,700 | \$1,050,300 | 11% |
| Vacation Pay | 51130 | 71,102 | 12,500 | 26,400 | 111% |
| Sick Leave | 51140 | 38,602 | 10,500 | 11,900 | 13% |
| Holiday Pay | 51150 | 45,554 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (15,128) | 0 | 0 | 0% |
| Medicare | 51320 | 13,309 | 13,700 | 15,200 | 11% |
| Group Insurance | 51340 | 100,351 | 129,900 | 149,900 | 15% |
| Disability Insurance | 51342 | 7,043 | 7,800 | 8,500 | 9% |
| Vision Insurance | 51344 | 1,045 | 1,100 | 1,300 | 18% |
| Dental Insurance | 51347 | 8,218 | 8,800 | 10,400 | 18% |
| Workers Comp | 51350 | 923 | 900 | 1,000 | 11% |
| Retirement | 51360 | 259,778 | 276,600 | 312,500 | 13% |
| Accrued PERS Expense | 51365 | (4,056) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 1,298,434 | 1,407,500 | 1,587,400 | 13% |
| UTILITIES AND COMMUNICATIONS | | | | | |
| Communications | 62210 | 364,140 | 315,000 | 315,000 | 0% |
| TOTAL UTILITIES & COMMUNICATIONS | | 364,140 | 315,000 | 315,000 | 0% |
| PURCHASED SERVICES | | | | | |
| Data Processing | 63130 | 581,404 | 851,321 | 946,435 | 11% |
| Other Professional Services | 63190 | | 0 | 275,000 | 0% |
| Contracted Services | 63340 | 165 | 57,000 | 77,060 | 35% |
| Maintenance Agreement-Copier | 63345 | 145 | 600 | 100 | -83% |
| Other Repair/Maintenance Svcs | 63390 | 67,720 | 130,000 | 0 | -100% |
| Freight Expense | 63430 | 466 | 500 | 500 | 0% |
| Other Purchased Services | 63490 | (10) | 0 | 0 | 0% |
| TOTAL PURCHASED SERVICES | | 649,890 | 1,039,421 | 1,299,095 | 25% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 392 | 1,000 | 250 | -75% |
| Paper | 64110 | 67 | 200 | 100 | -50% |
| Postage | 64120 | 14 | 100 | 100 | 0% |
| Printing & Forms | 64130 | 33 | 100 | 100 | 0% |
| Janitorial Supplies | 64260 | 282 | 0 | 200 | 0% |
| Medical Supplies | 64270 | 320 | 0 | 100 | 0% |
| Locks & Hardware | 64333 | 281 | 0 | 0 | 0% |
| Electrical Supplies | 64360 | 15,053 | 30,000 | 2,400 | -92% |
| Small Tools - Minor Equipment | 64400 | 0 | 500 | 500 | 0% |
| Computer Hardware and Accessory Supplies | 64405 | 70,451 | 34,500 | 12,000 | -65% |
| Administrative Equipment and Repair Parts | 64410 | 329 | 0 | 0 | 0% |
| Furniture and Accessories | 64415 | 181 | 1,000 | 0 | -100% |
| Software | 64420 | 468,451 | 551,598 | 660,909 | 20% |
| Safety Equipment | 64450 | 157 | 0 | 0 | 0% |
| Telephone Equipment and Labor | 64460 | 37,177 | 17,000 | 17,000 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 593,189 | 635,998 | 693,659 | 9% |

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TECHNOLOGY AND INFORMATION SYSTEMS

Section 253

| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| ADMINISTRATIVE EXPENSES | | | | | |
| Membership Dues | 65110 | 229 | 300 | 275 | -8% |
| Books & Subscriptions | 65120 | 887 | 2,200 | 2,200 | 0% |
| Conference Registration Fees | 65130 | 0 | 0 | 1,400 | 0% |
| Training Expense | 65140 | 17,384 | 0 | 11,940 | 0% |
| Meeting Expense | 65150 | 466 | 450 | 0 | -100% |
| Travel & Reimbursed Expense | 65210 | 2,042 | 0 | 0 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | <u>21,009</u> | <u>2,950</u> | <u>15,815</u> | <u>436%</u> |
| TOTAL EXPENSES BEFORE FIXED ASSETS | | <u>2,926,662</u> | <u>3,400,869</u> | <u>3,910,969</u> | <u>15%</u> |
| FIXED ASSETS | | | | | |
| Fixed Asset Acquisition M&E | 68151 | <u>20,634</u> | <u>90,000</u> | <u>191,275</u> | <u>113%</u> |
| TOTAL SECTION EXPENSES | | <u><u>\$2,947,296</u></u> | <u><u>\$3,490,869</u></u> | <u><u>\$4,102,244</u></u> | <u><u>18%</u></u> |

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Operations and Public Safety Division

Mission Statement: It is the mission of the Operations and Public Safety division to ensure the safe, secure, and smooth travel experience of the flying public. To train for, prepare for, and respond to all emergency scenarios including law enforcement, crash, fire, rescue and medical. To ensure that Reno-Tahoe International Airport (RNO) and Reno-Stead Airports (RTS) comply with all Federal, State, and local regulations to include FAR Part 139 and TSR 1542. To manage and coordinate all airside and land side operations and functions. And, to plan, develop and operate the Reno-Stead Airport (RTS).

The Operations and Public Safety team is a dedicated group of individuals that are responsible for the life/safety of the traveling public and tenant employees and the safe and efficient operation of both RNO and RTS. This responsibility is met through constant planning, training, and equipping of the RNO and RTS staff for every conceivable situation. In addition to responding to emergency situations, the Operations and Public Safety team coordinates the daily routine operational activities on both the airside and landside of RNO and RTS to include engaging with airlines, concessionaires, tenants' business partners and the public on areas such as gate utilization, passenger issues, airfield operations, construction coordination, winter operations, and wildlife hazard management. The Operations and Public Safety team coordinates and communicates with local, state, and federal agencies and supports numerous special events.

Operations and Public Safety

Mission Statement: Ensure leadership and direction in managing, coordinating, and integrating all aspects RTS, airfield rescue and firefighting (ARFF), airside and terminal operations, landside operations, police, and security in compliance with regulations for an efficient, safe, and seamless experience for all users.

Key Duties and Responsibilities:

- Provide direction and establish and maintain cohesive relationships and interoperability across all Operations Departments: ARFF, Airside Operations and Communications, Landside Operations, Police, and Security.
- Ensure RNO is continually in compliance with 14 CFR 139 Certification of Airports and 14 CFR 1542 Airport Security.
- Successfully complete a Part 1542 annual security exercise.
- Successfully complete required Part 139 annual mass casualty emergency and table-top exercises.
- Represent the President/CEO on routine and emergency matters during non-business hours.

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- Ensure the safe, secure, and effective operation of the airport during non-business hours.
- Sustain parking and ground transportation net revenues.
- Convey indications and warnings to RTAA staff and tenants on a timely basis about situations that may negatively impact safe, secure, efficient airport operations.
- Sustain decision-grade information/situation reporting.
- Train for and expand emergency response capabilities.
- Ensure operational readiness of the Airfield Rescue and Firefighting (ARFF) department.
- Manage the Emergency Operations Center (EOC) during emergencies.
- Activate EOC as required and ensure staff is trained to the National Incident Management System (NIMS) standards.
- Ensure operational readiness of the RNO Police department including participation in the Transportation Security Administration (TSA) National Explosive Detection Canine Team Program.
- Maintain Police affiliation and certification with the Commission on Accreditation for Law Enforcement (CALEA).
- Conduct security and disaster training as required by the Federal Aviation Administration (FAA).
- Provide required Occupational Safety Health Administration (OSHA) safety training.
- Ensure Operations representation during planning and execution of construction activities.
- Review snow season activities and manage the update of Snow and Ice Control Plan including coordination of pre-season meetings.
- Posture RTAA Operations staff for FAA proposed Safety Management System implementation.
- Publish and train staff on the Airport Emergency Plan.
- Effectively orient and train new organizational leaders on Operational Division missions, constraints, restrictions, and opportunities.
- Provide outstanding customer service to staff, tenants, aviation users, and the public from parking to the runways and back again.

Operations and Public Safety Administration – Initiatives:

FY 2020-21 Initiatives

1. Cross-functional Operations and Public Safety Division training / familiarization.

Strategic Initiative: Safety and Security

Long-Term Goal: Risk Management and Business Continuity

Description: Develop additional expertise within the Operations and Public Safety division and increase the understanding of the roles, challenges, and perspective between

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the members of the division. This initiative is designed to educate employees in the requirements of other public safety and operational areas to enhance emergency and business continuity plans.

Continue providing cross-functional familiarization training for Operations & Public Safety staff across all Divisions.

Performance Measure: All new hires and 100% of existing staff will receive training in other operational department areas with the Operations and Public Safety Division by June 30, 2021.

Progress: 0% Completed. Training was put on hold due to the Covid-19 pandemic.

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Operations Administration

Section 401

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---------------------------------------|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$195,874 | \$219,200 | \$255,600 | 17% |
| Vacation Pay | 51130 | 20,450 | 3,400 | 1,200 | -65% |
| Sick Leave | 51140 | 10,225 | 6,500 | 100 | -98% |
| Holiday Pay | 51150 | 11,363 | 0 | 0 | 0% |
| Comp Time | 51160 | 624 | 0 | 0 | 0% |
| Workers Comp Pay | 51170 | 55 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (4,976) | 0 | 0 | 0% |
| Medicare | 51320 | 3,380 | 3,200 | 3,700 | 16% |
| Group Insurance | 51340 | 25,986 | 28,800 | 31,600 | 10% |
| Disability Insurance | 51342 | 1,999 | 2,000 | 2,300 | 15% |
| Vision Insurance | 51344 | 265 | 200 | 300 | 50% |
| Dental Insurance | 51347 | 2,116 | 2,000 | 1,900 | -5% |
| Workers Comp | 51350 | 205 | 200 | 200 | 0% |
| Retirement | 51360 | 65,304 | 64,100 | 76,000 | 19% |
| Accrued PERS Expense | 51365 | (1,174) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 331,697 | 329,600 | 372,900 | 13% |
| PURCHASED SERVICES | | | | | |
| Contracted Services | 63340 | 1,213 | 0 | 61,000 | 0% |
| Other Purchased Services | 63490 | 23 | 50 | 50 | 0% |
| TOTAL PURCHASED SERVICES | | 1,236 | 50 | 61,050 | 122000% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 508 | 300 | 400 | 33% |
| Paper | 64110 | 134 | 200 | 200 | 0% |
| Postage | 64120 | 4 | 50 | 50 | 0% |
| Printing & Forms | 64130 | 0 | 100 | 100 | 0% |
| Furniture & Accessories | 64415 | 0 | 0 | 1,000 | 0% |
| Safety Equipment | 64450 | 246 | 0 | 500 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 891 | 650 | 2,250 | 246% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 0 | 275 | 275 | 0% |
| Conference Registration Fees | 65130 | 0 | 0 | 2,000 | 0% |
| Training Expense | 65140 | 32 | 0 | 3,000 | 0% |
| Meeting Expense | 65150 | 69 | 300 | 300 | 0% |
| Disaster Exercise Expense | 65170 | 243 | 18,000 | 0 | -100% |
| Travel & Reimbursed Expense | 65210 | 769 | 0 | 3,000 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 1,113 | 18,575 | 8,575 | -54% |
| TOTAL DEPARTMENT EXPENSES | | \$334,938 | \$348,875 | \$444,775 | 27% |

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Airside Operations

Mission Statement: Ensure a safe and efficient means of integrated transportation for the public within the Reno-Tahoe Airport Authority (RTAA) system; ensure compliance with 14 CFR Part 139 of the Federal Aviation Regulations; Work with other departments as necessary during all operational, construction and emergency events.

Key Duties and Responsibilities:

- Ensure RNO is continually in compliance with 14 CFR 139 FAA Certification of Airports and the annual FAA Certification Inspection is passed.
- Act as part of Unified Command on emergency matters to ensure continuing operation per Airport Emergency Plan (AEP) and other airport SOP's.
- Provide staff and tenant training on the revised Airport Emergency Plan (AEP).
- Work alongside ARFF, maintenance, police, operations, and security for all routine and emergency calls.
- Successfully complete Airside Operations duties as part of the Federal Aviation Administration (FAA) required annual table-top and triennial exercises.
- Mitigate the risk of bird strikes and animal strikes in accordance with the Wildlife Hazard Mitigation Plan (WHMP) by working with the USDA and independently.
- Develop and administer airfield driving regulations and airport rules and regulations.
- Conduct training on Safety Management System (SMS) and Operational Risk Management. Assess and mitigate hazards.
- Effectively manage ramp space along with Airport Economic Development to meet air carrier, cargo, general aviation, and Customs/Immigration operations.
- Prepare and perform Snow Desk duties and update the Snow and Ice Control Plan.
- Continually train year-round on several disciplines regarding Airport Operations with goal of training compliance per Part 139 Specifications.

Airside Operations– Initiatives:

FY 2020-21 Initiatives

1. Pass FAA Part 139 annual inspection.

Strategic Initiative: Safety and Security

Long-Term Goal: FAA Part 139 Compliance

Description: Public safety and security is always the top priority of the RTAA. The FAA

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issues operating certificates to airports to ensure safety in air transportation. FAA Part 139, certification of airports requires annual inspection to maintain a commercial operating certificate.

Performance Measure: Pass the Part 139 Annual Airport Certification Inspection with less than eight (8) discrepancies noted by the FAA.

Progress: 100% Complete. Document only inspection completed in April 2021 with six corrections noted.

2. Conduct an annual FAA Part 139 Table Top disaster exercise.

Strategic Initiative: Safety and Security

Long-Term Goal: FAA Part 139 Compliance

Description: FAA Part 139, Certification of Airports requires an annual tabletop to maintain a Commercial Operating Certificate for RNO.

Performance Measure: Complete exercise with twenty-five (25) participating outside agencies and receive verification of acceptance of the exercise by the FAA Certification Inspector by June 30, 2021.

Progress: 100% Complete. Exercise conducted in August 2020 and accepted by the FAA.

FY 2021-22 New Initiatives

1. Pass FAA Part 139 annual inspection.

Strategic Initiative: Safety and Security

Long-Term Goal: FAA Part 139 Compliance

Description: Public safety and security is always the top priority of the RTAA. The FAA issues operating certificates to airports to ensure safety in air transportation. FAA Part 139, certification of airports requires annual inspection to maintain a commercial operating certificate.

Performance Measure: Pass the Part 139 Annual Airport Certification Inspection with less than eight (8) discrepancies noted by the FAA.

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2. Complete Wildlife Hazard Management - Firearm training.

Strategic Initiative: Safety and Security

Long-Term Goal: FAA Part 139 Compliance

Description: USDA to Conduct Firearm Training for all Airport Duty Managers (ADM). Will authorize all ADM's to discharge firearms on airfield for wildlife control.

Performance Measure: Conduct Training by December 31, 2021.

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AIRSIDE OPERATIONS

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| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|--|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$1,211,308 | \$1,446,900 | \$705,500 | -51% |
| Vacation Pay | 51130 | 103,883 | 12,300 | 19,500 | 59% |
| Sick Leave | 51140 | 37,064 | 21,000 | 10,600 | -50% |
| Holiday Pay | 51150 | 68,127 | 20,000 | 0 | -100% |
| Comp time | 51160 | 7,544 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (26,480) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 50,557 | 45,000 | 0 | -100% |
| Overtime Call Back | 51213 | 416 | 1,500 | 0 | -100% |
| Shift Differential | 51230 | 25,313 | 20,000 | 0 | -100% |
| Holiday worked Pay | 51280 | 22,522 | 25,000 | 0 | -100% |
| Premium Payroll Accrual | 51285 | (2,417) | 0 | 0 | 0% |
| Medicare | 51320 | 22,007 | 21,000 | 10,200 | -51% |
| Group Insurance | 51340 | 203,637 | 279,700 | 103,500 | -63% |
| Disability Insurance | 51342 | 11,589 | 12,500 | 6,700 | -46% |
| Vision Insurance | 51344 | 2,070 | 2,200 | 1,000 | -55% |
| Dental Insurance | 51347 | 16,703 | 18,700 | 8,500 | -55% |
| Workers Comp | 51350 | 15,247 | 18,900 | 14,900 | -21% |
| Retirement | 51360 | 369,965 | 423,200 | 209,900 | -50% |
| Accrued PERS Expense | 51365 | (7,192) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 2,131,862 | 2,367,900 | 1,090,300 | -54% |
| PURCHASED SERVICES | | | | | |
| Other Professional Services | 63190 | 65,230 | 55,000 | 60,000 | 9% |
| Contract Services | 63340 | 93,324 | 151,636 | 30,000 | -80% |
| Maintenance Agreement-Copier | 63345 | 565 | 800 | 250 | -69% |
| Other Repair/Maintenance Svcs | 63390 | 1,092 | 13,000 | 0 | -100% |
| Freight Expense | 63430 | 1,032 | 1,000 | 0 | -100% |
| Information and Data Access Services | 63480 | 0 | 1,700 | 0 | -100% |
| Other Purchased Services | 63490 | 795 | 150 | 200 | 33% |
| TOTAL PURCHASED SERVICES | | 162,037 | 223,286 | 90,450 | -59% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 2,777 | 3,600 | 1,200 | -67% |
| Paper | 64110 | 120 | 400 | 150 | -63% |
| Postage | 64120 | 46 | 150 | 25 | -83% |
| Printing & Forms | 64130 | 281 | 725 | 250 | -66% |
| Refreshments and Breakroom Supplies | 64140 | 56 | 400 | 0 | -100% |
| Janitorial Supplies | 64260 | 308 | 0 | 300 | 0% |
| Medical Supplies | 64270 | 204 | 100 | 100 | 0% |
| Other Operating Supplies | 64290 | 946 | 6,499 | 7,500 | 15% |
| Computer Hardware and Accessory Supplies | 64405 | 0 | 200 | 7,500 | 3650% |
| Office Small Equipment | 64410 | 2,189 | 2,000 | 500 | -75% |
| Furniture & Accessories | 64415 | 1,999 | 4,000 | 0 | 0% |
| Employee Uniform | 64445 | 1,262 | 3,500 | 3,000 | 0% |
| Safety Equipment | 64450 | 1,302 | 0 | 0 | 0% |
| Communications Equipment | 64465 | 742 | 6,000 | 0 | -100% |
| TOTAL MATERIALS & SUPPLIES | | 12,231 | 27,574 | 20,525 | -26% |

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AIRSIDE OPERATIONS

Section 402

| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 1,762 | 3,425 | 2,400 | -30% |
| Books & Subscriptions | 65120 | 190 | 250 | 150 | -40% |
| Conference Registration Fees | 65130 | 3,035 | 0 | 2,700 | 0% |
| Training Expense | 65140 | 5,580 | 5,500 | 3,000 | -45% |
| Meeting Expense | 65150 | 435 | 750 | 0 | -100% |
| Travel & Reimbursed Expense | 65210 | 5,375 | 0 | 4,600 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | <u>16,377</u> | <u>9,925</u> | <u>12,850</u> | <u>29%</u> |
| TOTAL EXPENSES BEFORE FIXED ASSETS | | <u>2,322,508</u> | <u>2,628,685</u> | <u>1,214,125</u> | <u>-54%</u> |
| FIXED ASSETS | | | | | |
| Fixed Asset Acquisition M&E | 68151 | <u>36,389</u> | <u>0</u> | <u>0</u> | <u>0%</u> |
| TOTAL SECTION EXPENSES | | <u><u>\$2,358,896</u></u> | <u><u>\$2,628,685</u></u> | <u><u>\$1,214,125</u></u> | <u><u>-54%</u></u> |

Reno-Tahoe Airport Authority
FY 2021-22
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Section 7 – Expenditures

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.

Key Duties and Responsibilities:

- Provide and maintain all aspects of Ground Transportation to provide services, collect all appropriate revenue, and maintain compliance with all RTAA regulations.
- Maximize revenue by continued personnel training, exploration of potential new sources, and utilization of proven advanced technologies.
- Provide the highest quality of parking services and provide real value while maintaining safe and secure facilities.
- Communicate with ground transportation (GT) providers and staff to ensure high quality customer service and compliance with RTAA regulations and guidelines.
- Maintain and review landside operations policies and procedures to ensure continuity of staff processes such as cash handling, customer service and minor system maintenance and repairs.
- Closely monitor Transportation Network Companies (TNCs) such as Uber and Lyft and adjust operating guidelines and technology.

Landside Operations – Initiatives:

FY 2021-22 New Initiatives

1. Maintain and enhance parking and ground transportation revenue.

Strategic Initiative: Financial Diversification and Growth

Long-Term Goal: Public Parking / Rental Car / Ground Transportation Revenues

Description: Public parking and rental car concession and facility leases are the main source of RTAA non-airline revenues. This initiative is to optimize parking and ground transportation revenues consistent with policy.

Performance Measure: Achieve total public parking and ground transportation revenue of \$ 8,853,300 during FY 2021-22.

Reno-Tahoe Airport Authority
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LANDSIDE OPERATIONS

Section 403

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---------------------------------|-------------|----------------|----------------|----------------|----------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$548,818 | \$638,500 | \$663,400 | 4% |
| Vacation Pay | 51130 | 44,052 | 600 | 4,100 | 583% |
| Sick Leave | 51140 | 36,216 | 2,800 | 5,700 | 104% |
| Holiday Pay | 51150 | 32,176 | 0 | 10,000 | 0% |
| Workers Comp Pay | 51170 | 219 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (11,459) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 23,737 | 36,000 | 25,000 | -31% |
| Overtime Call Back | 51213 | 280 | 0 | 0 | 0% |
| Shift Differential | 51230 | 22,745 | 24,000 | 23,950 | 0% |
| Holiday worked Pay | 51280 | 23,412 | 24,000 | 25,000 | 4% |
| Premium Payroll Accrual | 51285 | (2,032) | 0 | 0 | 0% |
| Medicare | 51320 | 10,219 | 9,300 | 9,600 | 3% |
| Group Insurance | 51340 | 176,856 | 206,900 | 201,300 | -3% |
| Disability Insurance | 51342 | 5,728 | 5,100 | 5,400 | 6% |
| Vision Insurance | 51344 | 1,826 | 1,700 | 1,800 | 6% |
| Dental Insurance | 51347 | 14,464 | 14,600 | 15,100 | 3% |
| Workers Comp | 51350 | 18,425 | 21,500 | 23,900 | 11% |
| Retirement | 51360 | 195,543 | 186,800 | 197,400 | 6% |
| Accrued PERS Expense | 51365 | (3,569) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 1,137,656 | 1,171,800 | 1,211,650 | 3% |
| PURCHASED SERVICES | | | | | |
| Data Processing | 63130 | 1,745 | 2,000 | 2,000 | 0% |
| Equipment Rental | 63211 | 68,928 | 13,188 | 64,000 | 385% |
| Contracted Services | 63340 | 95,843 | 170,400 | 208,700 | 22% |
| Maintenance Agreement-Copier | 63345 | 888 | 800 | 800 | 0% |
| Other Repair/Maintenance Svcs | 63390 | 0 | 1,000 | 1,000 | 0% |
| Freight Expense | 63430 | 290 | 500 | 500 | 0% |
| Contracted Services - Towing | 63450 | 48 | 200 | 1,000 | 400% |
| TOTAL PURCHASED SERVICES | | 167,741 | 188,088 | 278,000 | 48% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 1,780 | 2,000 | 2,000 | 0% |
| Paper | 64110 | 134 | 250 | 250 | 0% |
| Postage | 64120 | 11 | 50 | 40 | -20% |
| Printing & Forms | 64130 | 4,251 | 12,000 | 9,000 | -25% |
| Janitorial Supplies | 64260 | 298 | 0 | 0 | 0% |
| Medical Supplies | 64270 | 35 | 80 | 95 | 19% |
| Other Operating Supplies | 64290 | 2,930 | 4,450 | 6,550 | 47% |
| Machinery | 64330 | 12,657 | 13,000 | 25,000 | 92% |
| Other Repairs- Maint Supplies | 64390 | 700 | 0 | 0 | 0% |
| Small Tools - Minor Equipment | 64400 | 202 | 1,000 | 1,000 | 0% |
| Furniture and Accessories | 64415 | 419 | 0 | 2,000 | 0% |

**Reno-Tahoe Airport Authority
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LANDSIDE OPERATIONS

Section 403

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---------------------------------------|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Sign and Sign Maintenance | 64430 | 2,307 | 4,000 | 8,500 | 113% |
| Employee Uniform | 64445 | 1,337 | 2,600 | 3,000 | 15% |
| Safety Equipment | 64450 | 616 | 250 | 250 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 27,677 | 39,680 | 57,685 | 45% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 1,185 | 0 | 3,683 | 0% |
| Conference Registration Fees | 65130 | 1,046 | 0 | 2,350 | 0% |
| Training Expense | 65140 | 0 | 300 | 300 | 0% |
| Travel & Reimbursed Expense | 65210 | 415 | 0 | 4,600 | 0% |
| Credit Card Fees | 65500 | 285,124 | 160,000 | 275,000 | 72% |
| TOTAL ADMINISTRATIVE EXPENSES | | 287,770 | 160,300 | 285,933 | 78% |
| TOTAL SECTION EXPENSES | | \$1,620,843 | \$1,559,868 | \$1,833,268 | 18% |

Reno-Tahoe Airport Authority
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Section 7 – Expenditures

Airport Rescue and Fire

Mission Statement: Provide the highest possible level of service in fire suppression, prevention, and emergency medical care. We provide these lifesaving services promptly and safely, to any person who resides, work, or visit Reno-Tahoe International Airport. We are dedicated to commitment, excellence, teamwork, respect, and integrity as we support bringing the World to Reno-Tahoe and Reno-Tahoe to the World.

Key Duties and Responsibilities:

- Respond to emergencies on RTAA property to provide protection of life, property and the environment.
- Maintain ARFF facilities and vehicles in operational readiness.
- Ensure operational status of all department vehicles, tools and equipment. Ensure a safe, clean and operational station. Order supplies and equipment as needed.
- Maintain emergency response capabilities by ensuring equipment and staffing is kept at an appropriate level.
- Provide specified inspections of all buildings, hangars, aircraft refueling vehicles, and other equipment. Provide hazardous operations standbys as required.
- Conduct scheduled fire and safety inspections on airport property at RNO including tenants and annually at Reno Stead Airport (RTS).
- Provide aircraft refueling vehicle inspection training for all Airport Fire Division employees due to rotation of inspection program.
- Enhance fire prevention inspection program for RNO and RTS.
- Participate in training employees in fire prevention practices, confined space, fire extinguisher and hazardous materials subjects.
- Provide supervisory training for Fire Captains to include administrative duties and Incident Commander organizational responsibilities.
- Maintain high priority focus on safety during firefighting operations and for RNO employees during their daily assigned duties.
- Conduct disaster training as required by the FAA and provide required OSHA safety training and familiarize with new Airport Emergency Plan procedures.
- Train with local mutual aid agencies focusing on equipment capabilities, communications, incident command procedures and ARFF firefighting techniques.

**Reno-Tahoe Airport Authority
FY 2021-22
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Section 7 – Expenditures**

Airport Fire – Initiatives:

FY 2021-22 New Initiatives

1. Conduct an Annual FAA Part 139 Tabletop Exercise.

Strategic Initiative: Safety and Security

Long-Term Goal: FAA Part 139 Compliance

Description: FAA Part 139, Certification of Airports requires an annual drill to maintain a Commercial Operating Certificate.

Performance Measure: Complete tabletop exercise with at least 25 participating agencies.

**Reno-Tahoe Airport Authority
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AIRPORT RESCUE AND FIRE

Section 404

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---------------------------------|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$1,344,011 | \$1,852,400 | \$2,117,000 | 14% |
| Vacation Pay | 51130 | 134,795 | 3,000 | 2,700 | -10% |
| Sick Leave | 51140 | 124,085 | 6,100 | 300 | -95% |
| Holiday Pay | 51150 | 32,397 | 35,000 | 35,000 | 0% |
| Comp time | 51160 | 259,183 | 222,654 | 260,000 | 17% |
| Workers Comp Pay | 51170 | 50,848 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (42,585) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 251,224 | 180,665 | 300,000 | 66% |
| FLSA Overtime Pay | 51211 | 49,613 | 45,662 | 50,000 | 10% |
| Overtime Call Back | 51213 | 6,171 | 5,109 | 7,000 | 37% |
| Incentive Awards | 51260 | 0 | 750 | 0 | -100% |
| Premium Payroll Accrual | 51285 | (5,203) | 0 | 0 | 0% |
| Medicare | 51320 | 31,988 | 26,500 | 30,400 | 15% |
| Group Insurance | 51340 | 278,248 | 293,400 | 323,400 | 10% |
| Disability Insurance | 51342 | 6,478 | 8,000 | 10,400 | 30% |
| Vision Insurance | 51344 | 234 | 300 | 500 | 67% |
| Dental Insurance | 51347 | 2,011 | 2,500 | 3,700 | 48% |
| Workers Comp | 51350 | 28,157 | 39,300 | 46,900 | 19% |
| Retirement | 51360 | 698,087 | 759,400 | 921,100 | 21% |
| Accrued PERS Expense | 51365 | (13,112) | 0 | 0 | 0% |
| Post Employment Health Plan | 51410 | 41,170 | 43,000 | 43,200 | 0% |
| TOTAL PERSONNEL SERVICES | | 3,277,801 | 3,523,740 | 4,151,600 | 18% |
| PURCHASED SERVICES | | | | | |
| Contracted Services | 63340 | 102,468 | 14,149 | 43,314 | 206% |
| Maintenance Agreement-Copier | 63345 | 561 | 1,000 | 1,000 | 0% |
| Other Repair/Maintenance Svcs | 63390 | 13,229 | 9,258 | 12,380 | 34% |
| Freight Expense | 63430 | 3,461 | 3,300 | 3,300 | 0% |
| Permits and Fees | 63460 | 428 | 380 | 700 | 84% |
| Other Purchased Services | 63490 | 731 | 3,075 | 3,700 | 20% |
| TOTAL PURCHASED SERVICES | | 120,879 | 31,162 | 64,394 | 107% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 898 | 2,100 | 2,100 | 0% |
| Paper | 64110 | 201 | 340 | 340 | 0% |
| Postage | 64120 | 32 | 50 | 50 | 0% |
| Printing & Forms | 64130 | 175 | 300 | 300 | 0% |
| Chemicals | 64220 | 4,581 | 6,450 | 7,215 | 12% |
| Firefighting Agent AFFF | 64225 | 25,125 | 9,975 | 10,700 | 7% |
| Janitorial Paper Supplies | 64250 | 388 | 600 | 700 | 17% |
| Janitorial Supplies | 64260 | 3,494 | 2,000 | 3,000 | 50% |
| Medical Supplies | 64270 | 20,771 | 12,610 | 20,000 | 59% |
| Other Operating Supplies | 64290 | 4,173 | 2,050 | 37,161 | 1713% |
| Turn Outs | 64291 | 33,745 | 8,200 | 7,500 | -9% |
| Steel and Sheet Metal | 64332 | 2,850 | 2,000 | 2,000 | 0% |
| Electrical Supplies | 64360 | 39 | 100 | 100 | 0% |
| Other Repairs-Maint Supplies | 64390 | 169 | 800 | 800 | 0% |
| Small Tools - Minor Equipment | 64400 | 3,110 | 24,182 | 5,339 | -78% |

Reno-Tahoe Airport Authority
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AIRPORT RESCUE AND FIRE

Section 404

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|----------------|--------------------|--------------------|--------------------|-------------------|
| Administrative Equipment and Repair Parts | 64410 | 396 | 0 | 500 | 0% |
| Furniture and Accessories | 64415 | 3,094 | 800 | 7,502 | 838% |
| Employee Uniform | 64445 | 13,026 | 20,648 | 20,648 | 0% |
| Safety Equipment | 64450 | 44,794 | 15,000 | 23,000 | 53% |
| Emg. Preparedness Stations | 64453 | 6,646 | 0 | 482 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 167,707 | 108,205 | 149,437 | 38% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 1,434 | 3,570 | 1,935 | -46% |
| Books & Subscriptions | 65120 | 4,570 | 3,720 | 8,590 | 131% |
| Conference Registration Fees | 65130 | 3,435 | 0 | 4,300 | 0% |
| Training Expense | 65140 | 45,518 | 25,000 | 36,370 | 45% |
| Meeting Expense | 65150 | 579 | 500 | 500 | 0% |
| Travel & Reimbursed Expense | 65210 | 5,891 | 0 | 45,471 | 0% |
| Relocation Expense | 65220 | 11,123 | 0 | 0 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 72,550 | 32,790 | 97,166 | 196% |
| TOTAL EXPENSES BEFORE FIXED ASSETS | | 3,638,937 | 3,695,897 | 4,462,597 | 21% |
| FIXED ASSETS | | | | | |
| Fixed Asset Acquisition M&E | 68151 | 38,515 | 359,861 | 32,933 | -91% |
| TOTAL SECTION EXPENSES | | <u>\$3,677,452</u> | <u>\$4,055,758</u> | <u>\$4,495,530</u> | <u>11%</u> |

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Airport Police

Mission Statement: Provided law enforcement services to ensure Reno-Tahoe International Airport (RNO) provides a safe and secure facility in accordance with Transportation Security Regulation (TSR), Part 1542 and Nevada Revised Statutes.

Key Duties and Responsibilities:

- Provide Airport Police Officer vehicle and foot patrols for the safety of the traveling public.
- Meet the requirements of Transportation Security Regulation (TSR) Part 1542 and assist air carriers with requirements for TSR Part 1542 and 1544.
- Provide training for new officer(s) and continue professional development training and annual training requirements in accordance with Nevada Peace Officer Standards and Training (P.O.S.T.).
- Supply and maintain uniforms and equipment.
- Document criminal activity and conduct investigations occurring on airport property. Conduct investigations of criminal incidents occurring on airport property.
- Participate and comply in the Transportation Security Administration (TSA) National Explosive Detection Canine Team Program.
- Maintain affiliation and certification with the Commission on Accreditation for Law Enforcement (CALEA).
- Provide law enforcement support for Customs and Border Protection (CBP) during arriving international flights.

**Reno-Tahoe Airport Authority
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AIRPORT POLICE

Section 405

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|-------------------------------------|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$1,803,234 | \$2,101,500 | \$2,057,200 | -2% |
| Vacation Pay | 51130 | 150,013 | 10,800 | 23,700 | 119% |
| Sick Leave | 51140 | 105,689 | 25,400 | 24,200 | -5% |
| Holiday Pay | 51150 | 96,350 | 15,000 | 20,000 | 33% |
| Comp time | 51160 | 31,154 | 30,000 | 30,000 | 0% |
| Payroll Accrual | 51195 | (47,793) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 139,716 | 155,000 | 155,000 | 0% |
| FLSA Overtime | 51211 | 3,513 | 5,000 | 5,000 | 0% |
| Overtime Call Back | 51213 | 424 | 1,500 | 1,500 | 0% |
| Standby | 51220 | 4,365 | 5,045 | 5,045 | 0% |
| Shift Differential | 51230 | 60,149 | 60,000 | 65,000 | 8% |
| Holiday worked Pay | 51280 | 61,549 | 55,000 | 65,000 | 18% |
| Premium Payroll Accrual | 51285 | (6,447) | 0 | 0 | 0% |
| Medicare | 51320 | 34,763 | 30,200 | 29,600 | -2% |
| Group Insurance | 51340 | 291,096 | 348,200 | 332,700 | -4% |
| Disability Insurance | 51342 | 15,237 | 14,600 | 14,500 | -1% |
| Vision Insurance | 51344 | 3,108 | 2,900 | 3,000 | 3% |
| Dental Insurance | 51347 | 25,473 | 25,600 | 25,700 | 0% |
| Workers Comp | 51350 | 42,204 | 47,300 | 49,100 | 4% |
| Retirement | 51360 | 882,375 | 878,600 | 889,000 | 1% |
| Accrued PERS Expense | 51365 | (16,423) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 3,679,750 | 3,811,645 | 3,795,245 | 0% |
| PURCHASED SERVICES | | | | | |
| Data Processing | 63130 | 4,436 | 3,466 | 4,325 | 25% |
| Contracted Services | 63340 | 8,876 | 10,000 | 14,000 | 40% |
| Maintenance Agreement-Copier | 63345 | 1,616 | 1,500 | 1,700 | 13% |
| Other Repair/Maintenance | 63390 | 1,700 | 0 | 0 | 0% |
| Freight Expense | 63430 | 245 | 700 | 700 | 0% |
| Permits & Fees | 63460 | 0 | 0 | 26 | 0% |
| Other Purchased Services | 63490 | 1,692 | 3,000 | 5,000 | 67% |
| TOTAL PURCHASED SERVICES | | 18,581 | 18,666 | 25,751 | 38% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 1,873 | 4,000 | 4,000 | 0% |
| Paper | 64110 | 33 | 250 | 75 | -70% |
| Postage | 64120 | 217 | 100 | 250 | 150% |
| Printing & Forms | 64130 | 100 | 500 | 200 | -60% |
| Refreshments and Breakroom Supplies | 64140 | 130 | 0 | 200 | 0% |
| Janitorial Supplies | 64260 | 640 | 0 | 0 | 0% |
| Medical Supplies | 64270 | 929 | 300 | 1,000 | 233% |
| Other Operating Supplies | 64290 | 3,942 | 5,000 | 5,000 | 0% |
| Firearms | 64293 | 5,286 | 8,000 | 16,000 | 100% |
| Canine | 64294 | 11,928 | 8,500 | 8,500 | 0% |
| Other Repairs-Maint Supplies | 64390 | 0 | 0 | 50 | 0% |
| Small Tools - Minor Equipment | 64400 | 19,876 | 45,500 | 36,417 | -20% |
| Office Small Equipment | 64410 | 274 | 500 | 500 | 0% |

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AIRPORT POLICE

Section 405

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Furniture and Accessories | 64415 | 6,619 | 0 | 3,000 | 0% |
| Employee Uniform | 64445 | 9,123 | 18,000 | 18,000 | 0% |
| Safety Equipment | 64450 | 4,500 | 13,000 | 11,250 | -13% |
| TOTAL MATERIALS & SUPPLIES | | 65,472 | 103,650 | 104,442 | 1% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 5,145 | 5,945 | 6,170 | 4% |
| Conference Registration Fees | 65130 | 3,660 | 1,750 | 6,450 | 269% |
| Training Expense | 65140 | 8,734 | 12,800 | 12,800 | 0% |
| Meeting Expense | 65150 | 50 | 0 | 0 | 0% |
| Travel & Reimbursed Expense | 65210 | 9,729 | 7,500 | 25,500 | 240% |
| TOTAL ADMINISTRATIVE EXPENSES | | 27,318 | 27,995 | 50,920 | 82% |
| TOTAL EXPENSES BEFORE FIXED ASSETS | | 3,791,120 | 3,961,956 | 3,976,358 | 0% |
| FIXED ASSETS | | | | | |
| Fixed Asset Acquisition Movable M&E | 68153 | 45,254 | 0 | 304,000 | 0% |
| TOTAL SECTION EXPENSES | | <u>\$3,836,374</u> | <u>\$3,961,956</u> | <u>\$4,280,358</u> | <u>8%</u> |

Reno-Tahoe Airport Authority
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Airport Communications

Mission Statement: Coordinate the public safety and notification needs of the Reno-Tahoe Airport Authority (RTAA); provide effective communications support to staff, tenants, customers, and supporting entities; prepare to act decisively to protect life and property by organizing appropriate responses to public safety and emergency events.

Key Duties and Responsibilities:

- Maintain an Airport Communications Center (“AirCom”) and ensure adequate minimum staffing on a 24/7/365 basis by qualified Airport Communications Specialists.
- Receive emergency and non-emergency telephone calls from the public, airlines, tenants, and RTAA employees.
- Monitor door/gate access security systems, fire alarms, and CCTV for unauthorized activity, criminal actions, or maintenance needs.
- Operate a direct phone line (“crash line”) between the FAA Tower, Airport Fire and Rescue Department station, and Nevada Air National Guard.
- Dispatch Airport Police, Security, and Airport Rescue and Firefighters (ARFF) to emergencies and other requests for assistance.
- Notify Airport Duty Managers of Operations-related incidents and issues.
- Notify allied public safety partner agencies for mutual aid and automatic aid.
- Notify airfield and facilities maintenance departments regarding urgent needs.
- Notify RTAA Public Information Officers of significant incidents.
- Notify federal agencies of incidents including TSA, FAA, CBP, NTSB, and USDA.
- Activate a Public Alerts and Warning System and overhead paging system for emergencies.
- Coordinate activities of first responders and Operations personnel during emergencies and major events.
- Ensure the Emergency Operations Center (EOC) is continuously prepared to activate at a moment’s notice for an emergency.
- Activate emergency alert notifications, recall essential personnel, and open the Emergency Operations Center (EOC).
- Provide staffing for the Incident Communications position in the EOC.
- Provide staffing for the Incident Communications position in the Mobile Command Post.
- Coordinate the configuration, inventory, procurement, training, and repair of the Authority’s 800 MHz. trunked radios and participate in the Washoe County Radio Communications System Joint Operating Committee and Users Committee.

Reno-Tahoe Airport Authority
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- Monitor and operate the National Crime Information Center (NCIC) computer for Criminal Justice Information inquiries and incoming information from outside police agencies and Department of Homeland Security bulletins.
- Maintain training and proficiency certification on AirCom software and hardware.

Airport Communications – Initiatives:

FY 2021-22 New Initiatives

1. Hiring and retention.

Strategic Initiative: People

Long-Term Goal: Employer of Choice

Description: Strive to achieve and maintain zero vacancies of Airport Communications Specialist (ACS) positions. As of July 1, 2021, there were two ACS vacancies which had gone unfilled since late 2020. Changes in recruiting practices to increase the pool of applicants are needed which includes evaluation of compensation and methods to attract applicants.

Performance Measure: Once hired, the objective is to have 80% of new employees successfully complete the ACS training program and to maintain a 10% annual turnover rate.

2. Comprehensive training plan implementation.

Strategic Initiative: Safety and Security

Long-Term Goal: Emergency-Response Preparedness

Description: Training was non-existent in the 2020 Covid-19 era. A comprehensive training plan was developed for implementation during FY21-22 which emphasizes fire and law enforcement fundamentals. All personnel are required to refresh their Incident Command System/National Incident Management System training thru FEMA, to successfully complete on-line fire service communications and law enforcement communications courses and to participate in monthly in-service training, as well be given opportunities for advanced incident communications training.

Performance Measure: Each quarter, all Airport Communication employees' training progress will be reviewed, and the overall department training plan success will be evaluated.

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Section 7 – Expenditures

3. Roadmap to public safety answering point.

Strategic Initiative: Safety and Security

Long-Term Goal: Emergency-Response Preparedness

Description: Although Airport Communication dispatches professional, recognized police and fire department personnel, it does not receive 9-1-1 calls from the public. Those dispatch agencies that do process 9-1-1 calls are referred to as Public Safety Answering Points (PSAP). PSAPs are eligible to receive Washoe County 9-1-1 funding under Nevada state statute. A decision must be made as to whether RTAA desires to increase the technology, training, and employee investments to become a PSAP.

Performance Measure: A formal decision should be made to maintain status quo or to implement PSAP status by Airport Communication by June 30, 2022.

4. Establish a contingency radio system infrastructure.

Strategic Initiative: Safety and Security

Long-Term Goal: Risk Management and Business Continuity

Description: Proper contingency planning includes ensuring that mission critical airport resources can communicate even if a natural/manmade disaster or systems failure renders the primary communications system inoperable. The primary radio system is provided under an agreement with Washoe County. The system, although designed as resilient, will be undergoing a major statewide upgrade in 2023/2024. The risk to RTAA has increased now that the existing infrastructure has reached end-of-life support. A new system upgrade will replace the existing system in 2-3 years. Implementation of a back-up radio system will ensure continued public safety and mission critical operation regardless of county, regional or statewide issues -- outside of the control of RTAA - that may occur in the future.

Performance Measure: Establish a back-up radio system by June 30, 2022.

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AIRPORT COMMUNICATIONS

Section 406

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|--|-------------|----------------|----------------|--------------------|----------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$0 | \$0 | \$674,000 | 0% |
| Vacation Pay | 51130 | 0 | 0 | 2,800 | 0% |
| Sick Leave | 51140 | 0 | 0 | 2,900 | 0% |
| Holiday Pay | 51150 | 0 | 0 | 20,000 | 0% |
| Overtime Pay | 51210 | 0 | 0 | 48,000 | 0% |
| Overtime Call Back | 51213 | 0 | 0 | 1,500 | 0% |
| Shift Differential | 51230 | 0 | 0 | 25,000 | 0% |
| Holiday worked Pay | 51280 | 0 | 0 | 25,480 | 0% |
| Medicare | 51320 | 0 | 0 | 9,800 | 0% |
| Group Insurance | 51340 | 0 | 0 | 170,900 | 0% |
| Disability Insurance | 51342 | 0 | 0 | 5,100 | 0% |
| Vision Insurance | 51344 | 0 | 0 | 1,500 | 0% |
| Dental Insurance | 51347 | 0 | 0 | 12,300 | 0% |
| Workers Comp | 51350 | 0 | 0 | 3,400 | 0% |
| Retirement | 51360 | 0 | 0 | 200,500 | 0% |
| TOTAL PERSONNEL SERVICES | | 0 | 0 | 1,203,180 | 0% |
| PURCHASED SERVICES | | | | | |
| Other Professional Services | 63190 | 0 | 0 | 2,000 | 0% |
| Contract Services | 63340 | 0 | 0 | 135,059 | 0% |
| Maintenance Agreement-Copier | 63345 | 0 | 0 | 800 | 0% |
| Other Repair/Maintenance Svcs | 63390 | 0 | 0 | 10,500 | 0% |
| Freight Expense | 63430 | 0 | 0 | 500 | 0% |
| TOTAL PURCHASED SERVICES | | 0 | 0 | 148,859 | 0% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 0 | 0 | 1,800 | 0% |
| Paper | 64110 | 0 | 0 | 200 | 0% |
| Postage | 64120 | 0 | 0 | 75 | 0% |
| Printing & Forms | 64130 | 0 | 0 | 350 | 0% |
| Refreshments and Breakroom Supplies | 64140 | 0 | 0 | 200 | 0% |
| Medical Supplies | 64270 | 0 | 0 | 100 | 0% |
| Other Operating Supplies | 64290 | 0 | 0 | 4,000 | 0% |
| Computer Hardware and Accessory Supplies | 64405 | 0 | 0 | 3,750 | 0% |
| Office Small Equipment | 64410 | 0 | 0 | 1,000 | 0% |
| Furniture & Accessories | 64415 | 0 | 0 | 2,000 | 0% |
| Employee Uniform | 64445 | 0 | 0 | 3,500 | 0% |
| Communications Equipment | 64465 | 0 | 0 | 18,000 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 0 | 0 | 34,975 | 0% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 0 | 0 | 2,143 | 0% |
| Books & Subscriptions | 65120 | 0 | 0 | 125 | 0% |
| Conference Registration Fees | 65130 | 0 | 0 | 800 | 0% |
| Training Expense | 65140 | 0 | 0 | 9,901 | 0% |
| Meeting Expense | 65150 | 0 | 0 | 250 | 0% |
| Travel & Reimbursed Expense | 65210 | 0 | 0 | 6,000 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 0 | 0 | 19,219 | 0% |
| TOTAL SECTION EXPENSES | | <u>\$0</u> | <u>\$0</u> | <u>\$1,406,233</u> | <u>0%</u> |

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Section 7 – Expenditures

Airport Security

Mission Statement: Provide airport security services to ensure Reno-Tahoe International Airport (RNO) provides a secure facility in accordance with U.S. Code of Federal Regulations, Part 1542 and other Transportation Security Administration (TSA) security directives.

Key Duties and Responsibilities:

- Write, maintain, and ensure compliance with the TSA approved Airport Security Program.
- Provide 24/7/365 patrols and staffing to ensure security of terminal, ground transportation areas and airfield access gates.
- Develop security plans to serve as guidelines to employees, tenants, and contractors to meet the applicable standards of 49 CFR 1542 and the RTAA rules and regulations.
- Ensure all RNO security access badge applicants meet TSA requirements with regard to Criminal History Records Checks and Security Threat Assessments.
- Provide input and review construction plans of RNO projects to ensure that the physical security and TSA requirements for protecting facilities are met.
- Attend industry seminars and keep current on security related news and trends.
- Provide security training to all security badge holders and ensure the relevance and accuracy of Interactive Employee Training.
- Attend necessary meetings both within and outside RTAA to provide input and gather information on security related matters.
- Ensure general maintenance and safe operation of all Security Division vehicles and bicycles.
- Provide for the professional growth of Security Specialists through training, staff meetings, and feedback on work performance.
- Meet requirements of 14 CFR Part 1542 and other Transportation Security Administration (TSA) security directives.
- Facilitate the annual aviation security tabletop exercise.
- Provide for the security of the traveling public through responses to door alarms, inspections of badges, badge holders and deliveries.

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Airport Security - Initiatives:

FY 2020-21 Initiatives

1. Pass TSA 1542 inspections.

Strategic Initiative: Safety and Security

Long-Term Goal: TSA Part 1542 Compliance

Description: The Part 1542 Airport Security Inspection process is to ensure the RTAA provides for the safety and security of persons and property on an aircraft against an act of criminal violence, aircraft piracy, and/or the introduction of an unauthorized weapon, explosive, or incendiary device onto an aircraft. TSA 1542 inspection measures compliance with all federal regulations related to security.

Performance Measure: Pass the Part 1542 Airport Security Inspection with No Letters of Investigation (LOI).

Progress: 100% Completed. There were no findings or Letters of Investigation issued.

FY 2021-22 New Initiatives

1. Pass TSA 1542 inspections.

Strategic Initiative: Safety and Security

Long-Term Goal: TSA Part 1542 Compliance

Description: The Part 1542 Airport Security Inspection process is to ensure the RTAA provides for the safety and security of persons and property on an aircraft against an act of criminal violence, aircraft piracy, and/or the introduction of an unauthorized weapon, explosive, or incendiary device onto an aircraft. TSA 1542 inspection measures compliance with all federal regulations related to security.

Performance Measure: Pass the Part 1542 Airport Security Inspection with No Letters of Investigation (LOI).

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AIRPORT SECURITY

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| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|---------------------------------------|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$818,033 | \$947,500 | \$917,000 | -3% |
| Vacation Pay | 51130 | 76,081 | 4,700 | 10,600 | 126% |
| Sick Leave | 51140 | 50,763 | 9,500 | 10,000 | 5% |
| Holiday Pay | 51150 | 49,531 | 30,000 | 30,000 | 0% |
| Payroll Accrual | 51195 | (20,141) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 13,755 | 23,000 | 20,000 | -13% |
| Overtime Call Back | 51213 | 90 | 0 | 0 | 0% |
| Shift Differential | 51230 | 31,236 | 31,000 | 32,000 | 3% |
| Holiday worked Pay | 51280 | 29,709 | 28,000 | 29,000 | 4% |
| Premium Payroll Accrual | 51285 | (1,788) | 0 | 0 | 0% |
| Medicare | 51320 | 15,114 | 13,700 | 13,300 | -3% |
| Group Insurance | 51340 | 207,932 | 234,600 | 196,500 | -16% |
| Disability Insurance | 51342 | 7,443 | 6,900 | 6,800 | -1% |
| Vision Insurance | 51344 | 2,163 | 1,900 | 1,700 | -11% |
| Dental Insurance | 51347 | 16,842 | 15,800 | 13,700 | -13% |
| Workers Comp | 51350 | 28,172 | 31,600 | 30,300 | -4% |
| Retirement | 51360 | 289,220 | 277,100 | 272,800 | -2% |
| Accrued PERS Expense | 51365 | (5,482) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 1,608,671 | 1,655,300 | 1,583,700 | -4% |
| PURCHASED SERVICES | | | | | |
| Contracted Services | 63340 | 20,935 | 46,300 | 31,000 | -33% |
| Maintenance Agreement-Copier | 63345 | 217 | 300 | 300 | 0% |
| Other Repair/Maintenance Svcs | 63390 | 180 | 1,500 | 1,500 | 0% |
| Freight Expense | 63430 | 435 | 400 | 400 | 0% |
| TOTAL PURCHASED SERVICES | | 21,767 | 48,500 | 33,200 | -32% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 24,733 | 25,000 | 30,000 | 20% |
| Paper | 64110 | 11 | 150 | 150 | 0% |
| Postage | 64120 | 20 | 25 | 50 | 100% |
| Printing & Forms | 64130 | 2,630 | 2,000 | 2,500 | 25% |
| Refreshments and Breakroom Supplies | 64140 | 130 | 500 | 500 | 0% |
| Janitorial Supplies | 64260 | 584 | 0 | 1,000 | 0% |
| Medical Supplies | 64270 | 160 | 300 | 300 | 0% |
| Small Tools - Minor Equipment | 64400 | 1,898 | 2,760 | 2,000 | -28% |
| Office Small Equipment | 64410 | (20) | 0 | 0 | 0% |
| Furniture and Accessories | 64415 | 747 | 0 | 1,000 | 0% |
| Employee Uniform | 64445 | 8,239 | 11,000 | 11,000 | 0% |
| Safety Equipment | 64450 | 1,879 | 1,500 | 2,000 | 33% |
| TOTAL MATERIALS & SUPPLIES | | 41,010 | 43,235 | 50,500 | 17% |

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| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 596 | 550 | 550 | 0% |
| Conference Registration Fees | 65130 | 875 | 0 | 2,900 | 0% |
| Training Expense | 65140 | 1,196 | 0 | 510 | 0% |
| Meeting Expense | 65150 | 204 | 150 | 150 | 0% |
| Travel & Reimbursed Expense | 65210 | 3,094 | 0 | 6,000 | 0% |
| Other Advertising & Promotion | 65390 | 313 | 500 | 500 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | <u>6,278</u> | <u>1,200</u> | <u>10,610</u> | <u>784%</u> |
| TOTAL EXPENSES BEFORE FIXED ASSETS | | <u>1,677,727</u> | <u>1,748,235</u> | <u>1,678,010</u> | <u>-4%</u> |
| FIXED ASSETS | | | | | |
| Fixed Asset Acquisition F&F | 68152 | <u>0</u> | <u>0</u> | <u>16,333</u> | <u>0%</u> |
| TOTAL SECTION EXPENSES | | <u><u>\$1,677,727</u></u> | <u><u>\$1,748,235</u></u> | <u><u>\$1,694,343</u></u> | <u><u>-3%</u></u> |

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Reno – Stead Airport

Mission Statement: Reno-Stead Airport (RTS) serves the RTAA, Stead customers, and tenants by applying 139 standards on aircraft operating surfaces, maintaining RTAA-owned spaces to basic commercial facility standards, and promoting common rules and understanding for all users and visitors to ... enable the ‘quiet enjoyment’/beneficial use of the Reno-Stead Airport by tenants and other aeronautical users.

Success is measured by mitigating hazards to aircraft, tenants, and customers; providing staff and tenants with accurate and timely condition and use information; effectively responding to accidents or requests for assistance when on-duty; pro-actively engaging with tenants, users, and neighbors to position RTS as a valued community partner; minimizing consumption of RTAA resources to support focus on our main effort at RNO.

Key Duties and Responsibilities:

- Maintain and preserve:
 - ✓ Airfield and roadway pavements and markings
 - ✓ Airfield lighting systems
 - ✓ RTS vehicle and equipment fleet
 - ✓ RTAA owned facilities
 - ✓ RTS landscapes
 - ✓ Unmanned Aircraft System (UAS) Range safety and operational support and management
 - ✓ Airport security fence and systems
 - ✓ Fire break system on 5,000 + acre facility to protect airport and neighbor properties
- Provide support for the National Championship Air Races.
- Support neighborhood relations by hosting the North Valleys Citizen Advisory Board, the North Valleys Neighborhood Advisory Board, and other community aviation meetings/events as requested.
- Represent the President/CEO at RTS on routine and emergency matters during non-business hours.
- Facilitate the safe, secure, and effective operations of RTS.
- In cooperation with other RTAA departments; ensure leases, tenant information and safety inspections are managed in a timely, cooperative manner.
- Work with Airport Economic Development to increase revenue opportunities at RTS.
- Provide required Occupational Safety Health Administration (OSHA) safety training.
- Ensure RTS representation during planning and execution of construction activities.
- Review and manage the RTS snow removal plan and operation.
- Provide RTAA liaison for FAA approved safety programs and training opportunities at

Reno-Tahoe Airport Authority
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RTS.

- Sustain readiness to execute the Airport Emergency Plan.
- Provide outstanding customer service to staff, tenants, aviation users, and the public.
- Provide logistical, operational and management support to UAS operations on and around RTS.

FY 2020-21 Initiatives:

1. Partner with Reno-Stead Airport Association (RSAA) community.

Strategic Initiative: General Aviation

Long-Term Goal: GA Community Relations

Description: To foster and encourage GA services, facilities and operations growth, the RTAA is committed to proactively engage with all facets of the GA community. This initiative is to promote and support GA operations at RTS.

Performance Measure: Host three (3) aviation community airport information meetings/events annually.

Progress: 100% Completed. RTS staff held RSAA meetings/events in December 2020, May 2021, and June 2021.

2. Accommodate aeronautical requests for airfield use at RTS.

Strategic Initiative: General Aviation

Long-Term Goal: GA User Needs and Market Demand

Description: General Aviation (GA) includes all civil and military operations other than scheduled passenger and cargo airline operations. GA flights are conducted for pleasure, private business and public service that require more flexible transportation than scheduled commercial airlines offer. To foster and encourage GA services, facilities and operations growth, the RTAA is committed to proactively engage with all facets of the GA community. This initiative is to promote and support GA operations at RTS.

Performance Measure: RTS will accommodate 85% of all aeronautical requests for airfield use by the GA and Military Communities during FY 2020-21.

Progress: 100% Completed. RTS staff accommodated 8 of 8 approved aeronautical

**Reno-Tahoe Airport Authority
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requests, as of June 30, 2021.

3. Conduct four community partner events/activities.

Strategic Initiative: General Aviation

Long-Term Goal: GA Community Relations

Description: Proactively engage with the community to position Stead as a valued community partner by facilitating events and activities that connect with our neighbors in the non-aviation community like the Santa Fly-in, Young Eagles, and the Biggest Little Parade.

Performance Measure: Conduct four (4) events/ activities by June 30, 2021.

Progress: 100% Completed. Reno-Stead Airport Staff partnered with Food Bank of Northern Nevada and hosted 12 events through June 30, 2021, including 1 mobile immunization clinic.

FY 2021-22 New Initiatives

1. Identify and assess for market 2 parcels for small hangar construction.

Strategic Initiative: Financial Diversification and Growth

Long-Term Goal: Land Development

Description: Assess whether two potential small hangar infill areas would be feasible land lease for small hangar construction.

Performance Measure: Obtain necessary documentation to request FAA approvals.

2. Accommodate aeronautical requests for airfield use at RTS.

Strategic Initiative: General Aviation

Long-Term Goal: GA User Needs and Market Demand

Description: General Aviation (GA) includes all civil and military operations other than scheduled passenger and cargo airline operations. GA flights are conducted for pleasure, private business and public service that require more flexible transportation than scheduled

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commercial airlines offer. To foster and encourage GA services, facilities, and operations growth, the RTAA is committed to proactively engage with all facets of the GA community. This initiative is to promote and support GA operations at RTS.

Performance Measure: RTS will accommodate 85% of all aeronautical requests for airfield use by the GA and Military Communities during FY 2021-22.

3. Conduct four community partner events/activities.

Strategic Initiative: General Aviation

Long-Term Goal: GA Community Relations

Description: Proactively engage with the community to position Stead as a valued community partner by facilitating events and activities that connect with our neighbors in the non-aviation community like the Santa Fly-in, Young Eagles, Food Bank of Northern Nevada, and the Biggest Little Parade.

Performance Measure: Conduct four (4) events/ activities by June 30, 2022.

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| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$378,000 | \$435,400 | \$450,100 | 3% |
| Vacation Pay | 51130 | 35,306 | 4,300 | 6,000 | 40% |
| Sick Leave | 51140 | 27,451 | 4,700 | 4,800 | 2% |
| Holiday Pay | 51150 | 21,962 | 2,500 | 2,500 | 0% |
| Comp Time | 51160 | 1,386 | 1,700 | 1,700 | 0% |
| Workers Comp Pay | 51170 | 0 | 1,000 | 1,000 | 0% |
| Payroll Accrual | 51195 | (8,084) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 13,185 | 15,500 | 15,500 | 0% |
| Overtime Call Back | 51213 | 825 | 500 | 500 | 0% |
| Shift Differential | 51230 | 1,664 | 2,200 | 2,200 | 0% |
| Holiday worked Pay | 51280 | 4,503 | 4,000 | 4,200 | 5% |
| Premium Payroll Accrual | 51285 | (399) | 0 | 0 | 0% |
| Medicare | 51320 | 6,957 | 6,300 | 6,500 | 3% |
| Group Insurance | 51340 | 86,554 | 96,800 | 94,200 | -3% |
| Disability Insurance | 51342 | 3,556 | 3,400 | 3,400 | 0% |
| Vision Insurance | 51344 | 930 | 800 | 900 | 13% |
| Dental Insurance | 51347 | 7,664 | 7,200 | 7,400 | 3% |
| Workers Comp | 51350 | 8,876 | 10,000 | 10,900 | 9% |
| Retirement | 51360 | 127,954 | 127,400 | 133,900 | 5% |
| Accrued PERS Expense | 51365 | (2,495) | 0 | 0 | 0% |
| Meal Allowance | 51390 | 347 | 200 | 200 | 0% |
| TOTAL PERSONNEL SERVICES | | 716,142 | 723,900 | 745,900 | 3% |
| UTILITIES AND COMMUNICATIONS | | | | | |
| Electricity | 62110 | 80,564 | 75,000 | 72,000 | -4% |
| Natural Gas | 62120 | 21,529 | 13,000 | 10,000 | -23% |
| Water | 62130 | 14,423 | 15,000 | 15,000 | 0% |
| Sewer | 62140 | 31,209 | 23,500 | 23,500 | 0% |
| Solid Waste Disposal | 62150 | 8,255 | 7,000 | 7,500 | 7% |
| Hazardous Waste Disposal | 62180 | 16,180 | 600 | 0 | -100% |
| TOTAL UTILITIES & COMMUNICATIONS | | 172,159 | 134,100 | 128,000 | -5% |
| PURCHASED SERVICES | | | | | |
| Professional Services | 63100 | 0 | 2,000 | 6,500 | 225% |
| Other Professional Services | 63190 | 0 | 500 | 500 | 0% |
| Equipment Rental | 63211 | 0 | 1,000 | 1,000 | 0% |
| Contracted Services | 63340 | 59,689 | 55,921 | 46,500 | -17% |
| Maintenance Agreement-Copier | 63345 | 297 | 500 | 500 | 0% |
| Other Repair/Maintenance Svcs | 63390 | 12,204 | 18,000 | 18,000 | 0% |
| Freight Expense | 63430 | 518 | 250 | 250 | 0% |
| Permits & Recorders Fees | 63460 | 2,018 | 3,625 | 3,625 | 0% |
| Other Purchased Services | 63490 | 150 | 0 | 0 | 0% |
| TOTAL PURCHASED SERVICES | | 74,876 | 81,796 | 76,875 | -6% |

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| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---------------------------------------|-------------|-------------------|-------------------|-------------------|-------------------|
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 1,414 | 1,500 | 1,500 | 0% |
| Paper | 64110 | 309 | 150 | 150 | 0% |
| Postage | 64120 | 7 | 50 | 50 | 0% |
| Printing & Forms | 64130 | 192 | 200 | 0 | -100% |
| Refreshments and Breakroom Supplies | 64140 | 425 | 600 | 600 | 0% |
| Oil and Lubricants | 64210 | 3,180 | 2,500 | 2,500 | 0% |
| Chemicals | 64220 | 36 | 0 | 0 | 0% |
| Herbicides | 64221 | 10,954 | 13,000 | 13,000 | 0% |
| Fertilizer | 64222 | 639 | 350 | 350 | 0% |
| Auto Fuel | 64230 | 4,191 | 6,000 | 6,000 | 0% |
| Diesel Fuel | 64240 | 9,644 | 8,000 | 8,000 | 0% |
| Janitorial Paper Supplies | 64250 | 211 | 0 | 0 | 0% |
| Janitorial Supplies | 64260 | 1,611 | 2,000 | 2,000 | 0% |
| Medical Supplies | 64270 | 508 | 700 | 700 | 0% |
| Other Operating Supplies | 64290 | 133 | 4,000 | 4,000 | 0% |
| Vehicles | 64310 | 2,309 | 5,000 | 5,000 | 0% |
| Heating & Air Conditioning | 64320 | 631 | 5,000 | 2,000 | -60% |
| Filters | 64321 | 528 | 500 | 400 | -20% |
| Machinery | 64330 | 14,029 | 22,000 | 19,000 | -14% |
| Locks & Hardware | 64333 | 153 | 700 | 700 | 0% |
| Jet Bridge Repair | 64336 | 60 | 0 | 0 | 0% |
| Plant Stock | 64340 | 154 | 1,500 | 1,500 | 0% |
| Irrigation Supplies | 64341 | 510 | 500 | 500 | 0% |
| Landscape Materials | 64342 | 221 | 1,000 | 1,000 | 0% |
| Plumbing Supplies | 64350 | 3,681 | 500 | 500 | 0% |
| Electrical Supplies | 64360 | 1,138 | 2,000 | 2,000 | 0% |
| Runway/Taxiway | 64361 | 1,372 | 2,500 | 2,500 | 0% |
| Ramp Lighting | 64362 | 780 | 1,500 | 1,500 | 0% |
| Lumber & Building Supplies | 64370 | 1,324 | 2,000 | 2,000 | 0% |
| Paint Supplies | 64380 | 1,006 | 11,000 | 11,000 | 0% |
| Other Repairs-Maint Supplies | 64390 | 386 | 0 | 0 | 0% |
| Small Tools - Minor Equipment | 64400 | 7,701 | 3,500 | 4,500 | 29% |
| Sign and Sign Maintenance | 64430 | 1,656 | 3,000 | 4,000 | 33% |
| Employee Uniform | 64445 | 1,862 | 2,900 | 2,900 | 0% |
| Safety Equipment | 64450 | 2,195 | 2,000 | 1,500 | -25% |
| Patch Material | 64513 | 0 | 8,000 | 8,000 | 0% |
| Pavement Treatment Supplies | 64515 | 10,280 | 13,000 | 20,000 | 54% |
| Runways/taxiway Repair | 64530 | 27,752 | 5,000 | 5,000 | 0% |
| Fence and Gate Repair Parts | 64540 | 5,414 | 2,000 | 2,000 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 118,597 | 134,150 | 136,350 | 2% |

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| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|----------------|-------------------|-------------------|-------------------|-------------------|
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 275 | 720 | 850 | 18% |
| Conference Registration Fees | 65130 | 605 | 1,200 | 1,200 | 0% |
| Training Expense | 65140 | 0 | 1,500 | 1,500 | 0% |
| Meeting Expense | 65150 | 163 | 500 | 500 | 0% |
| Travel & Reimbursed Expense | 65210 | 1,427 | 700 | 1,500 | 114% |
| Other Advertising & Promotion | 65390 | 0 | 500 | 500 | 0% |
| Community Outreach | 65398 | 1,772 | 2,500 | 2,500 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 4,242 | 7,620 | 8,550 | 12% |
| TOTAL EXPENSES BEFORE FIXED ASSETS | | 1,086,017 | 1,081,566 | 1,095,675 | 1% |
| FIXED ASSETS | | | | | |
| Fixed Asset Acquisition M&E | 68151 | 38,160 | 0 | 24,500 | 0% |
| TOTAL SECTION EXPENSES | | \$1,124,177 | \$1,081,566 | \$1,120,175 | 4% |

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Infrastructure and Planning Division

Mission Statement: Oversee Facilities, Building and Airfield Maintenance, Planning & Environmental Services and Engineering & Construction Departments for the planning, design, construction, and maintenance of all existing RTAA owned facilities and development of new capital projects at Reno-Tahoe International Airport (RNO) and Reno-Stead Airport (RTS). The purpose of the projects is to satisfy aviation demand and provide safe, efficient, economical, and environmentally acceptable air transportation facilities.

In 2021, the Facilities and Maintenance Department was moved with the Planning & Engineering Department to form the Infrastructure and Planning Office. The thought behind the reorganization was to plan, design and construct projects, as well as the maintenance of the facilities. Maintenance includes all airport buildings, facilities, systems, equipment, airport owned vehicles, as well as all airside and landside pavements and assets.

The mission of Planning and Environmental is to develop, maintain and update a Capital Improvements Program for the future orderly development of RNO and RTS including managing and analyzing all environmental, noise and geographic Information system applications. Engineering's mission is to define project scope, budget, and schedule, procure consultant team for design, bid project, award to contractor, manage construction, and closeout project.

Infrastructure and Planning

Mission Statement: Oversee Facilities, Maintenance, Planning & Environmental Services and Engineering & Construction Departments for the planning, design, construction, and maintenance of all existing RTAA owned facilities and development of new capital projects at Reno-Tahoe International Airport (RNO) and Reno-Stead Airport (RTS). The purpose of the projects is to satisfy aviation demand and provide safe, efficient, economical, and environmentally acceptable air transportation facilities.

Key Duties and Responsibilities:

- Participate on the Executive Team.
- Develop enterprise leadership skills.
- Direct contact and report to CEO for information needing to be elevated.
- Identify short term and long-term planning and development projects.
- Oversee the Building Maintenance Department including Facilities and Custodians.
- Oversee the Airfield Maintenance Department.
- Oversee the Planning and Environmental Department.
- Oversee the Engineering and Construction Department.

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- Oversee the full life cycle of all RTAA owned buildings and assets from planning, designing, constructing, maintaining, and demolishing and repeat.
- RTAA’s representative for the monthly meetings with the FAA’s Airport District Office (ADO) to discuss status of projects, grants and environmental at both RNO and RTS.
- Engage with the FAA to receive federal grants including Airport Improvement Program (AIP), Passenger Facility Charges, Supplemental, and recently all grants associated with COVID-19.
- Train and develop professional staff.
- Ensures the departments have the personnel, technical support, and tools to meet operational needs.
- Director of the Project Review Committee with final decisions reported to CEO.
- RTAA’s management representative for Teamster Union Step 2 grievances.
- Implement Airport Master Plan projects for the Reno-Tahoe International Airport.
- Operate and maintain an enterprise GIS at Reno-Tahoe International Airport.
- Conduct and coordinate with outside agencies and internal stakeholders regarding aviation development planning.
- Approve the submittal of the annual Airport Capital Improvement Programs (ACIP) for Reno-Tahoe International Airport and Reno-Stead Airport.
- Maintain and update Airport Layout Plans for Reno-Tahoe International Airport and Reno-Stead Airport.
- Liaison for the Disadvantaged Business Enterprise (DBE) program management and compliance. Oversee the Title VI of the Civil Rights Program for 1964.

Reno-Tahoe Airport Authority
 FY 2021-22
 ANNUAL BUDGET

INFRASTRUCTURE AND PLANNING

Section 501

| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|---------------------------------------|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$155,609 | \$199,100 | \$231,800 | 16% |
| Vacation Pay | 51130 | 42,326 | 1,000 | 5,600 | 460% |
| Sick Leave | 51140 | 7,894 | 2,800 | 5,600 | 100% |
| Holiday Pay | 51150 | 8,858 | 0 | 0 | 0% |
| Automobile Allowance | 51250 | 3,995 | 4,800 | 0 | -100% |
| Medicare | 51320 | 3,663 | 2,900 | 3,400 | 17% |
| Group Insurance | 51340 | 21,823 | 27,900 | 27,200 | -3% |
| Disability Insurance | 51342 | 1,454 | 1,900 | 2,100 | 11% |
| Vision Insurance | 51344 | 231 | 200 | 200 | 0% |
| Dental Insurance | 51347 | 1,908 | 2,000 | 2,100 | 5% |
| Workers Comp | 51350 | 149 | 200 | 200 | 0% |
| Retirement | 51360 | 50,497 | 58,300 | 69,000 | 18% |
| TOTAL PERSONNEL SERVICES | | 298,410 | 301,100 | 347,200 | 15% |
| PURCHASED SERVICES | | | | | |
| Maintenance Agreement-Copier | 63345 | 2,055 | 2,250 | 2,400 | 7% |
| Other Repair/Maintenance Svcs | 63390 | 0 | 1,120 | 1,200 | 7% |
| Freight Expense | 63430 | 59 | 325 | 360 | 11% |
| Other Purchased Services | 63490 | 579 | 0 | 0 | 0% |
| TOTAL PURCHASED SERVICES | | 2,694 | 3,695 | 3,960 | 7% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 1,269 | 2,400 | 2,400 | 0% |
| Paper | 64110 | 498 | 1,500 | 1,500 | 0% |
| Postage | 64120 | 59 | 300 | 200 | -33% |
| Printing & Forms | 64130 | (7) | 400 | 200 | -50% |
| Janitorial Supplies | 64260 | 0 | 0 | 500 | 0% |
| Furniture and Accessories | 64415 | 230 | 0 | 0 | 0% |
| Safety Equipment | 64450 | 253 | 0 | 1,000 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 2,302 | 4,600 | 5,800 | 26% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 380 | 515 | 4,525 | 779% |
| Books & Subscriptions | 65120 | 0 | 0 | 250 | 0% |
| Conference Registration Fees | 65130 | 0 | 0 | 1,700 | 0% |
| Training Expense | 65140 | 50 | 250 | 500 | 100% |
| Meeting Expense | 65150 | 109 | 1,000 | 0 | -100% |
| Travel & Reimbursed Expense | 65210 | 1,130 | 0 | 5,280 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 1,668 | 1,765 | 12,255 | 594% |
| TOTAL SECTION EXPENSES | | <u>\$305,074</u> | <u>\$311,160</u> | <u>\$369,215</u> | <u>19%</u> |

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 7 – Expenditures

Planning and Environmental Services

Mission Statement: Develop, maintain, and update the programs for the future orderly development of Reno-Tahoe International Airport (RNO) and Reno-Stead Airport (RTS), which satisfy aviation demand and yield safe, efficient, economical, and environmentally acceptable air transportation facilities.

Key Duties and Responsibilities:

Planning

- Prepare planning studies for RNO and RTS.
- Operate and maintain an enterprise Geographical Information System (GIS) at RNO.
- Coordinate with FAA on various capital improvement projects.
- Coordinate with outside agencies and internal stakeholders regarding aviation development planning.
- Coordinate with outside agencies and internal stakeholders regarding land development and land use planning.
- Submit to the FAA the annual Airport Capital Improvement Programs (ACIP) for both RNO and RTS.
- Assist with conversion of under-utilized vacant land into revenue producing uses and the disposal of land not needed for airport purposes.
- Maintain and update the Airport Layout Plans for RNO and RTS.
- Review development proposals and regulation and code changes from neighboring jurisdictions, which could impact the safe operations at both airports as a result of noise, height, and safety issues.
- Submit annual Airport Capital Improvement Programs (ACIP) for RNO and RTS.
- Implement Airport Master Plan projects for RNO and RTS.

Environmental

- Coordinate environmental planning programs including the Environmental Management System.
- Fulfill environmental compliance and regulatory programs.
- Complete annual storm water pollution prevention inspections of airport and tenant facilities.
- Complete annual update of water rights recognition.
- Facilitate tenant compliance with the National Environmental Policy Act (NEPA), as required by the FAA, for on-airport projects.

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 7 – Expenditures

- Oversee the RTS Solvent Site consent decree remediation program.
- Complete annual regulated garbage compliance agreement and oversee quarterly inspections pursuant to United States Department of Agricultural (USDA), Animal and Plant Health Inspection Services (APHIS), and US Customs Border Protection (CBP).
- Identify and monitor underground and aboveground storage tanks for RTAA and tenants with tanks on RTAA property.
- Evaluate and coordinate the proposed use of solar power for electrical generation at both RNO and RTS airports.

Noise

- Track and monitor new flight procedures.
- Operate and maintain a permanent noise and operations monitoring system.
- Prepare RNO annual noise contours.
- Receive, review and respond to all noise complaint calls and sound insulation program warranty calls.
- Facilitate Airport Noise Advisory Panel.
- Address miscellaneous noise issues.

Planning and Environmental - Initiatives:

FY 2020-21 Initiatives

1. Complete the annual sustainability report.

Strategic Initiative: Sustainability

Long-Term Goal: Operational Efficiency

Description: The annual Sustainability Report outlines the RTAA’s commitment to sharing and promoting staff’s dedicated efforts to integrate sustainability principles and practices into all aspects of airport management and operations at both RNO and RTS. With a holistic focus across the organization, the RTAA strives to maintain its reputation for ensuring economic viability, operational efficiency, natural resource conservation, and social responsibility of our organization. This initiative continues the annual report effort started in 2016.

Performance Measure: Complete the 2020 report by June 30, 2021.

Progress: 100% Completed. The annual sustainability report was completed in May 2021 and highlighted pandemic-related initiatives and strategies. The Report was posted on the Hub and the renoairport.com website in June. Distribution to employees also occurred in June, and

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 7 – Expenditures

the full report was provided to the RTAA Trustees in July 2021.

2. Complete Concourse Redevelopment Programing study.

Strategic Initiative: Facilities for the Future, Air

Service & Cargo, and Customer Service.

Long-Term Goal: Facility Infrastructure Enhancements

Description: The development of replacement concourses was identified in the 2018 Master Plan Update as a critical project to improve functional performance, operational efficiency, address the forecasted passenger demand, be flexible to address changing fleet mixes, and provide adequate passenger and airline spaces. Building off the Master Plan Update, the Study will identify the operational, space, and level of service needs to provide a plan for the orderly and efficient redevelopment of the existing concourses. The primary purpose of the Study is to identify the preferred scope for a future concourse redevelopment project which could include renovation/retrofit of the existing concourse(s), renovation/retrofit and expansion-in-lace of the existing concourse(s), and/or construction of new replacement concourses. This complex study, which will require a significant amount of stakeholder outreach, is expected to take 18 months from Notice to Proceed to completion.

Performance Measure: Complete 50% of the detailed planning study by June 30, 2021.

Progress: 20% Complete. Notice to Proceed issued in January 2021. Study has been divided into four major sections. Phase 1: Baseline Facility Investigation wrapped up in June 2021. Study should be 100% complete in August 2022.

FY 2021-22 New Initiatives

1. Complete concourse redevelopment programing study.

Strategic Initiative: Facilities for the Future, Air

Service & Cargo, and Customer Service.

Long-Term Goal: Facility Infrastructure Enhancements

Description: The development of replacement concourses was identified in the 2018 Master Plan Update as a critical project to improve functional performance, operational efficiency, address the forecasted passenger demand, be flexible to address changing fleet mixes, and provide adequate passenger and airline spaces. Building off the Master Plan Update, the Study will identify the operational, space, and level of service needs to provide a plan for the orderly

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and efficient redevelopment of the existing concourses. The primary purpose of the Study is to identify the preferred scope for a future concourse redevelopment project which could include renovation/retrofit of the existing concourse(s), renovation/retrofit and expansion-in-lace of the existing concourse(s), and/or construction of new replacement concourses. This complex study, which will require a significant amount of stakeholder outreach, is expected to take 18 months from Notice to Proceed to completion.

Performance Measure: Complete 100% of the detailed planning study by June 30, 2022. Current schedule tracking towards August 2022 for 100% completion.

2. Complete landside operations planning study.

Strategic Initiative: Facilities for the Future, Financial

Diversification and Growth, and Customer Service.

Long-Term Goal: Landside Operational Improvements

Description: The expansion of both public parking facilities and rental car facilities was identified in the 2018 Master Plan Update as the most critical and urgent project needed to meet current and future passenger demand. Since then, the RTAA has collaborated with ConRAC Solutions and the rental car companies on the development of a new, larger rental car facility which would also result in new public parking spaces. The scale and scope of the proposed new rental car facility requires that the RTAA analyze the long-term needs for ALL landside operations and verify that adequate land is available for all landside functions before approving the rental car proposal.

Performance Measure: Complete the planning study by December 31, 2021.

3. Complete GIS federal investment mapping project.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Technology Integration

Description: The 2018 FAA Reauthorization defines a new review process for all airport development projects. In 2020, the FAA identified a checklist of information that airport sponsor must provide for every development project including quitclaim deeds and location-based federal investment history. This project will result in the creation of GIS datasets and mapping to identify federal investment history at both airports.

Performance Measure: Complete the mapping project by June 30, 2022.

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PLANNING AND ENVIRONMENTAL SERVICES

Section 502

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---------------------------------------|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$412,970 | \$458,300 | \$474,400 | 4% |
| Vacation Pay | 51130 | 42,876 | 7,800 | 13,700 | 76% |
| Sick Leave | 51140 | 24,042 | 5,000 | 9,700 | 94% |
| Holiday Pay | 51150 | 25,201 | 0 | 0 | 0% |
| Comp Time | 51160 | 229 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (13,977) | 0 | 0 | 0% |
| Premium Payroll Accrual | 51285 | (92) | 0 | 0 | 0% |
| Medicare | 51320 | 6,703 | 6,600 | 6,900 | 5% |
| Group Insurance | 51340 | 59,581 | 63,900 | 69,900 | 9% |
| Disability Insurance | 51342 | 4,300 | 3,700 | 4,000 | 8% |
| Vision Insurance | 51344 | 633 | 500 | 600 | 20% |
| Dental Insurance | 51347 | 5,014 | 4,500 | 5,100 | 13% |
| Workers Comp | 51350 | 513 | 500 | 500 | 0% |
| Retirement | 51360 | 138,924 | 134,100 | 141,100 | 5% |
| Accrued PERS Expense | 51365 | (3,589) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 703,328 | 684,900 | 725,900 | 6% |
| PURCHASED SERVICES | | | | | |
| Data Processing | 63130 | 0 | 0 | 2,400 | 0% |
| Consultants - General | 63140 | 0 | 0 | 7,000 | 0% |
| Other Professional Services | 63190 | 33,712 | 25,000 | 347,000 | 1288% |
| Permits & Recorders Fees | 63460 | 942 | 900 | 600 | -33% |
| Other Purchased Services | 63490 | 2,081 | 2,300 | 2,300 | 0% |
| TOTAL PURCHASED SERVICES | | 36,736 | 28,200 | 359,300 | 1174% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 17 | 0 | 0 | 0% |
| Printing & Forms | 64130 | 163 | 200 | 0 | -100% |
| Software | 64420 | 4,020 | 2,920 | 670 | -77% |
| TOTAL MATERIALS & SUPPLIES | | 4,201 | 3,120 | 670 | -79% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 855 | 1,065 | 825 | -23% |
| Books & Subscriptions | 65120 | 1,275 | 1,400 | 1,400 | 0% |
| Conference Registration Fees | 65130 | 0 | 0 | 3,200 | 0% |
| Training Expense | 65140 | 260 | 805 | 550 | -32% |
| Meeting Expense | 65150 | 0 | 0 | 2,500 | 0% |
| Travel & Reimbursed Expense | 65210 | 478 | 0 | 8,950 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 2,868 | 3,270 | 17,425 | 433% |
| TOTAL SECTION EXPENSES | | \$747,133 | \$719,490 | \$1,103,295 | 53% |

Reno-Tahoe Airport Authority
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ANNUAL BUDGET
Section 7 – Expenditures

Engineering

Mission Statement: Provide programming, engineering, and construction management for the development of capital projects and facilities for safe and efficient airport operations for Reno-Tahoe International Airport (RNO) and Reno-Stead Airport (RTS) users and employees.

Key Duties and Responsibilities:

- Define and allocate Engineering Division resources.
- Provide project programming and cost estimating for capital project budgets.
- Manage engineering and construction management services for all RNO and RTS capital improvement projects.
- Provide architecture, computer aided design, and graphics technical support.
- Administer all FAA Airport Improvements Program (AIP) Grants.
- Manage the Qualified Consultants List and Request for Qualification (RFQ) solicitations.
- Provide project management services in support of Airport Economic Development, landside and Maintenance and Facilities sponsored projects.
- Solicit, negotiate, and manage all engineering professional services contracts.
- Procure and administer construction contracts.
- Ensure compliance with all federal and state labor and wage requirements for construction contracts.
- Coordinate and ensure compliance with the Disadvantaged Business Enterprise (DBE) program management and compliance.
- Provide technical support services for RTAA tenant improvements.
- Implement a Small Business Enterprise (SBE) component into the RTAA Disadvantaged Business Enterprise (DBE) program.
- Implement DBE Diversity study initiatives.

Engineering - Initiatives:

FY 2020-21 Initiatives

1. Phase II construction of Runway 16R/34L.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: Construction of the Runway 16R/34L Phase II project consists of the reconstruction of Runway 16R/34L asphalt shoulders and blast pads, keel sections, Magnetic

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ANNUAL BUDGET
Section 7 – Expenditures

Variation (MagVar), Wildlife Mitigation, Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights (MALSR) and a Runway Incursion Mitigation (RIM) on Taxiway A. The concrete keel section is nearing the end of its useful life. This condition is reflected in an increasing amount of maintenance required to mitigate breakage resulting in foreign object debris. The purpose of this project is to preserve the capacity of the airside infrastructure in order to meet existing and forecasted operations in the RNO Master Plan. The RTAA has received two AIP grants for this project (AIP 17-106 \$31,705,245 and AIP 17-105 \$10,000,000). Based upon grant funding received, the project will include the Base bid, Alternates 1, 2, 7 and 8. The improvements included in these items to be constructed on 16R/34L are the MagVar, MALSR, blast pads, shoulders, edge lighting, keel section, wildlife mitigation, and Taxiway “A” runway incursion mitigation (RIM). This project will be constructed over the next two calendar years. Construction will be suspended from November 2020 through February 2021 for winter shutdown of construction. Substantial completion of 16R/34L is anticipated to be by November 30, 2021.

Performance Measure: Complete 50% of the construction of this capital improvement project by June 30, 2021. This work will include the RIM at Taxiway A, the MagVar, the blast pads on Runway 16R-34L and the wildlife mitigation along Taxiway A and south of Runway 34L.

Progress: Partially Completed. The 2020 workplan included 100% completion of the following: construction of blast pads, portions of the MALSR, TWY A RIM, and 60% of wildlife mitigation as of September 2020. Portland Cement Concrete (PCC) Keel, shoulders & edge lighting, and remaining wildlife mitigation will be completed by Oct 6, 2021. Due to COVID FAA moved MAGVAR to Fall of 2022.

2. Begin construction of phase II of Passenger Boarding Bridge replacement.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: Project consists of the replacement of five (5) total passenger boarding bridges (PBB), four (4) on Concourse B (B6, B8, B9 and B10) and one (1) on Concourse C (C11). All PBBs being replaced have exceeded the minimum useful life (20 years) as outlined by the FAA. Project will consist of design by a consultant selected through a request of qualifications, bidding, construction, and project close out.

Performance Measure: Issue bid documents, select contractor and award construction contract for project by June 30, 2021.

Progress: 100% Completed. Contractor was selected and awarded contract at the Board

Reno-Tahoe Airport Authority
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Section 7 – Expenditures

meeting on Nov 11, 2020. Construction began in Mar 2021 with substantial completion as of June 30, 2021.

3. Complete construction of Reno-Stead Airport Taxiway A & Apron reconstruction project – phase I.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: Construction of the Taxiway A & Apron Reconstruction Project - Phase 1 consists of the reconstruction of approximately 34,000 square yards of Taxiway A & Apron on the east end near the BLM Air Tanker Base, along with providing LED lighting upgrades for the apron. This is the first phase of a planned six phase approach to reconstruction all of the apron area and Taxiway A as necessary at Reno-Stead Airport.

Performance Measure: Complete construction of this capital improvement project by June 30, 2021, pending on receiving the FAA grant by August 1, 2020.

Progress: 100% Completed. Construction fully completed as of June 30, 2021. Closeout documents and grant closeout expected by July 31, 2021.

4. Begin design of Loop Road PCC Reconstruction.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: The project consists of the design for reconstruction of the concrete section of Loop Road primarily in front of the terminal building. Improvements to be incorporated into the design are improved ADA access along drop off and pick areas, new security measures installed along passenger drop areas next to terminal building, conduits for future improvements, and pedestrian crossing upgrades where necessary.

Performance Measure: Issue Request for Qualification (RFQ), select consultant, negotiate fees, signed contract (PSA), and begin design by June 30, 2021.

Progress: 0% Completed. PFC application #15 funding approved in June 2021. Working with Purchasing to advertise RFQ on or before August 21, 2021.

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5. Design of Consolidated Rental Car Facility.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: Assist Conrac Solutions and the Design-Build team for the design of the Consolidated Rental Car Facility and enabling projects. Provide direction and guidance with various RTAA Stakeholders and other agencies.

Performance Measure: 50% design completed by June 30, 2021, pending approval by staff to continue design and use the CFC funding.

Progress: 100% Completed. Schematic design complete, based on direction of CEO, design will pause until Landside Planning Study is completed to determine best location and size of ConRAC facility.

6. Communicate RNO capital projects and potential GA impacts.

Strategic Initiative: General Aviation

Long-Term Goal: GA Community Relationships

Description: Provide an update to construction projects which may have an effect on the GA Community at RNO. The updates are given at the User Committee meetings scheduled every quarter.

Performance Measure: Attend four (4) user committee Meetings by June 30, 2021.

Progress: 50% Completed. Attended two (2) user committee meetings. Future attendance will be per direction of CEO.

7. Ensure Full Communication of RNO capital projects and potential impact.

Strategic Initiative: General Aviation

Long-Term Goal: Military Community Relationships

Description: Provide an update to projects which may have an effect on the GA Community at RNO. The updates are given at the User Committee meetings scheduled every quarter.

Performance Measure: Attend four (4) user committee Meetings by June 30, 2021.

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Progress: 50% Completed. Attended two (2) user committee meetings. Future attendance will be per direction of CEO.

FY 2021-22 New Initiatives

1. Phase II construction of Runway 16R/34L.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: Construction of the Runway 16R/34L Phase II project consists of the reconstruction of Runway 16R/34L asphalt shoulders and blast pads, keel sections, Magnetic Variation (MagVar), Wildlife Mitigation, Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights (MALSR) and a Runway Incursion Mitigation (RIM) on Taxiway A. The concrete keel section is nearing the end of its useful life. This condition is reflected in an increasing amount of maintenance required to mitigate breakage resulting in foreign object debris. The purpose of this project is to preserve the capacity of the airside infrastructure in order to meet existing and forecasted operations in the RNO Master Plan. The RTAA has received two AIP grants for this project (AIP 17-106 \$31,705,245 and AIP 17-105 \$10,000,000). Based upon grant funding received, the project will include the Base bid, Alternates 1, 2, 7 and 8. The improvements included in these items to be constructed on 16R/34L are the MagVar, MALSR, blast pads, shoulders, edge lighting, keel section, wildlife mitigation, and Taxiway “A” runway incursion mitigation (RIM). This project will be constructed over the next two calendar years. Construction will be suspended from November 2020 through February 2021 for winter shutdown of construction. Substantial completion of 16R/34L is anticipated to be by November 30, 2021.

Performance Measure: Complete 100% of the construction of PCC Keel section, asphalt shoulders, and wildlife mitigation. The MagVar will be completed Oct/Nov 2022 (FY 23) due to FAA scheduling.

2. Ticketing Hall Expansion- Design/Construction Manager at Risk (CMAR).

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: The design/CMAR phase will consist of the selection of a design consulting team using a qualifications-based selection process with the design fee being negotiated. Once under contract, the consultant will begin the design using the program study’s findings from the Basis of Design Report and stakeholder outreach. CMAR portion will consist of the selection of the

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CMAR using a qualifications-based selection. Once under contract the design/CMAR teams will develop final design and bid package.

Performance Measure: Select Design consultant and CMAR and signed contract by Dec 2021. Finalize design and issue CMAR bid package by June 30, 2022.

3. Design general aviation run-up areas/taxiway turnarounds on Taxiway Charlie.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: RNO’s General Aviation (GA) operators primarily utilize the east side of the airfield and Taxiway C to enter and exit Runway 16L/34R for departures and arrivals. Conversely, there are no designated areas for GA run-up checks that allow GA pilots preparing for departure to conduct preflight checks of their aircraft off the taxiway system so as not to obstruct other ground traffic that may be ready for departure or need to bypass other aircraft that may not be ready for departure while conducting ground operations. The project will design two run-up areas one near the North end of TWY C and another South of 7-25 along TWY C.

Performance Measure: Complete Full design and bid package completed by June 30, 2022.

4. Design Taxiway Bravo and Mike Reconstruction-Runway 7/25 intersection.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: The design and geotechnical survey for the proposed reconstruction of RNO Taxiway B and Taxiway M – Runway 7/25 Intersection Project (proposed project) involves the design for reconstruction of the Taxiway B pavement sections that directly adjoin the north and south sides of Runway 7/25 and the Taxiway M pavement section that intersects Taxiway A and Taxiway B.

Performance Measure: Complete full design and bid package by June 30, 2022.

5. Phase II construction RTS Taxiway Alpha & Apron reconstruction.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Reno-Tahoe Airport Authority
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Description: This project consists of Phase II of a multi-phased project to reconstruct the asphalt cement (AC) Apron and adjacent Taxiway A (Approx. 2,250 SY Taxiway & 29,100 SY Apron) including tie-downs, striping, storm drain, fence, and curb/gutter improvements at Reno-Stead Airport.

Performance Measure: Complete 100% of construction by June 30, 2022.

6. RTAA administrative offices workspace study.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: This project consists of a study by a consultant to review the RTAA's existing administrative offices, rooms, and required spaces for infrastructure. The study will estimate the number of full-time equivalent employees in approximately 2040. Using the information, the study will then determine the approximate size of an administration building to house the entire RTAA administration family in a single building. The project could potentially expand into additional phases.

Performance Measure: Complete 100% of the study by June 30, 2022.

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ENGINEERING AND CONSTRUCTION

Section 503

| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|---------------------------------------|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$461,080 | \$525,500 | \$659,300 | 25% |
| Vacation Pay | 51130 | 18,571 | 6,800 | 18,100 | 166% |
| Sick Leave | 51140 | 12,668 | 8,600 | 8,800 | 2% |
| Holiday Pay | 51150 | 25,433 | 0 | 0 | 0% |
| Comp Time | 51160 | 1,287 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (11,243) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 36 | 0 | 0 | 0% |
| Medicare | 51320 | 7,610 | 7,600 | 9,600 | 26% |
| Group Insurance | 51340 | 61,955 | 80,200 | 82,900 | 3% |
| Disability Insurance | 51342 | 4,411 | 4,400 | 6,200 | 41% |
| Vision Insurance | 51344 | 653 | 700 | 700 | 0% |
| Dental Insurance | 51347 | 5,161 | 5,400 | 6,300 | 17% |
| Workers Comp | 51350 | 615 | 600 | 2,800 | 367% |
| Retirement | 51360 | 151,746 | 163,600 | 206,500 | 26% |
| Accrued PERS Expense | 51365 | (3,095) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 736,889 | 803,400 | 1,001,200 | 25% |
| PURCHASED SERVICES | | | | | |
| Other Professional Services | 63190 | 0 | 0 | 200,000 | 0% |
| Other Purchased Services | 63490 | 11,537 | 5,800 | 5,800 | 0% |
| TOTAL PURCHASED SERVICES | | 11,537 | 5,800 | 205,800 | 3448% |
| MATERIALS & SUPPLIES | | | | | |
| Printing & Forms | 64130 | 163 | 0 | 0 | 0% |
| Refreshments and Breakroom Supplies | 64140 | 3 | 0 | 0 | 0% |
| Janitorial Supplies | 64260 | 80 | 0 | 0 | 0% |
| Office Small Equipment | 64410 | 0 | 0 | 0 | 0% |
| Furniture and Accessories | 64415 | 805 | 0 | 500 | 0% |
| Safety Equipment | 64450 | 82 | 0 | 950 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 1,133 | 0 | 1,450 | 0% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 1,428 | 2,341 | 2,125 | -9% |
| Books & Subscriptions | 65120 | 1,134 | 0 | 2,000 | 0% |
| Conference Registration Fees | 65130 | 4,795 | 0 | 6,785 | 0% |
| Training Expense | 65140 | 359 | 730 | 1,459 | 100% |
| Travel & Reimbursed Expense | 65210 | 3,401 | 0 | 15,150 | 0% |
| Legal Advertisements | 65340 | 163 | 350 | 500 | 43% |
| TOTAL ADMINISTRATIVE EXPENSE | | 11,280 | 3,421 | 28,019 | 719% |
| TOTAL SECTION EXPENSES | | \$760,841 | \$812,621 | \$1,236,469 | 52% |

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 7 – Expenditures

Facilities and Maintenance Administration

Mission Statement: To maintain Reno-Tahoe Airport Authority (RTAA) facilities and properties in a safe, secure and efficient manner. To maintain customer oriented service in a world class manner to the users of RTAA.

Key Duties and Responsibilities:

- Inspect RTAA property regularly to identify maintenance project requirements.
- Ensure a quality passenger experience by monitoring daily and performing maintenance of the terminal building and operating systems and equipment.
- Train and develop professional staff.
- Provide management and oversight of the Tenant Improvement Permit program.
- Develop and administer various on-going maintenance programs and investigate and implement new programs.
- Participate in bargaining unit negotiations and employee relations.
- Ensure proper management, accurate project scope development, adequate and timely completion of small capital projects.
- Research and pursue energy efficient building controls, lighting and equipment upgrades.
- Manage all systems and equipment for code and regulatory compliance.

Facilities and Maintenance Administration - Initiatives:

FY 2021-22 New Initiatives

1. Repair Structural Deficiency of Building Stucco Wall System

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: Design and install vertical expansion joint in terminal exterior wall and remove and replace damaged stucco wall system.

Performance Measure: Complete design and construction by June 30, 2022.

**Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET**

FACILITIES AND MAINTENANCE ADMINISTRATION

Section 601

| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$404,473 | \$456,000 | \$271,900 | -40% |
| Vacation Pay | 51130 | 46,871 | 8,300 | 9,600 | 16% |
| Sick Leave | 51140 | 22,640 | 11,000 | 9,400 | -15% |
| Holiday Pay | 51150 | 23,773 | 0 | 0 | 0% |
| Comp Time | 51160 | 1,064 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (11,384) | 0 | 0 | 0% |
| Medicare | 51320 | 7,136 | 6,600 | 3,900 | -41% |
| Group Insurance | 51340 | 47,267 | 52,200 | 23,800 | -54% |
| Disability Insurance | 51342 | 4,357 | 4,300 | 2,600 | -40% |
| Vision Insurance | 51344 | 482 | 400 | 200 | -50% |
| Dental Insurance | 51347 | 3,634 | 3,400 | 1,400 | -59% |
| Workers Comp | 51350 | 5,365 | 6,000 | 2,200 | -63% |
| Retirement | 51360 | 136,313 | 133,400 | 80,900 | -39% |
| Accrued PERS Expense | 51365 | (2,584) | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 689,408 | 681,600 | 405,900 | -40% |
| PURCHASED SERVICES | | | | | |
| Professional Services | 63100 | 2,800 | 1,000 | 0 | -100% |
| Maintenance Agreement-Copier | 63345 | 440 | 500 | 500 | 0% |
| Other Repair/Maintenance Svcs | 63390 | 3,808 | 15,000 | 15,000 | 0% |
| Freight Expense | 63430 | 732 | 500 | 300 | -40% |
| Permits & Recorders Fees | 63460 | 0 | 1,000 | 0 | -100% |
| TOTAL PURCHASED SERVICES | | 7,781 | 18,000 | 15,800 | -12% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 997 | 3,000 | 2,000 | -33% |
| Postage | 64120 | 7 | 40 | 20 | -50% |
| Printing & Forms | 64130 | 33 | 150 | 75 | -50% |
| Refreshments and Breakroom Supplies | 64140 | 12,066 | 10,600 | 12,000 | 13% |
| Janitorial Supplies | 64260 | 194 | 0 | 0 | 0% |
| Other Operating Supplies | 64290 | 686 | 0 | 0 | 0% |
| Landscape Materials | 64342 | 80 | 0 | 0 | 0% |
| Other Repairs-Maint Supplies | 64390 | 30 | 100 | 0 | -100% |
| Administrative Equipment and Repair Parts | 64410 | 0 | 2,000 | 1,000 | -50% |
| Furniture and Accessories | 64415 | 0 | 1,700 | 1,500 | -12% |
| Sign and Sign Maintenance | 64430 | 14,595 | 15,000 | 15,000 | 0% |
| Employee Safety Equipment | 64450 | 393 | 0 | 500 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 29,080 | 32,590 | 32,095 | -2% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 803 | 1,325 | 600 | -55% |
| Books & Subscriptions | 65120 | 488 | 500 | 0 | -100% |
| Conference Registration Fees | 65130 | 1,008 | 1,000 | 1,325 | 33% |
| Training Expense | 65140 | 2,959 | 615 | 0 | -100% |
| Meeting Expense | 65150 | 54 | 0 | 0 | 0% |
| Travel & Reimbursed Expense | 65210 | 2,437 | 0 | 2,840 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 7,749 | 3,440 | 4,765 | 39% |
| TOTAL EXPENSES BEFORE FIXED ASSETS | | 734,017 | 735,630 | 458,560 | -38% |
| FIXED ASSETS | | | | | |
| Fixed Asset Acquisition | 68151 | 21,579 | 0 | 0 | 0% |
| TOTAL DEPARTMENT EXPENSES | | \$755,596 | \$735,630 | \$458,560 | -38% |

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 7 – Expenditures

Airfield Maintenance

Mission Statement: To provide operational effectiveness and efficiency for the management and maintenance of airfield pavement, markings and lighting, RNO landscapes and additional airport properties. Through innovation and technology, Airfield Maintenance also maintains RTAA’s extensive vehicle and equipment fleets and is responsible for the execution of the snow removal work plan.

Key Duties and Responsibilities:

- Maintain all RNO vehicles and equipment to improve fuel efficiency, lower maintenance costs, and enhance overall value.
- Procure new snow removal equipment to upgrade the aging fleet.
- Support other RNO and RTS department maintenance needs.
- Maintain airfield pavements and markings in accordance with FAR Part 139 and other applicable regulations.
- Maintain all airfield lighting equipment.
- Perform all RNO airfield snow removal operations.
- Maintain landside pavement and markings.
- Maintain safe and accurate signage for the traveling public.
- Ensure all areas of RNO are clean and free of all Foreign Object Debris (FOD).
- Maintain all RNO landscaping, manage airfield weed abatement program, and maintain all acquired properties for appearance, weed control and dust abatement.
- Assist RTS staff with pavement maintenance and airfield markings.
- Maintain at all times the airfield lighting system to 99% of operational requirements and airfield ramp and landside parking lighting to 95% operational requirements,
- Maintain all airport emergency generators and electrically operated perimeter gates.
- Fog seal twenty (20%) of asphaltic concrete pavement at RNO and RTS annually.
- Repair cracks and spalls in pavement as required; replace joint sealants in areas of identified failure.
- Maintain Aircraft Operations Area markings to 100% compliance with Part 139.
- Perform rubber removal as needed per FAA Advisory Circulars.
- Patch and seal cracks in five percent (5%) of roadways and parking lots annually.
- Maintain roadway and crosswalk markings as required, including the new long term parking walkway.
- Remove snow and ice as needed from aircraft, vehicle, and passenger movement areas.
- Sweep all landside roads, parking areas, perimeter roads and ramps as needed.
- Maintain the storm drain system free of debris for proper drainage.
- Provide trash pickup from dumpster twice every day and dispose of pallets daily.

**Reno-Tahoe Airport Authority
FY 2020-21
ANNUAL BUDGET
Section 7 – Expenditures**

Airfield Maintenance - Initiatives:

FY 2021-22 New Initiatives

1. Install back up power system in long term lot.

Strategic Initiative: Customer Experience

Long-Term Goal: Landside Operational Improvements

Description: Install 30KW Generator and ancillary items to enable back up power to be available for Long Term Surface lot, terminal entrance loop, blue lot, and overhead directional signage.

Performance Measure: Complete 100% of implementation by June 30, 2022.

2. Install light emitting diode (LED) light ramp lighting fixtures on south C concourse and firehouse pole.

Strategic Initiative: Sustainability

Long-Term Goal: Natural Resource Conservation

Description: As part of the RTAA initiative to replace old, energy inefficient and outdated fixtures with new LED lighting, the FY 2021-22 Budget will replace 16 1000-Watt High Intensity Discharge (HID) fixtures with 12 energy efficient LED Light Fixtures and 17 250 HID with 17 LED light fixtures. LED lighting not only reduces annual electricity costs, but also provides the following benefits: (1) instant restrike after a power failure whereas HID fixtures need 15 to 20 minutes to cool down; (2) HID lighting degrades over time and light output is reduced up to 60% as the lamp ages, while LED light output stays very consistent for the life of the fixture; and (3) HID lighting requires more maintenance than LED due to lamp and ballast life (4) HID lighting requires costly lamp recycling due to the mercury used in their production. HID lamps also typically require replacement every two years on average and ballasts every five years. The proposed LED fixtures have a five-year warranty and a life expectancy of 100,000 hours.

Performance Measure: Complete the installation of two LED projects by June 30, 2022.

**Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET**

AIRFIELD MAINTENANCE

Section 602

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$1,301,777 | \$1,518,600 | \$1,652,500 | 9% |
| Temporary Employees | 51120 | 38,800 | 0 | 62,500 | 0% |
| Vacation Pay | 51130 | 125,326 | 7,400 | 12,800 | 73% |
| Sick Leave | 51140 | 86,729 | 18,100 | 17,100 | -6% |
| Holiday Pay | 51150 | 78,326 | 3,000 | 3,000 | 0% |
| Comp Time | 51160 | 996 | 0 | 1,000 | 0% |
| Workers Comp Pay | 51170 | 217 | 0 | 0 | 0% |
| Payroll Accrual | 51195 | (30,270) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 84,228 | 84,000 | 80,000 | -5% |
| Overtime Call Back | 51213 | 41,246 | 30,000 | 30,000 | 0% |
| Standby | 51220 | 13,717 | 14,250 | 13,500 | -5% |
| Shift Differential | 51230 | 11,655 | 11,000 | 11,000 | 0% |
| Holiday worked Pay | 51280 | 18,705 | 18,720 | 18,720 | 0% |
| Premium Payroll Accrual | 51285 | (4,454) | 0 | 0 | 0% |
| Medicare | 51320 | 23,320 | 22,000 | 24,000 | 9% |
| Group Insurance | 51340 | 287,669 | 328,200 | 323,100 | -2% |
| Disability Insurance | 51342 | 12,008 | 10,800 | 11,400 | 6% |
| Vision Insurance | 51344 | 2,860 | 2,600 | 2,700 | 4% |
| Dental Insurance | 51347 | 21,419 | 20,800 | 21,200 | 2% |
| Workers Comp | 51350 | 47,077 | 50,900 | 57,500 | 13% |
| Retirement | 51360 | 462,005 | 444,200 | 491,600 | 11% |
| Accrued PERS Expense | 51365 | (8,479) | 0 | 0 | 0% |
| Meal Allowance | 51390 | 1,600 | 1,100 | 1,100 | 0% |
| TOTAL PERSONNEL SERVICES | | 2,616,479 | 2,585,670 | 2,834,720 | 10% |
| UTILITIES AND COMMUNICATIONS | | | | | |
| Electricity | 62110 | 90,342 | 80,000 | 87,000 | 9% |
| Natural Gas | 62120 | 21,964 | 17,000 | 18,500 | 9% |
| Water | 62130 | 1,324 | 3,000 | 2,500 | -17% |
| Trash Disposal | 62150 | 51,072 | 65,000 | 55,000 | -15% |
| Recyclable Disposal | 62151 | 3,214 | 5,000 | 4,000 | -20% |
| Dump Fees | 62152 | 9,356 | 12,500 | 12,500 | 0% |
| Oil-Water Separators Services | 62153 | 15,577 | 20,000 | 22,000 | 10% |
| Propane | 62170 | 3,699 | 2,000 | 2,500 | 25% |
| Hazardous Waste Disposal | 62180 | 2,616 | 3,500 | 3,500 | 0% |
| TOTAL UTILITIES & COMMUNICATIONS | | 199,164 | 208,000 | 207,500 | 0% |
| PURCHASED SERVICES | | | | | |
| Equipment Rental | 63211 | 70 | 1,000 | 1,000 | 0% |
| Contracted Services | 63340 | 38,390 | 72,048 | 34,546 | -52% |
| Maintenance Agreement-Copier | 63345 | 367 | 250 | 250 | 0% |
| Other Repair/Maintenance Svcs | 63390 | 79,771 | 41,000 | 42,000 | 2% |
| Freight Expense | 63430 | 9,612 | 7,000 | 7,500 | 7% |
| Permits & Recorders Fees | 63460 | 1,358 | 2,500 | 2,500 | 0% |
| Other Purchased Services | 63490 | 276 | 0 | 0 | 0% |
| TOTAL PURCHASED SERVICES | | 129,843 | 123,798 | 87,796 | -29% |
| MATERIALS & SUPPLIES | | | | | |
| Administrative Equipment & Repair Parts | 64100 | 3,149 | 4,000 | 3,900 | -3% |
| Paper | 64110 | 190 | 175 | 175 | 0% |
| Postage | 64120 | 0 | 15 | 15 | 0% |
| Printing & Forms | 64130 | 30 | 400 | 400 | 0% |
| Refreshments and Breakroom Supplies | 64140 | 578 | 650 | 650 | 0% |

**Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET**

AIRFIELD MAINTENANCE

Section 602

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Oil and Lubricants | 64210 | 10,571 | 9,500 | 9,500 | 0% |
| Herbicides | 64221 | 57,761 | 70,000 | 80,000 | 14% |
| Fertilizer | 64222 | 1,700 | 0 | 0 | 0% |
| Ice Control | 64223 | 23,166 | 40,000 | 40,000 | 0% |
| Rubber Removal | 64224 | 7,697 | 0 | 0 | 0% |
| Auto Fuel | 64230 | 69,630 | 80,000 | 80,000 | 0% |
| Diesel Fuel | 64240 | 71,030 | 73,000 | 73,000 | 0% |
| Janitorial Paper Supplies | 64250 | 120 | 0 | 0 | 0% |
| Janitorial Supplies | 64260 | 930 | 300 | 500 | 67% |
| Medical Supplies | 64270 | 376 | 1,100 | 1,100 | 0% |
| Trash Can Liners | 64280 | 4,575 | 5,200 | 5,400 | 4% |
| Other Operating Supplies | 64290 | (6,766) | 7,000 | 7,000 | 0% |
| Vehicle Maintenance Supplies | 64310 | 45,374 | 50,000 | 55,000 | 10% |
| Machinery Maintenance Supplies | 64330 | 128,677 | 150,000 | 150,000 | 0% |
| Metals | 64332 | 314 | 4,000 | 4,000 | 0% |
| Locks & Hardware | 64333 | 8,085 | 7,500 | 7,500 | 0% |
| Plant Stock | 64340 | 0 | 6,500 | 6,500 | 0% |
| Irrigation Supplies | 64341 | 1,884 | 7,000 | 7,000 | 0% |
| Landscape Materials | 64342 | 3,866 | 10,000 | 10,000 | 0% |
| Plumbing Supplies | 64350 | 509 | 0 | 0 | 0% |
| Electrical Supplies | 64360 | 7,182 | 12,000 | 12,000 | 0% |
| Runway/Taxiway Lighting | 64361 | 27,314 | 15,000 | 15,000 | 0% |
| Ramp Lighting | 64362 | 3,643 | 5,000 | 5,000 | 0% |
| Lumber & Building Supplies | 64370 | 300 | 2,500 | 2,000 | -20% |
| Paint Supplies | 64380 | 74,420 | 62,000 | 60,000 | -3% |
| Thermoplastic Markings | 64381 | 98,203 | 0 | 0 | 0% |
| Other Repairs-Maint Supplies | 64390 | 15,186 | 15,000 | 15,000 | 0% |
| Small Tools - Minor Equipment | 64400 | 11,083 | 15,000 | 15,000 | 0% |
| Office Small Equipment | 64410 | 0 | 1,000 | 1,000 | 0% |
| Furniture and Accessories | 64415 | 200 | 0 | 0 | 0% |
| Sign and Sign Maintenance | 64430 | 5,051 | 10,000 | 10,000 | 0% |
| Employee Uniform | 64445 | 6,732 | 12,000 | 11,500 | -4% |
| Safety Equipment | 64450 | 16,167 | 18,000 | 18,000 | 0% |
| Asphalt & Concrete | 64510 | 1,258 | 7,500 | 7,500 | 0% |
| Aggregates | 64511 | 1,722 | 5,000 | 5,000 | 0% |
| Patch Material | 64513 | 6,125 | 6,000 | 8,000 | 33% |
| Pavement Treatment Supplies | 64515 | 15,687 | 17,000 | 17,000 | 0% |
| Runways/taxiway Repair | 64530 | 1,576 | 5,000 | 5,000 | 0% |
| Fence and Gate Repair Parts | 64540 | 5,430 | 4,000 | 4,500 | 13% |
| TOTAL MATERIALS & SUPPLIES | | 730,727 | 738,340 | 753,140 | 2% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 859 | 2,478 | 2,478 | 0% |
| Books & Subscriptions | 65120 | 62 | 0 | 0 | 0% |
| Conference Registration Fees | 65130 | 1,994 | 0 | 1,740 | 0% |
| Training Expense | 65140 | 10,371 | 18,620 | 21,300 | 14% |
| Travel & Reimbursed Expense | 65210 | 17,015 | 1,150 | 18,710 | 1527% |
| TOTAL ADMINISTRATIVE EXPENSES | | 30,302 | 22,248 | 44,228 | 99% |
| TOTAL EXPENSES BEFORE FIXED ASSETS | | 3,706,516 | 3,678,056 | 3,927,384 | 7% |
| FIXED ASSETS | | | | | |
| Fixed Asset Acquisition Movable M&E | 68153 | 1,101,142 | 0 | 410,000 | 0% |
| TOTAL SECTION EXPENSES | | \$4,807,658 | \$3,678,056 | \$4,337,384 | 18% |

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 7 – Expenditures

Building Maintenance

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

Key Duties and Responsibilities:

- Provide preventative maintenance and services required to support RTAA owned building facilities and system components.
- Maintain and inspect all regulatory controlled systems such as fire systems, elevator, escalator, locks, doors, and alarms.
- Perform snow removal and ice treatment of the landside areas and assist on the airfield as required.
- Provide escorts and contractor support for RTAA projects. Provide contracted services agreement management for multiple systems and equipment maintenance services.
- Plan, schedule and supervise efficient cost-effective facilities operations.
- Provide support services for the Marketing/ Public Affairs and Airport Economic Development.
- Perform inspections, maintenance and repairs to structure and system components of the RNO terminal building.
- Maintain utilities systems including electricity, water, natural gas and sewer.
- Perform custodial services to maintain a high standard of cleanliness in the RNO terminal building and other RTAA facilities.
- Improve work plans as necessary toward greater efficiency and cost reductions.
- Ensure a quality passenger experience by monitoring and performing daily maintenance of the terminal building, operating systems, and equipment.
- Provide management oversight for the Baggage Handling System (BHS) and all related facility contracts.
- Train staff to improve maintenance effectiveness and safety awareness.
- Reduce energy consumption through the installation of energy saving light fixtures and improvements to the energy management building systems.

Building Maintenance - Initiatives:

FY 2021-22 New Initiatives

1. Delta building control systems upgrade phase V admin (phase II).

Strategic Initiative: Facilities for the Future

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 7 – Expenditures

Long-Term Goal: Facility Attractiveness and Functionality Advancement

Description: This initiative is the fifth phase of converting and upgrading HVAC controls and software from pneumatic control to the digital control system. This phase of the project will be focused on the second half of the RTAA Administrative Office areas and the air handlers that supply heating and cooling to these areas. This will include all controls, temperature monitoring and pneumatic actuators. The goal of this project will be to replace the current outdated pneumatic control system, thermostats and pneumatic actuators with current DDC (Direct Digital Controls), electronic thermostats and electric actuators. The result will be a faster reacting, more reliable system that will also require less maintenance. All upgraded controls and actuators will be tied into the Delta Building Controls system currently used at the RNO.

Performance Measure: Complete 100% of Implementation by June 30, 2022.

**Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET**

BUILDING MAINTENANCE AND SERVICES

Section 603

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$2,354,768 | \$2,848,500 | \$2,899,700 | 2% |
| Vacation Pay | 51130 | 222,522 | 1,600 | 10,200 | 538% |
| Sick Leave | 51140 | 187,913 | 26,200 | 17,100 | -35% |
| Holiday Pay | 51150 | 142,839 | 32,000 | 33,000 | 3% |
| Comp Time | 51160 | 442 | 0 | 0 | 0% |
| Workers Comp Pay | 51170 | 9,182 | 0 | 9,000 | 0% |
| Payroll Accrual | 51195 | (57,977) | 0 | 0 | 0% |
| Overtime Pay | 51210 | 10,612 | 7,000 | 10,000 | 43% |
| Overtime Call Back | 51213 | 14,679 | 12,000 | 12,000 | 0% |
| Standby | 51220 | 9,891 | 15,000 | 12,000 | -20% |
| Shift Differential | 51230 | 93,534 | 96,000 | 98,000 | 2% |
| Holiday worked Pay | 51280 | 87,620 | 85,000 | 88,000 | 4% |
| Premium Payroll Accrual | 51285 | (6,339) | 0 | 0 | 0% |
| Medicare | 51320 | 45,465 | 42,000 | 42,700 | 2% |
| Group Insurance | 51340 | 666,691 | 779,300 | 756,200 | -3% |
| Disability Insurance | 51342 | 22,262 | 20,600 | 20,900 | 1% |
| Vision Insurance | 51344 | 6,822 | 6,300 | 6,600 | 5% |
| Dental Insurance | 51347 | 53,058 | 52,000 | 52,900 | 2% |
| Workers Comp | 51350 | 103,147 | 110,600 | 119,500 | 8% |
| Retirement | 51360 | 858,989 | 832,900 | 862,600 | 4% |
| Accrued PERS Expense | 51365 | (17,738) | 0 | 0 | 0% |
| Meal Allowance | 51390 | 924 | 1,500 | 1,500 | 0% |
| TOTAL PERSONNEL SERVICES | | 4,809,308 | 4,968,500 | 5,051,900 | 2% |
| UTILITIES AND COMMUNICATIONS | | | | | |
| Electricity | 62110 | 985,591 | 1,053,341 | 1,050,000 | 0% |
| Natural Gas | 62120 | 298,969 | 346,264 | 320,000 | -8% |
| Water | 62130 | 113,857 | 107,000 | 110,000 | 3% |
| Sewer | 62140 | 158,396 | 90,000 | 90,000 | 0% |
| Solid Waste Disposal | 62150 | 35,171 | 39,000 | 37,000 | -5% |
| Dumps/oil-water separators | 62153 | 4,328 | 2,500 | 4,000 | 60% |
| Hazardous Waste Disposal | 62180 | 228 | 0 | 2,000 | 0% |
| TOTAL UTILITIES & COMMUNICATIONS | | 1,596,540 | 1,638,105 | 1,613,000 | -2% |
| PURCHASED SERVICES | | | | | |
| Other Professional Services | 63190 | 51,450 | 0 | 0 | 0% |
| Contracted Services | 63340 | 452,976 | 509,950 | 570,100 | 12% |
| Maintenance Agreement-Copier | 63345 | 1,338 | 1,000 | 1,500 | 50% |
| Other Repair/Maintenance Svcs | 63390 | 166,366 | 80,000 | 120,000 | 50% |
| Freight Expense | 63430 | 7,294 | 3,500 | 7,500 | 114% |
| Permits & Records Fees | 63460 | 6,513 | 7,000 | 7,000 | 0% |
| Other Purchased Services | 63490 | 532 | 0 | 0 | 0% |
| TOTAL PURCHASED SERVICES | | 686,469 | 601,450 | 706,100 | 17% |
| MATERIALS & SUPPLIES | | | | | |
| Office Supplies | 64100 | 1,380 | 1,500 | 1,500 | 0% |
| Paper | 64110 | 201 | 400 | 250 | -38% |
| Printing & Forms | 64130 | 589 | 400 | 200 | -50% |
| Refreshments and Breakroom Supplies | 64140 | 618 | 400 | 800 | 100% |
| Ice Control | 64223 | 19,360 | 23,000 | 24,000 | 4% |
| Janitorial Paper Supplies | 64250 | 74,567 | 80,000 | 79,000 | -1% |
| Janitorial Supplies | 64260 | 62,996 | 50,000 | 60,000 | 20% |
| Medical Supplies | 64270 | 1,524 | 1,200 | 1,500 | 25% |

**Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET**

BUILDING MAINTENANCE AND SERVICES

Section 603

| | ACCOUNT NO. | 2019-20 ACTUAL | 2020-21 BUDGET | 2021-22 BUDGET | PERCENT CHANGE |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Trash Can Liners | 64280 | 20,326 | 28,000 | 22,000 | -21% |
| Other Operating Supplies | 64290 | 10,733 | 8,000 | 11,000 | 38% |
| Electric Ground Support Equipment | 64305 | 0 | 0 | 1,000 | 0% |
| Heating & Air Conditioning | 64320 | 34,787 | 38,000 | 40,000 | 5% |
| Filters | 64321 | 9,660 | 9,500 | 20,500 | 116% |
| Machinery | 64330 | 1,960 | 1,000 | 2,000 | 100% |
| Baggage Conveyors | 64331 | 7,313 | 0 | 5,000 | 0% |
| Steel and Sheet Metal | 64332 | 749 | 1,500 | 1,500 | 0% |
| Locks & Hardware | 64333 | 4,160 | 5,000 | 5,000 | 0% |
| Brushes | 64334 | 380 | 0 | 0 | 0% |
| Jet Bridge Repair | 64336 | 31,547 | 25,000 | 25,000 | 0% |
| Plumbing Supplies | 64350 | 43,248 | 35,000 | 45,000 | 29% |
| Electrical Supplies | 64360 | 38,621 | 30,000 | 35,000 | 17% |
| Lumber & Building Supplies | 64370 | 5,020 | 8,000 | 8,000 | 0% |
| Paint Supplies | 64380 | 3,407 | 2,500 | 3,000 | 20% |
| Other Repairs-Maint Supplies | 64390 | 1,082 | 0 | 0 | 0% |
| Small Tools - Minor Equipment | 64400 | 10,239 | 4,000 | 6,000 | 50% |
| Furniture and Accessories | 64415 | 179 | 0 | 0 | 0% |
| Sign and Sign Maintenance | 64430 | 20 | 0 | 0 | 0% |
| Employee Uniform | 64445 | 12,682 | 10,000 | 15,000 | 50% |
| Safety Equipment | 64450 | 6,979 | 3,000 | 6,000 | 100% |
| TOTAL MATERIALS & SUPPLIES | | 404,325 | 365,400 | 418,250 | 14% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Membership Dues | 65110 | 1,512 | 1,200 | 1,365 | 14% |
| Books & Subscriptions | 65120 | 0 | 0 | 500 | 0% |
| Conference Registration Fees | 65130 | 550 | 0 | 2,400 | 0% |
| Training Expense | 65140 | 18,178 | 2,000 | 2,500 | 25% |
| Travel & Reimbursed Expense | 65210 | 2,095 | 0 | 3,400 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 22,335 | 3,200 | 10,165 | 218% |
| TOTAL EXPENSES BEFORE FIXED ASSETS | | 7,518,976 | 7,576,655 | 7,799,415 | 3% |
| FIXED ASSETS | | | | | |
| Fixed Asset Acquisition M&E | 68151 | 62,702 | 0 | 16,500 | 0% |
| TOTAL SECTION EXPENSES | | \$7,581,679 | \$7,576,655 | \$7,815,915 | 3% |

Reno-Tahoe Airport Authority
 FY 2021-22
 ANNUAL BUDGET

Baggage Handling System

Section 604

| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|---|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$47,399 | \$46,400 | \$48,000 | 3% |
| Medicare | 51320 | 9 | 0 | 0 | 0% |
| Group Insurance | 51340 | 7,222 | 8,100 | 7,900 | -2% |
| Vision Service Plan | 51344 | 70 | 0 | 0 | 0% |
| Disability Insurance | 51342 | 8 | 0 | 0 | 0% |
| Dental Insurance | 51347 | 481 | 0 | 0 | 0% |
| Retirement | 51360 | 13,822 | 13,600 | 14,300 | 5% |
| TOTAL PERSONNEL SERVICES | | 69,012 | 68,100 | 70,200 | 3% |
| UTILITIES AND COMMUNICATIONS | | | | | |
| Electricity | 62110 | 347,425 | 387,895 | 360,000 | -7% |
| Natural Gas | 62120 | 22,267 | 28,189 | 25,000 | -11% |
| TOTAL UTILITIES & COMMUNICATIONS | | 369,692 | 416,084 | 385,000 | -7% |
| PURCHASED SERVICES | | | | | |
| Other Professional Services | 63190 | 12,920 | 0 | 0 | 0% |
| Contracted Services | 63340 | 1,069,470 | 930,680 | 1,180,000 | 27% |
| Freight Expense | 63430 | 2,944 | 0 | 2,500 | 0% |
| TOTAL PURCHASED SERVICES | | 1,085,334 | 930,680 | 1,182,500 | 27% |
| MATERIALS & SUPPLIES | | | | | |
| Heating & Air Conditioning | 64320 | 855 | 2,500 | 20,000 | 700% |
| Baggage Conveyors | 64331 | 61,400 | 65,000 | 65,000 | 0% |
| Electrical Supplies | 64360 | 2,506 | 1,000 | 2,000 | 100% |
| TOTAL MATERIALS & SUPPLIES | | 64,760 | 68,500 | 87,000 | 27% |
| TOTAL SECTION EXPENSES | | <u>\$1,588,798</u> | <u>\$1,483,364</u> | <u>\$1,724,700</u> | <u>16%</u> |

Reno-Tahoe Airport Authority
 FY 2021-22
 ANNUAL BUDGET

NONDEPARTMENTAL

Section 900

| | <u>ACCOUNT NO.</u> | <u>2019-20 ACTUAL</u> | <u>2020-21 BUDGET</u> | <u>2021-22 BUDGET</u> | <u>PERCENT CHANGE</u> |
|---------------------------------------|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| PERSONNEL SERVICES | | | | | |
| Permanent Employees | 51110 | \$350,249 | \$0 | \$0 | 0% |
| Temporary Employees | 51120 | 0 | (450,000) | 0 | 0% |
| Sick Leave | 51140 | (3,521) | 10,000 | 5,000 | 0% |
| Retiremebt (PERS) | 51360 | (20,220) | 0 | 0 | 0% |
| Pension Expense | 51361 | 1,089,527 | 0 | 0 | 0% |
| TOTAL PERSONNEL SERVICES | | 1,416,035 | (440,000) | 5,000 | 0% |
| PURCHASED SERVICES | | | | | |
| Other Professional Services | 63190 | 20,185 | 0 | 0 | 0% |
| Air Service Studies | 63193 | 2,248 | 50,000 | 0 | -100% |
| Contracted Services | 63340 | 256,846 | 286,800 | 301,600 | 5% |
| TOTAL PURCHASED SERVICES | | 279,278 | 336,800 | 301,600 | -10% |
| MATERIALS & SUPPLIES | | | | | |
| Paper | 64110 | 636 | 1,500 | 1,000 | -33% |
| Inventory Adjustments | 64292 | 3,047 | 0 | 0 | 0% |
| TOTAL MATERIALS & SUPPLIES | | 3,683 | 1,500 | 1,000 | -33% |
| ADMINISTRATIVE EXPENSE | | | | | |
| Air Service Development | 65350 | 18,005 | 93,000 | \$389,000 | 318% |
| Other Advertising & Promotion | 65390 | 50,000 | 50,000 | 50,000 | 0% |
| Airport Liability | 65410 | 130,975 | 118,500 | 156,800 | 32% |
| Vehicle Liability | 65420 | 81,007 | 99,000 | 110,800 | 12% |
| Bonds Employees/Officers | 65440 | 13,020 | 15,200 | 17,300 | 14% |
| Buildings & Contents | 65450 | 655,346 | 873,000 | 900,000 | 3% |
| Public Officials Liability | 65460 | 62,593 | 81,100 | 85,000 | 5% |
| Public Safety Liability | 65470 | 47,531 | 48,100 | 53,500 | 11% |
| Other Insurance | 65490 | 0 | 50,000 | 50,000 | 0% |
| Fines and Settleents | 65920 | 2,750 | 0 | 0 | 0% |
| TOTAL ADMINISTRATIVE EXPENSES | | 1,061,228 | 1,427,900 | 1,812,400 | 27% |
| FIXED CHARGES | | | | | |
| Int Exp 2015 Bonds | 97125 | 0 | 337,975 | 285,450 | -16% |
| TOTAL FIXED CHARGES | | 0 | 337,975 | 285,450 | -16% |
| TOTAL SECTION EXPENSES | | <u>\$2,760,223.37</u> | <u>\$1,664,175</u> | <u>\$2,405,450</u> | <u>45%</u> |

Section 8 – Capital Budget

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 8 – Property, Plant and Equipment

The schedule following this narrative lists the approved Property, Plant and Equipment (PP&E) requests from the RTAA’s various departments/divisions in the adopted FY 2021-22 Budget. A PP&E item is an asset with a useful life exceeding one year and a cost greater than \$5,000. Purchases greater than \$300,000 are reported as a capital project and amortized in the airline rates and charges over its estimated useful life.

The total PP&E budget for FY 2021-22 is \$1.006 million, an increase of \$556,200, or 123.6% from the FY 2020-21 Budget. With the forecasted recovery of airline traffic at RNO, and significant budget cuts in the prior fiscal year due to the COVID-19 pandemic, RTAA is planning on more than the usual annual investments in PP&E for FY 2021-22.

Most of the budget allocated to PP&E purchases in FY 2021-22 consists of vehicle purchases for a total \$554,000. All planned vehicles purchases are described on the next page. In addition to vehicles, the approved budget allocated \$452,000 to equipment purchases: John Deere backhoe, twenty (20) Axis IP video surveillance cameras, security video management system storage, Zoll defibrillator, GRACO 17K585 LineLazer striping machine, Optifiber Pro Quad OTDR module, four (4) access-controlled egress doors, Atlas air compressor, security breakroom furniture, and one stretch wrap machine.

The vehicle replacement plan maximizes the functionality and minimizes the maintenance costs of the RTAA’s vehicle fleet. The plan provides for the retirement and rotation of vehicles and equipment. The evaluation criteria are listed below.

VEHICLE AND EQUIPMENT ACQUISITION AND ROTATION POLICY
REPLACEMENT EVALUATION CRITERIA

Light Duty Vehicles

- Replacement evaluation after 6 years of service **or**
- Replacement evaluation when vehicle exceeds 100,000 miles **or**
- Replacement evaluation when maintenance cost to purchase ratio exceeds 35%

Heavy Duty Vehicles and Equipment

- Replacement evaluation after 10-20 years depending on type of vehicle/equipment **or**
- Replacement evaluation when vehicle/equipment exceeds 80,000 miles **or**
- Replacement evaluation every 25,000 hours on Hobbs hour meter **or**
- Replacement evaluation when maintenance cost to purchase ratio exceeds 30%

The schedules below summarize all vehicles, equipment, and technology with a unit cost greater than \$25,000.

**Reno-Tahoe Airport Authority
 FY 2021-22
 ANNUAL BUDGET
 Section 8 – Property, Plant and Equipment**

Vehicles

| Department | FY 2021-22 Request | Amount Budgeted | Current Equipment Being Replaced/Explanation |
|----------------------|---------------------------|------------------------|--|
| Airfield Maintenance | 4,000 Gallon Water Truck | \$250,000 | This will replace a 1981 international (EH150) water truck with over 16,000 hours of use and currently a maintenance to purchase price ratio of 176%. This truck qualifies under the replacement criteria and the old vehicle will be sent to surplus. |
| Airport Police | Three (3) Patrol Vehicles | \$186,000 | Two replacement vehicles and one additional vehicle. These vehicles run 24 hours a day 365 days a year, with high mileage and operating hours. |
| Airport Police | Police Supervisor Vehicle | \$62,00 | This vehicle is to replace 2012 Ford pickup truck with high mileage and operating hours. |
| Airport Police | K-9 Vehicle | \$56,000 | This vehicle is to replace 2012 Ford pickup truck with high mileage and operating hours. |

**Reno-Tahoe Airport Authority
 FY 2021-22
 ANNUAL BUDGET
 Section 8 – Property, Plant and Equipment**

Equipment

| Department | FY 2021-22 Request | Amount Budgeted | Current Equipment Being Replaced/Explanation |
|---|---------------------------|------------------------|---|
| Airfield Maintenance | John Deere Backhoe | \$160,000 | This is to replace a 1997 410C John Deere backhoe for the Airfield team. The new equipment will be used for general maintenance of ditches and drainage improvements, landscaping and irrigation work, electrical repairs and conduit installation, trench excavation, truck loading, snow removal, concrete demo and repair, asphalt demo, and other tasks as needed. The old equipment will be reassigned to Reno- Stead Airport. |
| Airport Rescue and Fire Fighting (ARFF) | Zoll Defibrillator | \$32,933 | The defibrillator will be used by the ARFF and provides EKG reading in cardiac situations, has AED capabilities, measures blood pressure, oxygen saturation (SPO2) and end tidal capnography. This unit also has the capability to talk with our Zoll Software. |

Technology

| Department | FY 2021-22 Request | Amount Budgeted | Current Equipment Being Replaced/Explanation |
|----------------------------------|---|------------------------|--|
| Technology & Information Systems | Twenty (20) Axis IP cameras | \$100,000 | Twenty (20) of the current legacy video surveillance cameras of various makes and models will be replaced with modern Axis IP cameras. |
| Technology & Information Systems | Security Video System Storage Expansion | \$50,000 | This acquisition is to add equipment necessary to meet RTAA’s security video retention requirements. |

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Property, Plant, and Equipment

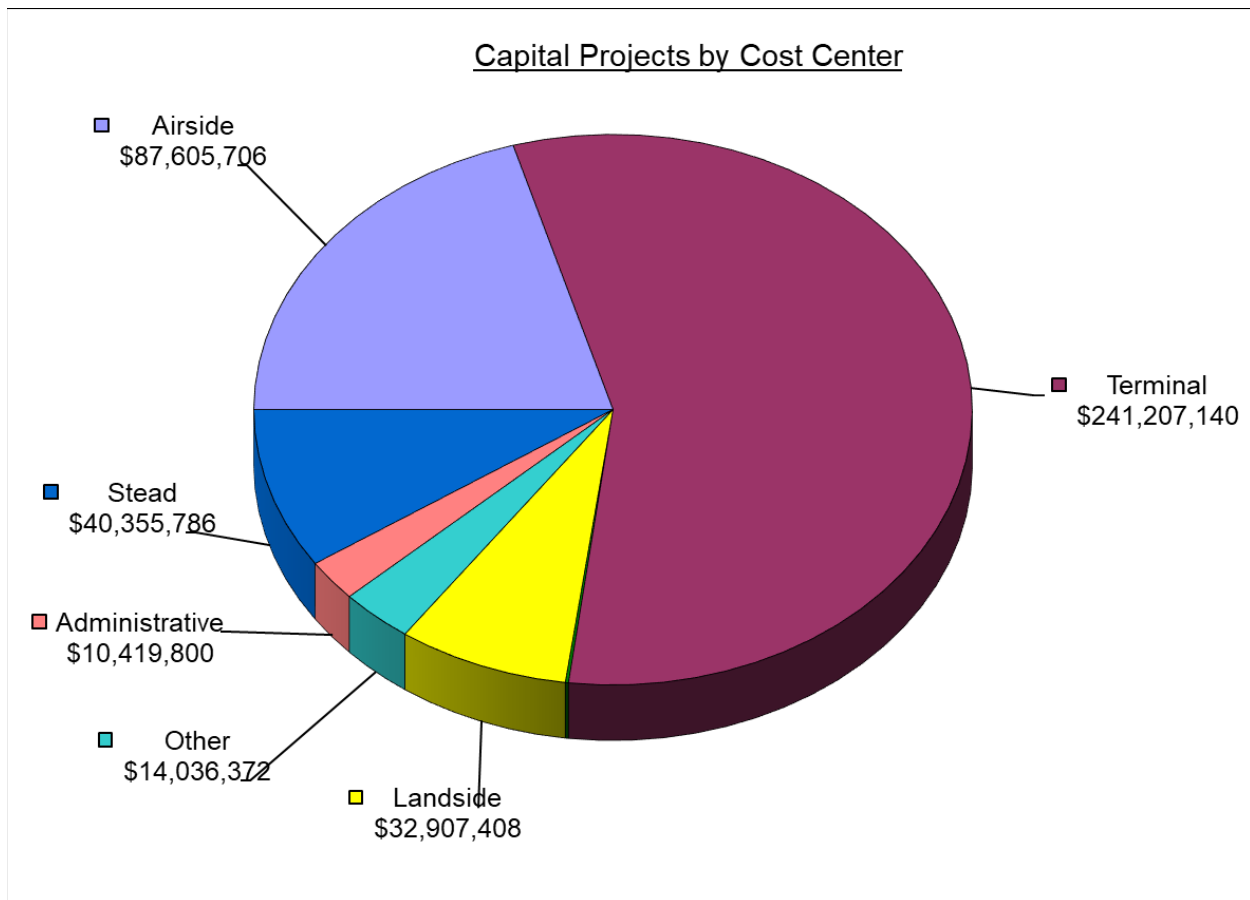
| Division | Description | Amount | Total |
|---------------------------------------|---|---------------|---------------------|
| 253 Technology & Information Systems | | | |
| | Replace (20) Axis IP video surveillance cameras | \$ 100,000 | |
| | Security Video Management System Storage Expansion | 50,000 | |
| | Optifiber Pro Quad OTDR Module | 21,275 | |
| | Replacement of 4 access-controlled egress doors | 20,000 | |
| | | | \$ 191,275 |
| 254 Reno-Stead Airport | | | |
| | GRACO 17K585 LineLazer V 200HS HP Reflective Gas Hydraulic Airless Line Striper-Paint striping machine | \$ 24,500 | |
| | | | \$ 24,500 |
| 303 Purchasing & Materials Management | | | |
| | Stretch Wrap Machine, Semi-Automatic | 10,500 | |
| | | | \$ 10,500 |
| 404 Airport Rescue & Fire | | | |
| | Zoll Defibrillator | \$ 32,933 | |
| | | | \$ 32,933 |
| 405 Airport Police | | | |
| | 2- Chevrolet Tahoe SUV/Police Package Accessorized- Patrol Vehicles (Replacement of VL211 and VL212) | \$ 124,000 | |
| | Chevrolet Tahoe SUV/Police Package Accessorized- Patrol Vehicles (Additional) | 62,000 | |
| | Chevrolet Tahoe SUV/Police Package Accessorized- Supervisor (Replacement of VL204) | 62,000 | |
| | Chevrolet Silverado 1/2 ton Crew Cab Pickup, 4wheel Drive/ Kennel K-9 (Replacement of VL206) | 56,000 | |
| | | | \$ 304,000 |
| 407 Airport Security | | | |
| | Security Breakroom Furniture | \$ 16,333 | |
| | | | \$ 16,333 |
| 602 Airfield Maintenance | | | |
| | Western Star 4,000 Gallon 10 Wheel Water Truck | \$ 250,000 | |
| | 410L John Deere Backhoe w/thumb, (2) backhoe buckets (14 inch and 28 inch) and one (1) "sheep's foot" compaction attachment | \$ 160,000 | |
| | | | \$ 410,000 |
| 603 Building Maintenance | | | |
| | Atlas Copco GA11VSD+ 15hp Variable speed drive air compressor | \$ 16,500 | |
| | | | \$ 16,500 |
| TOTAL | | | \$ 1,006,041 |

**Reno-Tahoe Airport Authority
 FY 2021-22
 ANNUAL BUDGET
 Section 8 – Capital Projects**

CAPITAL IMPROVEMENT PROGRAM

The RTAA’s Capital Improvement Program, as updated during the FY 2021-22 budget process, is a rolling five to seven-year program that provides for critical improvements and asset preservation. Funding sources for the projects are primarily Federal Airport Administration (FAA) Airport Improvement Program (AIP) Grants, Passenger Facility Charges (PFC), Customer Facility Charges (CFC), and internal funds generated from RTAA operations. In addition, the RTAA has the option of issuing airport system debt with repayment source options including PFCs, CFCs, and airport system revenues.

The following graph outlines the RTAA’s FY 2020-21 to FY 2027-28 Capital Improvement Program of \$427.132 million by cost center:

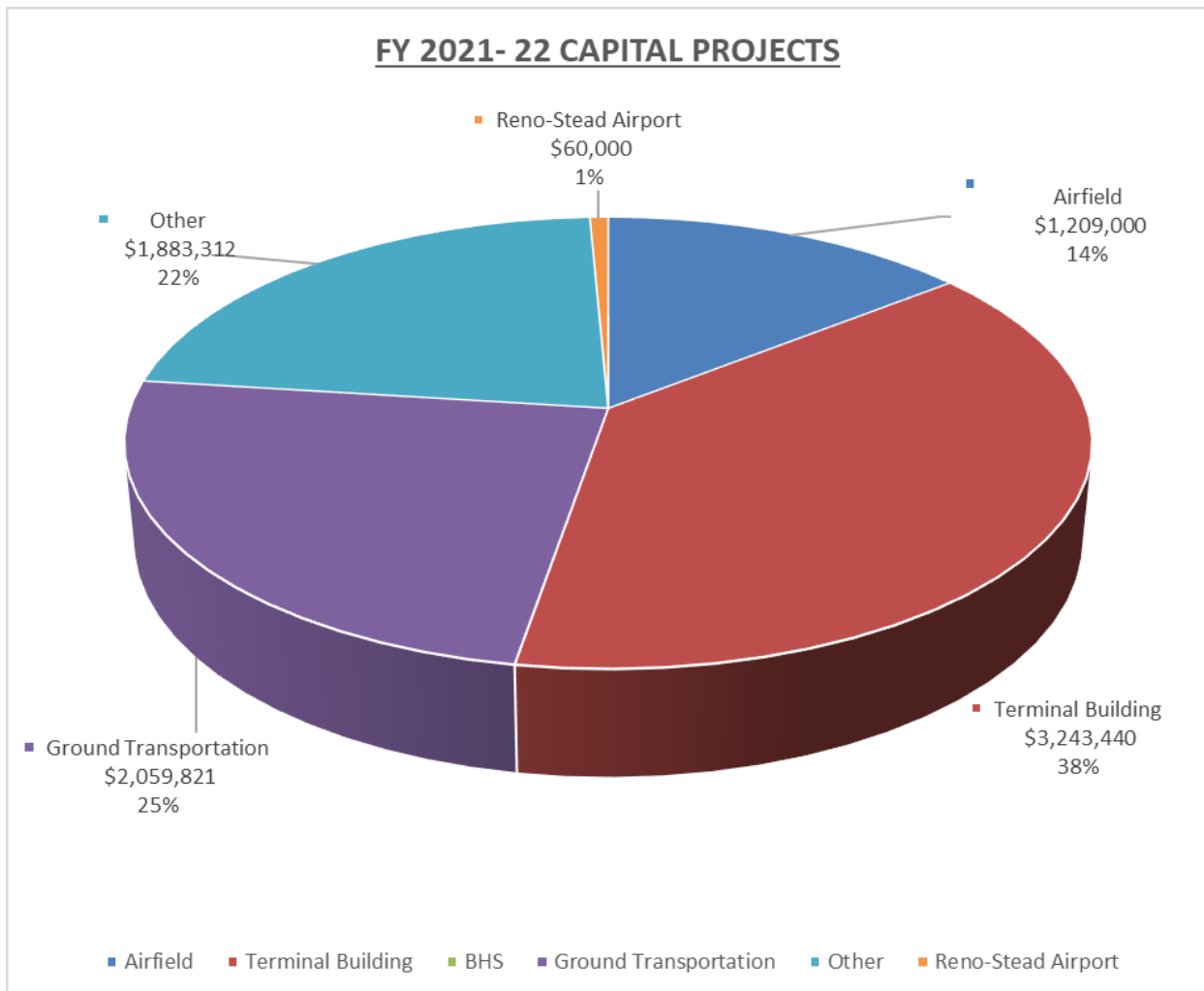


The specific projects supporting this graph are listed on schedules located at the back of this section.

**Reno-Tahoe Airport Authority
 FY 2021-22
 ANNUAL BUDGET
 Section 8 – Capital Projects**

Capital Projects – Internally Generated Funding or Rental Car Customer Facility Charges (CFC)

Capital Projects planned for RNO and RTS in FY 2021-22 and funded from RTAA internally generated and other local funds (primarily the general purpose account, the special account, and the rental car customer facility charges (CFC) account), are estimated to be \$8.456 million. The following chart shows the classification by cost center of the FY 2021-22 budgeted capital projects using internal RTAA funding:



The approved budget represents an increase of \$1.016 million or 13.7% above the FY 2020-21 Budget. The capital projects shown on the schedule following this section are the result of the FY 2021-22 budget process and the RTAA’s on-going capital improvement program.

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 8 – Capital Projects

During the budget process all capital projects were prioritized and evaluated based on the following three criteria:

1. High Priority – Life safety, security, or regulatory requirement.
2. Moderate Priority – Preventative maintenance and customer service enhancement.
3. Low Priority – Not Urgent; could be deferred to a future budget year.

For the internally funded capital projects approved through this process, a project narrative is provided that further explains the nature of the capital improvements along with the financial impact on airline rates, and the estimated operating revenue and/or expense impact over the next three years.

The airline agreement specifies a process for the airlines to review and approve or disapprove capital projects if the cost of the project or associated debt service to be included in the Airfield, Terminal Building and Baggage Handling System (BHS) cost centers exceeds established limits. Under the agreement, the first \$1 million of projects in the Airfield Cost Center, \$2 million in the Terminal Building Cost Center, and \$500,000 in the BHS Cost Center are not subject to the Majority-In-Interest (MII) airline disapproval process. For a full description of the MII process, see Section 5 Financial Plan - Airline Agreement. Projects over \$300,000 must be amortized over their useful life and not charged to airlines in one year's rates.

Of the 25 projects included in the FY 2021-22 Budget one capital project was subject to the MII requirements outlined above. The project requiring an MII disapproval vote is in the Airfield cost center and described as follows:

Part 139 Operational Database Replacement - This project consists of the replacement of existing Part 139 inspection database. To meet its airfield operations and safety obligations under 14 CFR Part 139, the RTAA employs an automated Part 139 record keeping system. This system manages airfield inspection, maintenance, and training activities and records. RTAA is required to produce documentation verifying compliance in these areas during each annual Part 139 Safety Inspection. Successful passage of these inspections is required to maintain an Airfield Operations Certificate. The RTAA currently uses a record-keeping system that was designed, built, and supported by prior Airport Operations personnel more than 12 years ago. These resources are no longer available. This makes it difficult to maintain and upgrade the system. In addition, RTAA is unable to integrate the existing system with its more modern systems. This requires that data be transferred manually which is inefficient and error prone. The RTAA will replace this aging system with a contemporary Part 139 inspection system that can be supported and integrated into other airport systems. Design, selection, and implementation of a replacement system is estimated to cost \$300,000. In addition to the system costs, this also includes costs associated with professional services required to conduct needs analysis, design, training, software support, and data migration activities and services. The implementation is anticipated to take 12 to 18 months, beginning in the Fall of 2021.

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 8 – Capital Projects

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

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

The table below provides an overall cost summary of the FY 2021-22 internally funded Capital Project Program, the associated impact on airline rates and charges and estimated incremental revenues and operating and maintenance (O&M) expenses/(savings) over the next three years.

| DESCRIPTION | UNIT OF MEASURE | AMOUNT |
|--|------------------------|-------------|
| Project Cost | | \$8,455,573 |
| <i>Rate Impact</i> | | |
| Impact on Landing Fee Rate | Per 1,000 Lbs. | \$ 0.14 |
| Impact on Terminal Rental Rate (Revenue Sharing) | Per Square Foot | \$ 10.31 |
| Impact on the Baggage Handling System | Per Processed Bag | \$ 0.00 |
| Impact on Airline Cost per Enplaned Passenger | Per Enplaned Passenger | \$ 1.17 |
| <i>Additional Revenue</i> | | |
| Fiscal Year 2021-22 | | \$0 |
| Fiscal Year 2022-23 | | \$0 |
| Fiscal Year 2023-24 | | \$0 |
| <i>Additional O&M Expense/(Savings)</i> | | |
| Fiscal Year 2021-22 | | \$(2,500) |
| Fiscal Year 2022-23 | | \$20,500 |
| Fiscal Year 2023-24 | | \$20,000 |

| FY 2021-22 Capital Project Budgets | | | | COST CENTER | | | | | | | Other Funding Sources | | |
|---|---|-------------|---------------------|-------------------|----------------------|-------------|-------------------|-------------------|-----------------------|-------------------------|-----------------------|---|--|
| Item | Project Administrator (Amortization Years) | Category | Estimate | Airfield | Terminal Building | BHS | Landside | Other | Reno-Stead Airport | General Purpose Fund | Special Fund | AIP Grant, PFC, Fuel Tax Funds, CFC, or Other | |
| Reno-Tahoe International Airport | | | | | | | | | | | | | |
| 1 | TIS | IT | 300,000 | 300,000 | | | | | | - | | | |
| 2 | AED | Pavement | 59,220 | | | | | 59,220 | | - | | | |
| 3 | AED | Pavement | 53,970 | | | | | 53,970 | | - | | | |
| 4 | AED | Maintenance | 18,900 | | | | | 18,900 | | - | | | |
| 5 | Engineering | Other | 610,400 | | | | | | | 610,400 | | | |
| 6 | Engineering | Other | 261,600 | | | | | | | 261,600 | | | |
| 7 | Airfield | Maintenance | 60,000 | | | | 60,000 | | | - | | | |
| 8 | AED | Maintenance | 33,130 | | | | | 33,130 | | - | | | |
| 9 | Engineering | Other | 2,740,000 | | | | | | | 2,740,000 | | | |
| 10 | Engineering | Maintenance | 1,340,880 | | | | | | | 1,340,880 | | | |
| 11 | Engineering | Pavement | 800,000 | | | | | | | 800,000 | | | |
| 12 | Engineering | Pavement | 600,000 | | | | | | | 600,000 | | | |
| 13 | Engineering | Maintenance | 253,440 | | 253,440 | | | | | - | | | |
| 14 | Engineering | Other | 140,000 | | | | - | 140,000 | | - | | | |
| 15 | Airfield | Maintenance | 75,000 | 75,000 | | | | | | - | | | |
| 16 | Airfield | Maintenance | 9,000 | 9,000 | | | | | | - | | | |
| 17 | Building Maintenance | Maintenance | 250,000 | | 250,000 | | | | | - | | | |
| 18 | AED | Pavement | 397,800 | | | | | | | 397,800 | | | |
| 19 | AED | Other | 80,200 | | | | | 80,200 | | - | | | |
| 20 | AED | Maintenance | 58,092 | | | | | 58,092 | | - | | | |
| 21 | Landside | Maintenance | 58,941 | | | | 58,941 | | | - | | | |
| 22 | Airfield | Maintenance | 10,000 | 10,000 | | | | | | - | | | |
| 23 | Fire | Other | 15,000 | 15,000 | | | | | | - | | | |
| 24 | Engineering | Other | 70,000 | | | | | 70,000 | | - | | | |
| 25 | Engineering | Other | 100,000 | | | | | 100,000 | | - | | | |
| | Sub Total | | \$ 8,395,573 | \$ 409,000 | \$ 503,440 | \$ - | \$ 118,941 | \$ 613,512 | \$ - | \$ 6,750,680 | \$ - | \$ - | |
| Reno-Stead Airport | | | | | | | | | | | | | |
| 25 | Reno-Stead | Security | 60,000 | | | | | | 60,000 | | \$ - | | |
| | Sub Total | | \$ 60,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 60,000 | \$ - | \$ - | \$ - | |
| | Total | | \$ 8,455,573 | \$ 409,000 | \$ 503,440 | \$ - | \$ 118,941 | \$ 613,512 | \$ 60,000 | \$ 6,750,680 | \$ - | \$ - | |

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 8 – Capital Projects

Reno-Tahoe International Airport (RNO)

RNO Ticketing Hall Expansion Project

This project consists of the design phase of the ticketing hall expansion, preparation of bid specification documents, and permits. Staff will be using the Construction Manager at Risk (CMAR) delivery method for the entire project. The scope of the project is to extend the west frontage towards the drop off lanes on loop road, modify existing structural components, construct new bathrooms, and tenant spaces.

| | |
|---|-------------|
| <u>Project Cost</u> | |
| Design (includes materials, equipment, labor) | \$2,740,000 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$1.12 |
| Impact on Airline Cost per Enplaned Passenger | \$0.10 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

TSA/Blue Parking Lot Rehabilitation Project

This project consists of the design, and construction phases of the Transportation Security Administration (TSA), and “Blue” employee parking lots. The existing TSA parking lot was last inspected in 2018 and had a Pavement Condition Index (PCI) of 51, considered poor. The Blue parking lot was last inspected in 2016 and had a PCI of 71, considered satisfactory. Based on recent visual inspections of both lots by Engineering and Maintenance staff the pavements have degraded to a point where both need full rehabilitation.

**Reno-Tahoe Airport Authority
 FY 2021-22
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 Section 8 – Capital Projects**

| | |
|--|-------------|
| <u>Project Cost</u> | |
| Design and Construction (includes materials, equipment, labor) | \$1,340,880 |
| <i>Rate Impact</i> (excluding potential revenue) | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$1.09 |
| Impact on Airline Cost per Enplaned Passenger | \$0.10 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

Air Cargo Way Lift Station Replacement and Relocation

This project consists of demolishing the existing sanitary sewer lift station on Air Cargo Way and reconstructing a new lift station outside the travel lanes of Air Cargo Way. The existing sanitary sewer lift station is in the travel way of Air Cargo Way and has reached the end of its useful life.

| | |
|--|-----------|
| <u>Project Cost</u> | |
| Design and Construction (includes materials, equipment, labor) | \$872,000 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.71 |
| Impact on Airline Cost per Enplaned Passenger | \$0.07 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |

Reno-Tahoe Airport Authority
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ANNUAL BUDGET
Section 8 – Capital Projects

| | |
|---|-----|
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

Airside Pavement Management

This project will fund airside pavement and maintenance projects identified by RTAA Engineering and Maintenance staff based on the pavement management reports and field observations that may not qualify for federal Airport Improvement Project (AIP) grant funds. Additionally, the project will pay for the annual PCI inspections and report as required to receive FAA AIP grant funding for airside projects at RNO & RTS.

| | |
|--|-----------|
| <u>Project Cost</u> | |
| Design and Construction (includes materials, equipment, labor) | \$800,000 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.65 |
| Impact on Airline Cost per Enplaned Passenger | \$0.06 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

| | |
|---|-----|
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

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Landside Pavement Management

This project consists of landside pavement and maintenance projects identified by RTAA Engineering and Maintenance staff based on pavement management reports and field observations. Additionally, the project will pay for the annual PCI inspections and report as part of the RTAA pavement management system of landside pavements around RNO properties.

| | |
|--|-----------|
| <u>Project Cost</u> | |
| Design and Construction (includes materials, equipment, labor) | \$600,000 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.49 |
| Impact on Airline Cost per Enplaned Passenger | \$0.05 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/(Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

General Aviation (GA) West Hangar 9 Concrete Repair

This project consists of replacement of 12,000 square feet of concrete inside hangars and exterior sidewalks as listed in the GA West Facilities Assessment by EMG, which was completed in 2019. Concrete is in rough shape, there are holes and cracks throughout, creating trip hazards in some areas.

| | |
|---|-----------|
| <u>Project Cost</u> | |
| Construction (includes materials, equipment, labor) | \$397,800 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.33 |
| Impact on Airline Cost per Enplaned Passenger | \$0.03 |

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| | |
|---|-----|
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

Part 139 Operational Database Replacement

This project consists of the design, selection, and implementation of the Part 139 inspection system that can be supported and integrated into other airport systems. The system is required to meet airfield operations and safety obligations under 14 CFR Part 139, to maintain an Airfield Operations Certificate. RTAA currently uses an Access based record-keeping system that was designed, built, and supported by prior Airport Operations personnel more than 12 years ago.

| | |
|---|-----------|
| <u>Project Cost</u> | |
| System Upgrade (includes materials, equipment, labor) | \$300,000 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.11 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.01 |
| Impact on Airline Cost per Enplaned Passenger | \$0.16 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$37,500 |
| Fiscal Year 2023-24 | \$37,500 |

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Airport Terminal Lift Station Controls Junction Boxes Relocation Project

This project consists of the construction of new lift station controls junction boxes outside the existing lift station well at two locations. The project includes removal and replacement of 200 square feet (sf) of Portland Cement Concrete (PCC) Apron, new traffic rated junction boxes, cabling, and quick connects.

| | |
|--|-----------|
| Project Cost | |
| Design and Construction (includes materials, equipment, labor) | \$253,440 |
| Rate Impact | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$1.47 |
| Impact on Airline Cost per Enplaned Passenger | \$0.14 |
| Additional Revenue | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| Additional O&M Expense/ (Savings) | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

Phase V of the Building Controls System Upgrade

This project consists of the replacement of aging pneumatic control system that has reached the end of its useful life. This equipment provides digital controls for the area temperature zone control and monitoring. The project will include the controls for air handlers that supply heating and cooling to the administrative area and mechanical work to correct airflow and climate control issues. The project budget will cover design, work scope development and contractor installation.

| | |
|--|-----------|
| Project Cost | |
| Design and System Upgrade (includes materials, equipment, labor) | \$250,000 |
| Rate Impact | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$1.45 |
| Impact on Airline Cost per Enplaned Passenger | \$0.14 |
| Additional Revenue | |
| Fiscal Year 2021-22 | \$0 |

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| | |
|---|-----|
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

Front Reception Lobby Redesign

This project consists of the remodel of the front reception lobby including relocation of the reception desk area to create a more secured location and an exit to the secured administration area, new millwork, updating the lobby area, and relocating lost and found.

| | |
|--|-----------|
| <u>Project Cost</u> | |
| Design and Construction (includes materials, equipment, labor) | \$140,000 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.57 |
| Impact on Airline Cost per Enplaned Passenger | \$0.05 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

Hangar 2 Demolish Mezzanines

This project consists of the demolition of unsafe mezzanines and patching back walls as needed. Walls will need to be tested for asbestos containing materials and remediated as needed, prior to demolition. The existing walls and mezzanines do not meet code, are unsafe, and need to be demolished prior to leasing.

| | |
|--|----------|
| <u>Project Cost</u> | |
| Design and Construction (includes materials, equipment, labor) | \$80,200 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |

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| | |
|---|--------|
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.33 |
| Impact on Airline Cost per Enplaned Passenger | \$0.03 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

South C Concourse Lower Energy Light -Emitting Diode (LED) Fixtures

This project consists of replacement of 16 existing high wattage and aging 1000-watt High Intensity Discharge (HID) pole-mounted light fixtures with 12 energy-efficient LED units.

| | |
|---|-----------|
| <u>Project Cost</u> | |
| Construction (includes materials, equipment, labor) | \$75,000 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.03 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.00 |
| Impact on Airline Cost per Enplaned Passenger | \$0.04 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$(9,500) |
| Fiscal Year 2023-24 | \$(9,500) |

Clerestory Wall Repair

This project consists of the design and installation of a vertical expansion joint system and repair of the existing stucco wall. This will include the removal of damaged stucco on upper section of the east side of terminal skywalk structure.

| | |
|--|----------|
| <u>Project Cost</u> | |
| Design and Construction (includes materials, equipment, labor) | \$70,000 |
| <i>Rate Impact</i> | |

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| | |
|---|--------|
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.29 |
| Impact on Airline Cost per Enplaned Passenger | \$0.03 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

Long-Term Parking Surface Lot Backup Power Project

This project consists of the installation of a permanent 30KW backup generator with 100-amp automatic transfer switch in the long-term parking surface lot. This system will provide backup power to the area lighting for the long-term surface lot, the terminal entrance loop road, and the Blue lot, as well as the over the road guidance signs on the southern end of the loop road and the entrance gates to the Blue lot during the loss of utility power to these areas.

| | |
|---|----------|
| <u>Project Cost</u> | |
| Construction (includes materials, equipment, labor) | \$60,000 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.25 |
| Impact on Airline Cost per Enplaned Passenger | \$0.02 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

Stead Security System Upgrade

This project consists of the replacement of cameras, gate controls, and communications equipment necessary to fully integrate the Stead security system into our existing Genetec and Lennel security systems. The existing security system at the Stead Airport is antiquated and not fully integrated into the main security system monitored by Airport Communications.

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| | |
|---|----------|
| <u>Project Cost</u> | |
| System Upgrade (includes materials, equipment, labor) | \$60,000 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.25 |
| Impact on Airline Cost per Enplaned Passenger | \$0.02 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

GA West Concrete Repair

This project consists of the replacement of 3,900 square feet of concrete in multiple hangars and exterior sidewalks as listed in the GA West Assessment by EMG, completed in 2019. Concrete is in rough shape, there are holes and cracks throughout, creating trip hazards.

| | |
|---|----------|
| <u>Project Cost</u> | |
| Construction (includes materials, equipment, labor) | \$59,220 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.24 |
| Impact on Airline Cost per Enplaned Passenger | \$0.02 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

Blue Employee Lot PARCS Equipment

This project consists of the installation of ticket dispensers, ticket readers, credit card readers, and license plate recognition cameras in the Blue employee lot. This will allow the RTAA to

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operate this lot for customers at a moment’s notice without the need for additional staff or planning. This would effectively provide over 100 additional spaces always ready for customers.

| | |
|---|-----------|
| <u>Project Cost</u> | |
| System Upgrade (includes materials, equipment, labor) | \$58,941 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.24 |
| Impact on Airline Cost per Enplaned Passenger | \$0.02 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$(2,500) |
| Fiscal Year 2022-23 | \$(3,000) |
| Fiscal Year 2023-24 | \$(3,500) |

GA West Box Hangar Siding Repair (Hangars 2,7,8, and 9)

This project consists of the repair of approximately 2,600 square feet box hangar siding, as identified in the 2019 EMG GA facility assessment. This project will prevent the continual degrade of the structure due to holes, and open seams that allow weather and vermin into the hangars.

| | |
|---|----------|
| <u>Project Cost</u> | |
| Construction (includes materials, equipment, labor) | \$58,092 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.24 |
| Impact on Airline Cost per Enplaned Passenger | \$0.02 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

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GA East Concrete Repair

This project consists of the replacement of 3,500 square feet of concrete in multiple hangars and exterior sidewalks as listed in the GA East facility assessment by EMG, which was completed in 2019. Existing concrete is in rough shape. There are holes and cracks throughout, creating trip hazards in some areas.

| | |
|---|----------|
| <u>Project Cost</u> | |
| Construction (includes materials, equipment, labor) | \$53,970 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.22 |
| Impact on Airline Cost per Enplaned Passenger | \$0.02 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

GA East Box Hangar Siding Repair (Hangars E, F, and G)

This project consists of replacing approximately 1,500 square feet of box hangar siding, as identified in the 2019 EMG facilities assessment. This project will prevent the continual degrade of the structure due to holes, and open seams that allow weather and vermin into the hangars.

| | |
|---|----------|
| <u>Project Cost</u> | |
| Construction (includes materials, equipment, labor) | \$33,130 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.14 |
| Impact on Airline Cost per Enplaned Passenger | \$0.01 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |

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| | |
|---------------------|-----|
| Fiscal Year 2023-24 | \$0 |
|---------------------|-----|

T-Hangar Electrical Upgrade Phase III

This project consists of the installation of new 200-amp panel and split existing electrical circuits to allow individual sections to be on individual circuit breakers. Hangars were built with small electrical loads and no heating. Today’s block heaters and other items installed by tenants overload these circuits.

| | |
|---|----------|
| <u>Project Cost</u> | |
| System Upgrade (includes materials, equipment, labor) | \$18,900 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.08 |
| Impact on Airline Cost per Enplaned Passenger | \$0.01 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

Fire Administration Area Remodel

This project consists of removal of the current counter and moving the Deputy Chief’s door from the south wall to the east wall, adding a wall and door to close in the secretarial/reception area, relocate a light fixture, speaker, and fire detector, and the addition of electrical outlets and data ports to the new wall.

| | |
|--|----------|
| <u>Project Cost</u> | |
| Design and Construction (includes materials, equipment, labor) | \$15,000 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.06 |
| Impact on Airline Cost per Enplaned Passenger | \$0.01 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |

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| | |
|---|-----|
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

Airfield Annex Shop Door Refurbishment

This project consists of refurbishing an existing 14’X12’ shop door by replacing the axle shaft, bearings, springs, hinge rollers, operator, repairs to tracks and other components related to door operation. Existing sectional panels are serviceable, will be retained and reused.

| | |
|---|----------|
| <u>Project Cost</u> | |
| Construction (includes materials, equipment, labor) | \$10,000 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.04 |
| Impact on Airline Cost per Enplaned Passenger | \$0.01 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |

Fire House Pole Lighting Retrofit

This project consists of replacing 17 high-consumption 250-watt HID pole-mounted light fixtures with 17 energy-efficient LED units.

| | |
|--|---------|
| <u>Project Cost</u> | |
| Design and Construction (includes materials, equipment, labor) | \$9,000 |
| <i>Rate Impact</i> | |
| Impact on Landing Fee Rate | \$0.00 |
| Impact on Terminal Rental Rate (Revenue Sharing) | \$0.04 |
| Impact on Airline Cost per Enplaned Passenger | \$0.01 |
| <i>Additional Revenue</i> | |
| Fiscal Year 2021-22 | \$0 |

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| | |
|---|-----------|
| Fiscal Year 2022-23 | \$0 |
| Fiscal Year 2023-24 | \$0 |
| <i>Additional O&M Expense/ (Savings)</i> | |
| Fiscal Year 2021-22 | \$0 |
| Fiscal Year 2022-23 | \$(4,500) |
| Fiscal Year 2023-24 | \$(4,500) |

CAPITAL IMPROVEMENT PROGRAM

The remainder of the Capital Improvement Program, as updated during the FY 2021-22 Budget, represents projects funded from FAA Airport Improvement Program (AIP), Passenger Facility Charges (PFC), and airport revenue debt, if applicable.

Both AIP Grant and PFC dependent projects will not be implemented until a funding source is approved and awarded by the FAA.

Airport Improvement Program (AIP)

AIP grants are offered to the RTAA by the FAA to provide funding assistance to those eligible capital projects that meet the criteria of the federal program. The objective of this FAA program is to assist in the development of a nationwide system of public use airports, to ensure the safe and secure operation of the airport and airway system, and to meet the projected needs of the public. The program not only provides funding for development projects, but also airport planning and noise compatibility programs.

The program is funded by aviation use fees, which are collected and deposited into the Airport and Airway Trust Fund that generates the revenues in support of the AIP. The U.S. Congress authorizes expenditures from this dedicated fund on an annual basis each year. The AIP program includes entitlement and discretionary funding. Entitlement funds are awarded to eligible sponsors through a formula based on the number of passenger boardings (enplanements) and cargo tonnage. Discretionary funds are set aside to provide the FAA with flexibility to fund various high priority programs.

The AIP Program typically funds 93.75% of eligible projects at both airports. The RTAA’s General Purpose and Special funds are primarily used for the RTAA’s (sponsor’s) matching share of 6.25% of the FAA grants. However, PFC funds may be used subject to FAA approval. The 2020 CARES Act provided funding to increase the federal share of all FAA AIP grants issued in federal fiscal year 2020, and 2021. Unless extended by amendment or included in a new authorization, airport sponsor share requirements will resume for AIP grants issued after September 30, 2021.

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During the FAA Fiscal Year of 2020, which ended September 30, 2020, the RTAA received \$21.578 million of AIP grants for RNO and \$953,700 of AIP grants for RTS.

Passenger Facility Charge (PFC)

PFCs were initially authorized through the Aviation Safety and Capacity Expansion Act of 1990. The Act allowed public agencies, which manage commercial airports, to charge each enplaning passenger a facility charge in accordance with FAA requirements. The passenger facility charge is levied on the passenger tickets, collected by the airline, and forwarded to the airport (less a handling fee charged by the airlines). The revenues collected through PFCs are to preserve or enhance safety, security, and capacity, to reduce noise, or to enhance competition.

The primary difference between AIP and PFC is that the PFC is a fee directly assessed to the passenger, it is administratively retained by the airport, and it is considered local funds versus federal funds.

In October 1993, the RTAA received approval from the Federal Aviation Administration (FAA) to impose a PFC of \$3.00 per enplaned passenger. Collection began January 1, 1994. In May 2001, the PFC was increased to \$4.50 per enplaned passenger with collection beginning August 1, 2001. Several FAA approved projects are being funded by the PFC collections.

As of June 30, 2021, the RTAA has received collection authority to impose and use \$58,961,287 on four open FAA approved PFC applications. The FY 2021-22 Budget is forecasting PFC revenues and interest of \$5.654 million.

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

| | Prior | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | Total |
|--------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|---------------------|
| | Years Actual | Forecast | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | FY21-28 Forecast |
| USES OF FUNDS | | | | | | | | | | |
| Airside | 22,764,720 | 21,559,093 | 31,511,620 | 1,736,274 | 800,000 | 2,657,000 | 2,977,000 | 2,800,000 | 800,000 | 87,605,706 |
| Terminal | 7,922,074 | 7,190,326 | 5,720,340 | 28,261,400 | 13,300,000 | 51,808,000 | 66,018,000 | 60,687,000 | 300,000 | 241,207,140 |
| BHS | - | - | - | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 600,000 |
| Landside | 1,286,240 | 3,180,547 | 10,101,601 | 13,401,020 | 917,000 | 1,034,000 | 1,139,000 | 973,000 | 875,000 | 32,907,408 |
| Other | 905,847 | 124,213 | 1,643,312 | 1,000,000 | 1,360,000 | 3,111,000 | 3,292,000 | 1,600,000 | 1,000,000 | 14,036,372 |
| Administrative | 3,923,788 | 1,756,012 | 240,000 | 750,000 | 750,000 | 750,000 | 750,000 | 750,000 | 750,000 | 10,419,800 |
| Stead | 2,076,263 | 5,663,931 | 4,161,412 | 5,677,412 | 7,484,405 | 7,903,164 | 5,752,362 | 815,940 | 820,898 | 40,355,786 |
| | 38,878,931 | 39,474,122 | 53,378,285 | 50,926,106 | 24,711,405 | 67,363,164 | 80,028,362 | 67,725,940 | 4,645,898 | 427,132,212 |
| SOURCES OF FUNDS | | | | | | | | | | |
| Federal Grants -Entitlement | 4,838,200 | 5,186,600 | 5,337,700 | 5,479,700 | 5,774,200 | 5,237,300 | 5,296,900 | 2,343,750 | 468,750 | 39,963,100 |
| Federal Grants -Discretionary | 14,459,093 | 15,296,484 | 25,995,068 | 418,369 | 1,266,425 | 5,100,805 | 3,357,221 | - | - | 65,893,466 |
| Passenger Facility Charges | 12,780,133 | 12,748,491 | 6,521,969 | 25,545,937 | 10,022,500 | 6,432,518 | 6,455,018 | 5,453,390 | - | 85,959,955 |
| Operating Funds | - | - | - | - | - | - | - | - | - | - |
| General Purpose | 4,850,579 | 2,761,421 | 8,395,573 | 18,550,000 | 6,592,000 | 8,903,875 | 10,429,875 | 9,730,775 | 3,550,000 | 73,764,098 |
| Customer Facility Charge | 823,461 | 2,933,326 | 6,650,000 | 275,000 | 275,000 | 275,000 | 275,000 | 275,000 | 275,000 | 12,056,787 |
| Fuel Tax Fund | - | - | - | - | - | - | - | - | - | - |
| Special Fund | 63,253 | 341,075 | 305,563 | 479,688 | 591,875 | 618,145 | 483,379 | 176,250 | 176,250 | 3,235,477 |
| RTAA Grant Fund | - | - | - | - | - | - | - | - | - | - |
| RTAA Flood Fund | - | - | - | - | - | - | - | - | - | - |
| RTAA Conduit Fund | - | - | - | - | - | - | - | - | - | - |
| Acquisition Fund | - | - | - | - | - | - | - | - | - | - |
| Consent Degree Fund | 1,064,213 | 206,724 | 172,412 | 177,412 | 189,405 | 187,851 | 193,299 | 170,940 | 175,898 | 2,538,154 |
| Subordinate Lien Revenue Notes | - | - | - | - | - | - | - | - | - | - |
| Senior Lien Bonds | - | - | - | - | - | 40,607,670 | 53,537,670 | 49,575,835 | - | 143,721,175 |
| | 38,878,931 | 39,474,122 | 53,378,285 | 50,926,106 | 24,711,405 | 67,363,164 | 80,028,362 | 67,725,940 | 4,645,898 | 427,132,212 |

**CAPITAL IMPROVEMENT PROGRAM
FY2021- Five Year Plan
Reno-Tahoe Airport Authority**

| Priority No. | Prior Years Actual | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | Total |
|--|--------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | | Forecast | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
| | | 21,500 | - | - | - | - | - | - | - | 21,500 |
| 600 Gallon Used Oil Collectionn Underground Storage Tank Removal | | | 10,000 | - | - | - | - | - | - | 10,000 |
| Airfield Annex Shop Door Refurbishment | 373,618 | 316,383 | - | - | - | - | - | - | - | 690,000 |
| Airfield Pavement Maintenance Program (2019-20) | - | - | 800,000 | - | - | - | - | - | - | 800,000 |
| Airfield Pavement Maintenance Program (2021-22) | - | - | - | 800,000 | 800,000 | 800,000 | 800,000 | 800,000 | 800,000 | 4,800,000 |
| Airfield Pavement Maintenance Program (2023-28) | - | - | - | - | - | 264,000 | 337,000 | 309,000 | - | 910,000 |
| Airfield Pavement – New (not Deice) - Phase 1 | - | - | - | - | - | 150,000 | - | - | - | 150,000 |
| Airfield Pavement – Removal - Phase 1 | - | - | - | - | - | 1,012,000 | 1,291,000 | 1,186,000 | - | 3,489,000 |
| Airfield Pavement – Run Up Pads (3 total) | 301,924 | 3,370,076 | - | - | - | - | - | - | - | 3,672,000 |
| Airfield Wildlife Hazard Management | - | - | 810,000 | - | - | - | - | - | - | 810,000 |
| ARFF Vehicle #2 | 33,500 | 26,500 | - | - | - | - | - | - | - | 60,000 |
| AVA3 UPS Replacement | - | - | - | - | - | - | - | - | - | - |
| De-Icing Glycol Recovery System (Design) | - | - | - | - | - | - | - | - | - | - |
| De-Icing Glycol Recovery System (Construction) | - | - | - | - | - | - | - | - | - | - |
| Fire Admin Area Remodel | | | 15,000 | | | | | | | 15,000 |
| Firehouse Pole Lighting LED Retrofit | | | 9,000 | | | | | | | 9,000 |
| Mill Street Obstructions Power Poles and Street Lights | 265,503 | 14,497 | - | - | - | - | - | - | - | 280,000 |
| Part 139 Operational Database Replacement | | | 300,000 | | | | | | | 300,000 |
| Pavement Reconstruction - Airfield Maintenance Yard, Ph 1 | 1,014,722 | 5,278 | - | - | - | - | - | - | - | 1,020,000 |
| Perimeter Fence Improvements | 1,789,961 | 1,281,039 | - | - | - | - | - | - | - | 3,071,000 |
| Runway 16R/34L Rehabilitation and East Lighting Vault | 18,605,493 | 16,384,789 | 29,492,620 | 936,274 | - | - | - | - | - | 65,419,175 |
| Snow Removal Equipment, Ph II | 380,000 | 139,031 | - | - | - | - | - | - | - | 519,031 |
| South C Concourse HID Pole Lighting to LED | | | 75,000 | | | | | | | 75,000 |
| Terminal Apron & Deice Pads (Phase 1) | - | - | - | - | - | 431,000 | 549,000 | 505,000 | | 1,485,000 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| | 22,764,720 | 21,559,093 | 31,511,620 | 1,736,274 | 800,000 | 2,657,000 | 2,977,000 | 2,800,000 | 800,000 | 87,605,706 |

| Priority No. | Prior Years Actual | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | Total |
|---|--------------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|------------|------------------|
| | | Forecast | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | FY21-28 Forecast |
| TERMINAL | | | | | | | | | | |
| ACAMS and CCTV Remote Connectivity Upgrade | 61,881 | 88,119 | - | - | - | - | - | - | - | 150,000 |
| Access Control Keypad Replacement | 202,188 | 66,812 | - | - | - | - | - | - | - | 269,000 |
| Admin Space (Counter, Baggage Claim, Concessions, Other Space) | - | - | - | - | - | 9,788,000 | 12,488,000 | 11,474,000 | - | 33,750,000 |
| Airport Terminal Lift Station Controls Junction Boxes Relocation | - | - | 253,440 | - | - | - | - | - | - | 253,440 |
| Building Controls System Upgrade, Phase V | - | - | 250,000 | - | - | - | - | - | - | 250,000 |
| Building Demolition-Concourse C | - | - | - | - | - | 1,879,000 | 2,398,000 | 2,204,000 | - | 6,481,000 |
| Building Demolition-CBP | - | - | - | - | - | 858,000 | 1,095,000 | 1,006,000 | - | 2,959,000 |
| Concourse C (Design) | - | - | - | 10,000,000 | 10,000,000 | - | - | - | - | 20,000,000 |
| Concourse C (11 gates, phase 1) | - | - | - | - | - | 32,528,000 | 41,501,000 | 38,136,000 | - | 112,165,000 |
| Escalators | - | - | - | - | - | 157,000 | 200,000 | 183,000 | - | 540,000 |
| Jet Bridge Replacement, Ph 1 (Four Concourse "C" and Two Concourse "B") | 5,091,039 | 556,361 | - | - | - | - | - | - | - | 5,647,400 |
| Jet Bridge Replacement, Ph 2 (Four Concourse "B" and One Concourse "C") | 32,033 | 4,944,967 | - | - | - | - | - | - | - | 4,977,000 |
| Master Plan - Terminal Projects (FY 2022-25) | - | - | - | - | - | - | - | - | - | - |
| Mechanical Room Fire Sprinklers | 8,400 | 101,100 | - | - | - | - | - | - | - | 109,500 |
| Passenger Boarding Bridges (Phase 1) | - | - | - | - | - | 5,476,000 | 6,987,000 | 6,420,000 | - | 18,883,000 |
| Passenger Escalator Replacment (Sky bridge) | - | - | 1,000,000 | 361,300 | - | - | - | - | - | 1,361,300 |
| Passenger Escalator Replacement (Arrival/Departure) | - | - | 288,900 | 2,600,100 | - | - | - | - | - | 2,889,000 |
| Restrooms | - | - | - | - | - | 509,000 | 649,000 | 597,000 | - | 1,755,000 |
| Terminal Building System Renewal Program (FY 2020-26) | - | - | - | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 1,800,000 |
| Terminal Development (Concourse C) Planning Study | - | 792,000 | 1,188,000 | - | - | - | - | - | - | 1,980,000 |
| Terminal Development (Ticketing Hall) Planning Study | 97,226 | 102,774 | - | - | - | - | - | - | - | 200,000 |
| Terminal Development (Ticketing Hall) | - | - | - | - | - | - | - | - | - | - |
| Terminal Elevator / Escalator Replacement | 2,429,306 | 538,194 | - | - | - | - | - | - | - | 2,967,500 |
| Ticketing Hall Expansion (Design) | - | - | 2,740,000 | - | - | - | - | - | - | 2,740,000 |
| Ticketing Hall Expansion | - | - | - | 15,000,000 | 3,000,000 | - | - | - | - | 18,000,000 |
| Wayfinding and Signage (Lump Sum) | - | - | - | - | - | 313,000 | 400,000 | 367,000 | - | 1,080,000 |
| | \$ 7,922,074 | \$ 7,190,326 | \$ 5,720,340 | \$ 28,261,400 | \$ 13,300,000 | \$ 51,808,000 | \$ 66,018,000 | \$ 60,687,000 | \$ 300,000 | \$ 241,207,140 |

CAPITAL IMPROVEMENT PROGRAM
FY2021- Five Year Plan
Reno-Tahoe Airport Authority

BAGGAGE HANDLING SYSTEM

| Priority No. | Prior Years Actual | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | Total | |
|--------------|--------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------------|
| | | Forecast | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | FY21-28 Forecast |
| | | - | - | - | - | - | - | - | - | - | |
| | | - | - | - | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 600,000 |
| | | \$ - | \$ - | \$ - | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 600,000 |

LANDSIDE

| Priority No. | Prior Years Actual | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | Total |
|--------------|--------------------|--------------|---------------|---------------|------------|--------------|--------------|------------|------------|---------------|
| | | Forecast | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
| | | - | - | - | 42,000 | 118,000 | 212,000 | 51,000 | | 423,000 |
| | | | 58,941 | | | | | | | 58,941 |
| | 823,461 | 2,933,326 | - | - | - | - | - | - | - | 3,756,787 |
| | | | 6,650,000 | | | | | | | 6,650,000 |
| | | | | | | | | | | - |
| | | | | | | | | | | - |
| | | | | | | 41,000 | 52,000 | 47,000 | | 140,000 |
| | 462,779 | 247,221 | | | | | | | | 710,000 |
| | | | 600,000 | | | | | | | 600,000 |
| | | | | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 600,000 | 3,600,000 |
| | | | 60,000 | | | | | | | 60,000 |
| | | | | | | | | | | - |
| | | | | | | | | | | - |
| | | | | 275,000 | 275,000 | 275,000 | 275,000 | 275,000 | 275,000 | 1,650,000 |
| | | | 1,391,780 | 12,526,020 | | | | | | 13,917,800 |
| | | | 1,340,880 | | | | | | | 1,340,880 |
| | \$ 1,286,240 | \$ 3,180,547 | \$ 10,101,601 | \$ 13,401,020 | \$ 917,000 | \$ 1,034,000 | \$ 1,139,000 | \$ 973,000 | \$ 875,000 | \$ 32,907,408 |

CAPITAL IMPROVEMENT PROGRAM
FY2021- Five Year Plan
Reno-Tahoe Airport Authority

| OTHER | Priority No. | Prior Years Actual | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | Total |
|--|--------------|--------------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | | | Forecast | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
| | | | | 872,000 | | | | | | | 872,000 |
| Air Cargo Way Lift Station Replacement and Relocation | | | | - | | | | | | | 1,763,000 |
| Belly Cargo –Warehouse Space (square foot) | | | | - | | | | | | | 4,500,000 |
| Capital Project Allowance | | | | - | 750,000 | 750,000 | 750,000 | 750,000 | 750,000 | 750,000 | 70,000 |
| Clerestory Wall Structural Deficiency Repair | | | | - | 70,000 | | | | | | 73,000 |
| Consultation Services for Creation of a Pre-Application and Final Application for FAA Voluntary Airport Low Emissions (VALE) program | | 68,112 | 4,888 | - | - | - | - | - | - | - | 3,600,000 |
| GA East Apron and Taxiway Reconstruction | | | | - | | 360,000 | 1,600,000 | 1,640,000 | | | 53,970 |
| GA East Concrete Repair | | | | | | | | | | | 33,130 |
| GA East Box Hangar Siding Repair (Hangar E, F row and G) | | | | | | | | | | | 59,220 |
| GA West Concrete Repair | | | | | | | | | | | 58,092 |
| GA West Box Hangar Siding Repair (Hangar 2,7,8, and 9) | | | | | | | | | | | 397,800 |
| GA West Hangar 9 Concrete Repair | | | | | | | | | | | 80,200 |
| Hangar 2 Demolish Mezzanines | | | | | | | | | | | 100,000 |
| Hangar G Pavement Reconstruction | | | 100,000 | | | | | | | | 1,500,000 |
| Outside Properties Renewal Program | | | | | | 250,000 | 250,000 | 250,000 | 250,000 | 250,000 | 18,000 |
| T-Hangar Electrical Upgrade Phase II | | | 18,000 | | | | | | | | 18,900 |
| T-Hangar Electrical Upgrade Phase II | | | | | 18,900 | | | | | | 839,060 |
| TSA Operations Office Expansion and Remodel | | 837,734 | 1,325 | | | | | | | | |
| | | \$ 905,847 | \$ 124,213 | \$ 1,643,312 | \$ 1,000,000 | \$ 1,360,000 | \$ 3,111,000 | \$ 3,292,000 | \$ 1,600,000 | \$ 1,000,000 | \$ 14,036,372 |

| ADMINISTRATION | Priority No. | Prior Years Actual | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | Total |
|----------------|--------------|--------------------|--------------|------------|------------|------------|------------|------------|------------|------------|---------------|
| | | | Forecast | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
| | | | | 100,000 | | | | | | | 100,000 |
| | | 1,495,800 | - | - | - | - | - | - | - | - | 1,495,800 |
| | | 1,891,146 | 52,854 | - | - | - | - | - | - | - | 1,944,000 |
| | | - | - | - | - | - | - | - | - | - | - |
| | | 222,016 | 277,984 | - | - | - | - | - | - | - | 500,000 |
| | | | | - | | | | | | | - |
| | | 19,351 | 580,649 | - | - | - | - | - | - | - | 600,000 |
| | | - | - | - | - | - | - | - | - | - | - |
| | | | 300,000 | - | | | | | | | 300,000 |
| | | | | 140,000 | | | | | | | 140,000 |
| | | 295,475 | 194,525 | - | - | - | - | - | - | - | 490,000 |
| | | | 350,000 | - | | | | | | | 350,000 |
| | | - | - | - | 750,000 | 750,000 | 750,000 | 750,000 | 750,000 | 750,000 | 4,500,000 |
| | | \$ 3,923,788 | \$ 1,756,012 | \$ 240,000 | \$ 750,000 | \$ 750,000 | \$ 750,000 | \$ 750,000 | \$ 750,000 | \$ 750,000 | \$ 10,419,800 |

CAPITAL IMPROVEMENT PROGRAM
FY2021- Five Year Plan
Reno-Tahoe Airport Authority

| Priority No. | Prior Years Actual | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | Total |
|---|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|------------|---------------|
| | | Forecast | Budget | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast | Forecast |
| RENO STEAD | | | | | | | | | | |
| Airfield Pavement Program- RTS (2021-2026) | - | - | - | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 600,000 |
| Apron Phase 1, 2, and 3 Rehabilitation (Design) | 1,012,050 | 143,207 | - | - | - | - | - | - | - | 1,155,257 |
| Apron Phase 1 Rehabilitation (Construction) | - | 4,228,000 | - | - | - | - | - | - | - | 4,228,000 |
| Apron Phase 2 Rehabilitation (Construction) | - | 1,086,000 | 2,534,000 | - | - | - | - | - | - | 3,620,000 |
| Apron Phase 3 Rehabilitation (Construction) | - | - | 1,395,000 | 3,255,000 | - | - | - | - | - | 4,650,000 |
| Apron Phase 4 Rehabilitation (Construction) | - | - | - | 2,100,000 | 4,900,000 | - | - | - | - | 7,000,000 |
| Apron Phase 5 Rehabilitation (Construction) | - | - | - | - | 2,250,000 | 5,250,000 | - | - | - | 7,500,000 |
| Apron Phase 6 Rehabilitation (Construction) | - | - | - | - | - | 2,320,313 | 5,414,063 | - | - | 7,734,375 |
| Landside Pavement Program- RTS (2021-2026) | - | - | - | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 | 270,000 |
| Master Plan Study Update, ALP Update, and GIS Data Collection | - | - | - | - | - | - | - | 500,000 | 500,000 | 1,000,000 |
| Stead Security System Upgrade | - | - | 60,000 | - | - | - | - | - | - | 60,000 |
| Moya Boulevard Extension, Phase I and II (Design) | - | - | - | - | - | - | - | - | - | - |
| Moya Boulevard Extension, Phase I | - | - | - | - | - | - | - | - | - | - |
| Moya Boulevard Extension, Phase II | - | - | - | - | - | - | - | - | - | - |
| Stead Solvent Site | 1,064,213 | 206,724 | 172,412 | 177,412 | 189,405 | 187,851 | 193,299 | 170,940 | 175,898 | 2,538,154 |
| | \$ 2,076,263 | \$ 5,663,931 | \$ 4,161,412 | \$ 5,677,412 | \$ 7,484,405 | \$ 7,903,164 | \$ 5,752,362 | \$ 815,940 | \$ 820,898 | \$ 40,355,786 |

Section 9 – Debt

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 9 – Debt Summary

FY 2021-22 DEBT SERVICE

Total Debt Service Impact

Total debt service for FY 2021-22 is budgeted to be \$2,250,450, a slight decrease of \$2,475 from the FY 2020-21 Budget. The FY 2021-22 approved budget anticipates all RTAA debt service payments will be reimbursed from CARES Act funding.

As of July 1, 2021, the RTAA has \$10,380,000 of debt outstanding. RTAA does not anticipate issuing any new bond debt in FY 2021-22. The current amount of debt represents \$6.88 of debt outstanding per budgeted FY 2021-22 enplaned passenger. This compares to the 2018 average median debt outstanding per O&D enplaned passenger for U.S. Airports of \$102.65 as reported by Moody's Investor Services in 2019. With the airline passenger traffic decline due to the COVID-19 pandemic, this ratio is likely to significantly increase in 2020 for all airports.

The coverage calculation in this section demonstrates that budgeted net revenues, gross revenues less operating expenses, pledged to debt service far exceed the 125% coverage requirement of the revenue bond resolution. "Coverage" requirements are included in bond resolutions to assure potential bond buyers that net revenues will be more than sufficient to pay the bond debt.

Senior Lien Airport System Revenue Bonds

On September 30, 2015, the RTAA issued the "Reno-Tahoe Airport Authority, Nevada, Airport Revenue Refunding Bond, Series 2015" (the "2015 Bond"). The proceeds from the bond sale were used to redeem the Airport Revenue Refunding Bonds, Series 2005 (the "Series 2005 Bonds"), which were outstanding as of July 1, 2015, in the amount of \$20,940,000, and the cost of issuance necessary to execute this transaction.

The Series 2015 Bond is a direct loan of \$20,690,000 secured through a Request for Proposals process issued on July 9, 2015, to numerous banks and financial lending organizations. Upon review of the submitted proposals, Compass Mortgage Corporation, an Alabama Corporation, and a subsidiary of BBVA Compass, provided the most favorable business terms and conditions.

The 2015 Bond reflects the remaining outstanding debt from 1996 bonds issued to construct the RTAA's three story, 2,400 space parking garage, a new terminal access roadway system to accommodate the parking garage, and a passenger skyway to connect the parking garage to the terminal.

The terms and conditions governing the 2015 Bond are established under a new Bond Resolution No. 526, which is substantially similar to terms and condition established for the Series 2005 Bonds.

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 9 – Debt Summary

The 2015 Bond will be paid solely from and secured by a pledge of Net Revenues derived from the operations of the Airport System and certain funds and accounts. Net Revenue represents gross revenues of the Airport System less operating and maintenance expenses. The RTAA’s debt is limited by the outstanding bond resolution requirement that net revenues pledged to pay debt service must exceed 125% of annual debt service.

The interest rate on the Series 2015 Bond is 2.75% with an eleven (11) year term consistent with the refunded Series 2005 Bonds. With the refunding, the RTAA benefits from \$2.917 million of gross savings or \$2.519 million on a present value basis in lower debt service payments. This represents a net present value savings as a percentage of refunding bonds of 12.03%.

Going forward in the FY 2021-22 Budget through the maturity of the 2015 Bond, the following table provides the principal and interest payments under the Series 2015 Bond:

| Bond Year ending July 1 | Series 2015 Bond | | Total |
|----------------------------|------------------|------------|---------------|
| | Principal | Interest | |
| 2022 | 1,965,000 | 285,450 | 2,250,450 |
| 2023 | 2,020,000 | 231,413 | 2,251,413 |
| 2024 | 2,070,000 | 175,863 | 2,245,863 |
| 2025 | 2,130,000 | 118,938 | 2,248,938 |
| 2026 | 2,195,000 | 60,363 | 2,255,363 |
| | \$ 10,380,000 | \$ 872,027 | \$ 11,252,027 |

Net Revenue derived from the public parking operation, after related operating expenses, is available and more than sufficient to meet this debt obligation.

ALLOWED PURPOSES AND TYPES OF DEBT

The administration of the RTAA's debt is controlled by Federal and State laws (Local Government Securities Law) and the bond resolutions adopted when the revenue bonds were sold to finance airport improvements. These laws specify the public notices and hearings that must be conducted, and the approvals needed when money is to be borrowed. The Local Government Securities Law and the bond resolutions also control short term financing capabilities.

In order for revenue bond interest to be tax-exempt to the bond holders of the debt, the RTAA must be in complete compliance with U.S. Treasury Department laws and regulations. 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

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 9 – Debt Summary

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 solely by the revenue of the airport system. The entity issuing the revenue bonds must have sufficient revenues to pay the debt service of the bonds sold. Bonds are also only sold for the construction of projects with useful lives that exceed the life of the bond issue.

The RTAA has issued revenue bonds first to finance airport improvement projects, and then to refinance or refund the outstanding bonds to obtain lower interest rates. The interest received by RTAA bondholders can be tax exempt or taxable depending on the use of the bond proceeds. The Series 2015 outstanding senior bond has been determined by bond counsel to qualify for tax-exempt status.

DEBT COVERAGE

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, known as debt service coverage. This test of net pledged revenues is shown on the last page of this section. In addition, schedules are enclosed that show the current and future years' debt service amounts. The RTAA has a capacity constraint on annual debt service based on the coverage requirement described above, 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 independent airport consultant. This report projects airport revenues, airline rates, operating expenses, and the new and existing debt service. The consultant's report must project that net pledged revenues will exceed 125% of the annual amount needed for debt service, or the financing is neither feasible nor allowed by the additional bonds test of the existing bond resolution.

DEBT STRUCTURE

The principal and interest paid to the RTAA's bondholders is allocated to the cost centers based on how the proceeds from the various bond issues are used. Bonds sold to finance improvements in the airline costs centers, whose debt service will be included in airline rates, most likely will trigger the Majority-In-Interest (MII) provision of the airline use and lease agreement. For a detailed explanation, please see Section 5 – Financial and Budgetary Policies.

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The debt service is also structured not to begin until the facility being constructed is completed. This is done by delaying the repayment of principal until after the facility is occupied and interest is capitalized 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 capitalized interest is the practice of “net funding” where investment earnings on the bond proceeds unspent during the construction process are used to partially offset the cost of capitalized interest.

When the RTAA finances capital projects by issuing long term debt, it will pay back the bonds within a period not to exceed the estimated useful life of the project. The RTAA will not use long term debt for current operations. The RTAA will maintain good communications with its bond rating agency regarding its financial condition and will follow a policy of full disclosure in every financial report and offering prospectus.

As of October 2015, and the issuance of the 2015 Bond, the RTAA no longer has any publicly issued debt and no longer is required to have a credit rating from a nationally recognized rating agency (Fitch, Moody’s, or S&P). However, the RTAA will continue to maintain its financial position based on the established criteria outlined by the major rating agencies in order to obtain a minimum investment grade rating of “A” with a stable outlook. This policy is to ensure an investment grade rating should the RTAA decide to issue any future public debt.

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 during construction of capital projects.

REFUNDING OF DEBT

RTAA is continually evaluating whether the refinance of its outstanding debt to take advantage of lower interest rates is economically feasible. At least a three percent (3%) net present value debt service savings is the minimum industry standard necessary to justify such re-financings.

Internal Revenue Code and Income Tax Regulations Section 149(d)(3)(A)(i) limits the number of times an issuer may advance refund an original bond issue. If the original bond issue was issued before 1986, two advance refunding’s are permitted. If the original bond issue was after 1985, only one advance refunding is permitted.

The installments of principal of the 2015 Bond are eligible for prepayment, in whole or in part, at the option of the Authority, at any time and from time to time, at a price equal to the principal amount prepaid, the accrued interest thereon to the prepayment date, and the make whole premium.

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If the Authority makes any prepayment of the outstanding principal balance of the 2015 Bond prior to July 1, 2025, the Authority shall incur a prepayment fee equal to the quotient of (i) the product of (a) Average Yield Differential, times (b) Average Principal, multiplied by (c) Percent Prepaid, times (d) Days Remaining, divided by (ii) 360.

"Average Yield Differential" means the difference between (i) the U.S. Treasury constant maturity yield for the date on which the loan was originated and (ii) the U.S. Treasury constant maturity yield that is the same as the remaining term of the loan at the Prepayment Date.

With the issuance of the 2015 Bond at very low rates and prior to the series of rate increases implemented by the Federal Reserve, the RTAA currently does not have an opportunity to lower its debt service through refunding at this time.

Reno-Tahoe Airport Authority
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 Summary of Bonded Indebtedness

FY 2021-22 Debt Service Allocation to Airport Cost Centers

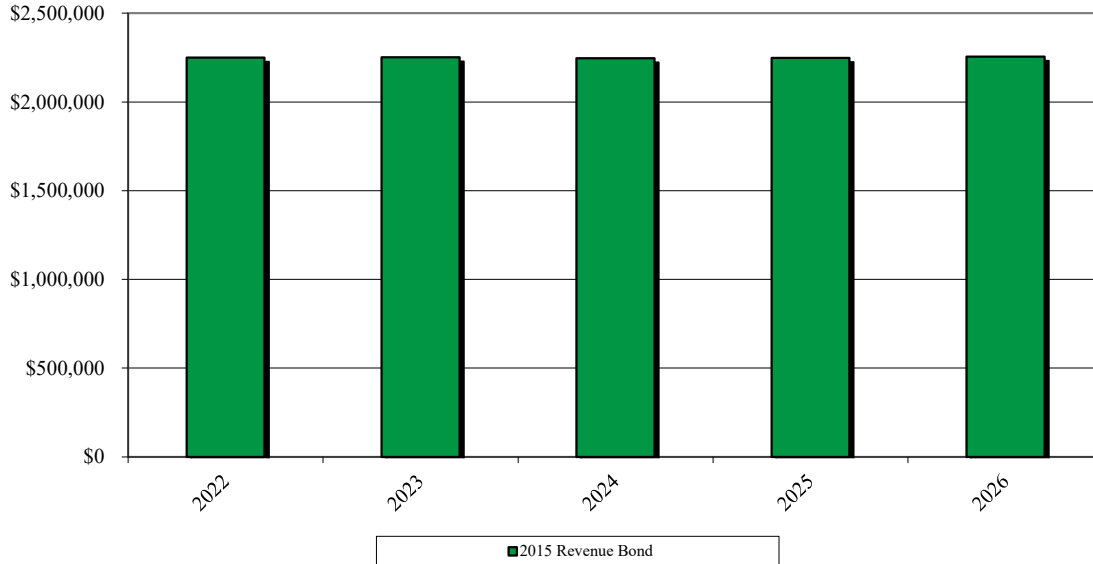
| | <u>Principal</u> | <u>Interest</u> | <u>Paid by PFC</u> | <u>Total</u> |
|-------|------------------|-----------------|--------------------|--------------|
| 2015 | 1,965,000 | 285,450 | - | 2,250,450 |
| TOTAL | | | | 2,250,450 |

| | Airfield | Terminal | BHS | Ground Transport | Other | Reno Stead | Total |
|---------------------|-----------------|-----------------|------------|-------------------------|--------------|-------------------|--------------|
| 2015 | 0% | 0% | 0% | 100% | 0% | 0% | 100% |
| <u>Debt Service</u> | | | | | | | |
| 2015 | - | - | - | 2,250,450 | - | - | 2,250,450 |
| TOTAL | - | - | - | 2,250,450 | - | - | 2,250,450 |

**Reno-Tahoe Airport Authority
 FY 2021-22
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 Summary of Bonded Indebtedness**

| | 2005 Revenue Refunding Bonds | Subordinate Notes (Series 2011A) | Subordinate Notes (Series 2011B) | 2015 Revenue Refunding Bonds | Total Bonded Indebtedness |
|--|------------------------------|----------------------------------|----------------------------------|------------------------------|---------------------------|
| Amount of original issue | \$ 29,775,000 | \$ 15,000,000 | \$ 5,303,000 | \$ 20,690,000 | \$ 70,768,000 |
| Bonds / Notes retired | 29,775,000 | 15,000,000 | 5,303,000 | 10,310,000 | 60,388,000 |
| Bonds / Notes Outstanding July 1, 2021 | \$ - | \$ - | \$ - | \$ 10,380,000 | \$ 10,380,000 |
| Bond / Notes retired / issued FY 2021-22 | - | - | - | (1,965,000) | (1,965,000) |
| | \$ - | \$ - | \$ - | \$ 8,415,000 | \$ 8,415,000 |
| FY 2021-22 Debt service requirement | | | | | |
| Principal payment due | \$ - | \$ - | \$ - | \$ 1,965,000 | \$ 1,965,000 |
| Interest payment due | - | - | - | 285,450 | 285,450 |
| PFCs applied | - | - | - | - | - |
| Total FY 2021-22 Debt Service | \$ - | \$ - | \$ - | \$ 2,250,450 | \$ 2,250,450 |

Annual Debt Service



Reno-Tahoe Airport Authority
FY 2021-22
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Schedule of Debt Service

| Bond Year Ended July 1 | Airport Revenue Refunding Bonds Series 2015 | | Total |
|---------------------------------|---|-------------------|----------------------|
| | Principal | Interest | |
| 2022 | 1,965,000 | 285,450 | 2,250,450 |
| 2023 | 2,020,000 | 231,413 | 2,251,413 |
| 2024 | 2,070,000 | 175,863 | 2,245,863 |
| 2025 | 2,130,000 | 118,938 | 2,248,938 |
| 2026 | 2,195,000 | 60,363 | 2,255,363 |
| | <u>\$ 10,380,000</u> | <u>\$ 872,027</u> | <u>\$ 11,252,027</u> |

Reno-Tahoe Airport Authority
FY 2021-22
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Net Pledged Revenues Test

| | FY 2019-20 Actual | FY 2020-21 Budget | FY 2021-22 Budget |
|--|----------------------|----------------------|----------------------|
| Airport System Revenues | | | |
| Airline fees and rentals | | | |
| Landing fees | \$ 9,047,945 | \$ 6,390,829 | \$ 8,527,353 |
| Terminal building space rental | 7,729,466 | 7,855,900 | 8,451,400 |
| TOTAL Airline fees and rentals | 16,777,411 | 14,246,729 | 16,978,753 |
| Non-Airline Revenues | | | |
| Other Aircraft Fees | 1,029,788 | 942,600 | 1,026,600 |
| Concession fees | 11,301,837 | 6,080,587 | 10,592,343 |
| Parking and Ground Transportation | 10,012,455 | 5,746,700 | 8,853,300 |
| Building, Hangar and Land Rent | 8,556,856 | 8,716,149 | 8,341,396 |
| Reimbursement for Services (BHS) | 2,639,373 | 1,789,364 | 2,194,932 |
| Other operating revenues | 345,296 | 71,500 | 93,900 |
| | 33,885,603 | 23,346,900 | 31,102,471 |
| Total Operating Revenue | 50,663,014 | 37,593,629 | 48,081,224 |
| Non-Operating Revenue | | | |
| Trust Fund Investment Income | 1,331,548 | 532,800 | 594,100 |
| Other Non-Operating Income | 291,330 | 260,100 | 213,700 |
| Gross pledged revenues | \$ 52,285,893 | \$ 38,386,529 | \$ 48,889,024 |
| Airport system operation and maintenance expenses | (44,037,667) | (44,392,102) | (49,931,626) |
| Transfers - General Purpose Account for | | | |
| G/L on Sale of Capital Assets | (28,196) | - | - |
| Airline Net Revenue Share | 2,573,900 | 2,063,800 | 2,907,000 |
| Transfers - Customer Facility Charge Account for | | | |
| Operating Expenditures | 417,741 | 457,100 | 544,823 |
| Transfers - Special Account for 35% of Gaming Revenue | (286,561) | (119,280) | (245,140) |
| CARES Act | 562,281 | 12,857,475 | 11,745,950 |
| Net pledged revenues | \$ 11,487,391 | \$ 9,253,521 | \$ 13,910,030 |
| Debt Service - Senior Lien Bonds | 2,249,125 | 2,247,975 | 2,250,450 |
| Debt Service Coverage Ratio - Senior Lien Bonds | 5.11 | 4.12 | 6.18 |
| Net Pledged revenue available for Subordinate Notes | 9,238,266 | 7,005,546 | 11,659,580 |
| Pledged PFC Revenues | - | - | - |
| Pledged revenue available for Subordinate Notes | 9,238,266 | 7,005,546 | 11,659,580 |

Section 10 – Supplemental Data

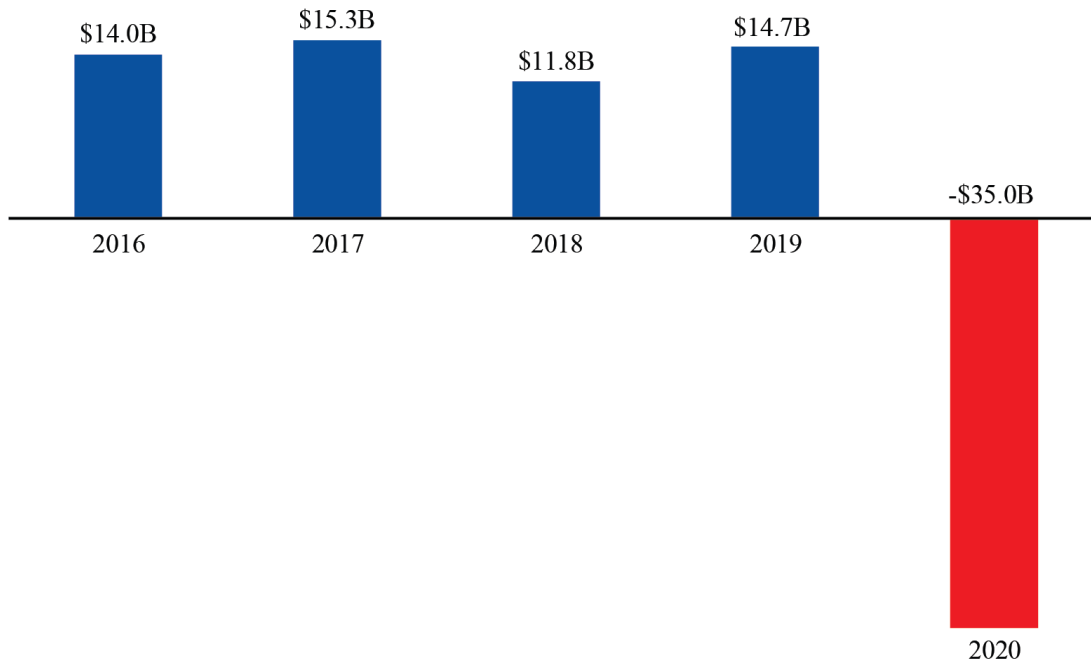
**Reno-Tahoe Airport Authority
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Air Service Development

U.S. scheduled passenger airlines reported an annual 2020 after-tax net loss of \$35.0 billion, declining after seven consecutive annual after-tax profits and a pre-tax operating loss of \$46.5 billion, declining after 11 consecutive annual pre-tax profits. In 2019, the airlines reported after-tax profit of \$14.7 billion.

Payroll protection payments received by airlines are included as net income. Payroll protection payments used for salaries are included as labor expenses.

**Net Income 2016-2020, U.S. Scheduled Passenger Airlines
 Billions of Dollars (\$)**



Source: Bureau of Transportation Statistics

U.S. scheduled passenger airlines reported an annual 2020 pre-tax operating loss of \$46.5 billion, compared to \$20.7 billion profit in 2019.

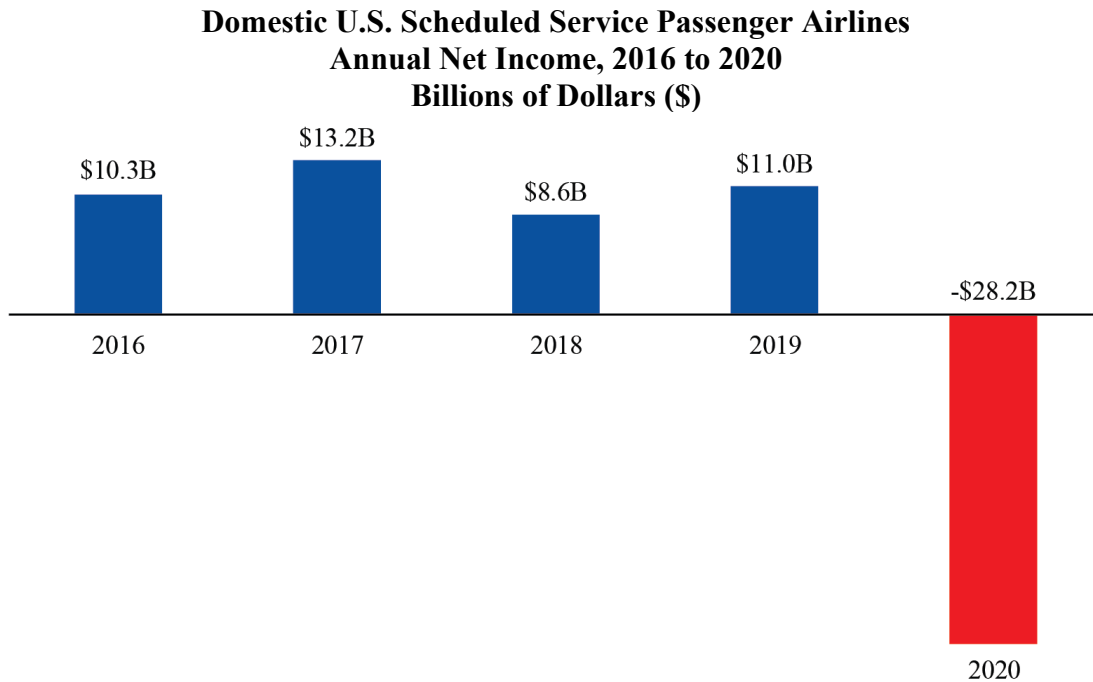
The total 2020 operating revenue was \$77.3 billion. Of which fares were \$49.9 billion (64.5%), baggage fees were \$2.8 billion (3.7%), and reservation change fees were \$898 million (1.2%). In 2019, the operating revenue share for fares was 74%, baggage fees was 2.9%, and reservation change fees was 1.5%.

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The total 2020 operating expenses were \$123.8 billion. Of which fuel was \$12.1 billion or 9.8%, and labor was \$49.1 billion or 39.7%. In 2019, the operating expense share for fuel was 18.7%, and labor was 34.4%.

Domestic

U.S. scheduled passenger airlines reported an annual 2020 after-tax domestic net loss of \$28.2 billion. In 2019, the airlines reported after-tax domestic profit of \$11.0 billion.



Source: Bureau of Transportation Statistics

U.S. scheduled passenger airlines reported an annual 2020 pre-tax domestic operating loss of \$39.7 billion, compared to \$15.8 billion profit in 2019.

The total 2020 domestic operating revenue was \$62.4 billion. Of which fares were \$39.9 billion (63.9%), baggage fees were \$2.3 billion (3.7%), and reservation change fees were \$682 million (1.1%). In 2019, the domestic operating revenue share for fares was 71.2%, baggage fees was 3.0%, and reservation change fees was 1.4%.

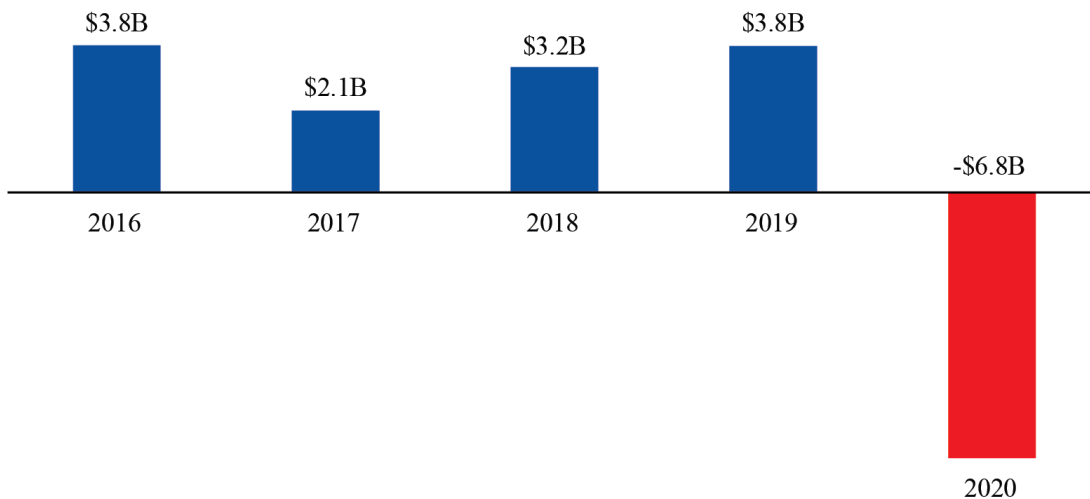
The total 2020 domestic operating expenses were \$102.1 billion. Of which fuel was \$9.0 billion or 8.8%, and labor was \$39.8 billion or 38.9%. In 2019, the domestic operating expense share for fuel was 21.0%, and labor was 41.7%.

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International

U.S. scheduled passenger airlines reported an annual 2020 after-tax international net loss of \$6.8 billion. In 2019, the airlines reported after-tax international profit of \$3.8 billion.

**International U.S. Scheduled Service Passenger Airlines
 Annual Net Income, 2016 to 2020
 Billions of Dollars (\$)**



Source: Bureau of Transportation Statistics

U.S. scheduled passenger airlines reported an annual 2020 pre-tax international operating loss of \$6.8 billion, compared to \$5.0 billion profit in 2019.

The total 2020 international operating revenue was \$14.9 billion. Of which fares were \$10.0 billion (67.2%), baggage fees were \$510 million (3.4%), and reservation change fees were \$216 million (1.5%). In 2019, the international operating revenue share for fares was 93.1%, baggage fees was 3.1%, and reservation change fees was 1.9%.

The total 2020 International operating expenses were \$21.7 billion. Of which fuel was \$3.2 billion or 14.7%, and labor was \$9.4 billion or 43.1%. In 2019, the international operating expense share for fuel was 24.3%, and labor was 36.8%.

2020 Margins

Net margin is the net income or loss as a percentage of operating revenue. Operating margin is the operating profit or loss as a percentage of operating revenue. In 2020, the U.S. airlines

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reported a net income margin of -45.3%, compared to +7.8% in 2019. The domestic net income margin was -45.2% and the international net income margin was -45.9% in 2020.

Reno-Tahoe International Airport

During 2020, RNO served 2,006,420 passengers, a decrease of 54.9% when compared to 2019.

RNO offered a total of 14,887 scheduled departures in 2020, a decrease of 37.4% when compared to the 2019 schedule. Scheduled seat capacity was down 35.7% at 1,829,327 (one way) for the same period. Despite the pandemic, in September 2020, RNO added a 10th airline, JSX.

The 2020 average net fare for RNO flights was \$154, a decrease of 18.6% when compared to the prior year. The RNO average domestic net air fare was \$144, a decrease of 16.4% for the same period.

Southwest Airlines continued to be the dominant carrier at RNO carrying 37.8% of the total Calendar Year 2020 passengers, followed by American Airlines at 20.7%.

The Regional Air Service Corporation (RASC) is taking the lead in community wide efforts to create strategies to help offset risk to potential new markets. This is in conjunction with the RTAA's airline incentive program, which allows up to 12 months of free terminal building rent and landing fees as well as marketing support promoting new air service to RNO.

The restructure of Air Service and Airport Economic Development departments, under the umbrella of the Commercial Business Development, has leveraged talents and created synergies that previously did not exist. Further, the consolidation of all airline relationships, including network planning, marketing, contracts, property management, and operations under the Chief Commercial Officer has improved airline relationships, increased communication, and improved business processes with the airlines.

Air service Development created two new air service tools that were implemented this year. The first was the Traveler Sentiment Survey. The initial one took place in December 2020 and the second one will be completed by the end of June 2021. This was the first time that the RTAA engaged with the catchment area business stakeholders, in addition to tourism partners. The survey provided insight on travel intent for business and leisure, as well as the top destinations of interest for both. In addition, a "RNO Tool Kit" was developed to help regional partners communicate RNO outbound nonstop destinations. The new "Tool Kit" provides an easy "plug and play" marketing opportunity to educate the community on existing air service to help fill aircraft seats.

Three major air cargo carriers, DHL, FedEx, and United Parcel Service (UPS) serve RNO.

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During the calendar year 2020, RNO handled 147,893,687 pounds of cargo, an increase of 0.7% when compared to the calendar year 2019.

RNO is truly a regional airport with a catchment area of over 1.3 million people in the cities of Reno, Sparks, Carson City, along with eight counties in Nevada, and five counties in north central California. RNO is also the “gateway” to Lake Tahoe.

RNO is located four miles southeast of Reno’s central business district. The Reno-Stead Airport (RTS) 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 RNO to get back to their constituents or to fly to the many state agency offices located 350 miles to the south in Las Vegas.

The closest competing airport is approximately 140 miles away in Sacramento, California. Since Sacramento is separated from Reno by the Sierra Nevada Mountains, which can be difficult to cross in the winter snows and other inclement weather, few western Nevada passengers use the Sacramento Airport.

The second airport operated by the RTAA is the Reno-Stead Airport, a general aviation airport. General aviation airports typically do not have scheduled air service but do provide other important aviation related facilities. RTS has military, helicopter, charter, and private aircraft operations, and aircraft owners and aviation related businesses lease land or buildings. RTS is also the home of the annual National Championship Air Races, a Bureau of Land Management base for firefighting aircraft, and a Nevada Army National Guard helicopter base.

Special Community Events

Some concerns about COVID-19 remain, however the majority of events are occurring in 2021, with a few exceptions.

With over 5 million annual visitors, Reno, Sparks and Lake Tahoe feature a wide range of fun-filled events that offer something for everyone. In addition to the area’s breath-taking beauty, Reno and Lake Tahoe offer an amazing mix of history, art, and culture. Tourism and conventions continue to be big business in the Reno-Sparks area.

The Reno-Sparks Convention & Visitors Authority (RSCVA) owns and operates several facilities designed to draw out of town visitors. For example, the National Bowling Stadium hosts five-month long bowling competitions including the United States Bowling Congress (USBC) Open Championship and the Women’s Championship. The two tournaments combined bring 150,000 visitors to town with an estimated economic impact of nearly \$360 million. The schedule of bowling competitions to be held in our community through 2025 is provided in Section 1 – Introduction in the “Bowling Tournament Update”.

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The Reno-Tahoe area draws hundreds of thousands of visitors to northern Nevada for community-wide special events throughout the year. This year’s special event season started with the Reno Rodeo, an 11-day event in its 102nd year, and a PRCA (Professional Rodeo Cowboys Association) sanctioned sporting event. The Reno Rodeo is a non-profit organization made up of over 900 volunteers with over 140,000 fans in attendance; it is the 4th largest PRCA tour rodeo. The event impacts the Reno area economy by approximately \$42 million. This event is held at the Reno Livestock Events Center, a 35,000 square feet exhibit space with an indoor arena seating 6,200 and a lighted outdoor arena seating 9,000.

Reno is home to Artown, a month-long summer arts festival. It features about 500 events produced by more than 100 organizations and businesses in nearly 100 locations citywide, including the Airport. As noted by the National Endowment for the Arts, Artown is one of the most comprehensive festivals in the country. It brings the arts to Reno each July with a packed calendar of events and 350,000 attendees.

Imagine your toes in the sand and first-class entertainment during a Lake Tahoe sunset. The Lake Tahoe Shakespeare Festival produces professional productions of Shakespeare and other theater experiences for over 33,000 patrons each summer. In addition, the Showcase Series, featuring the best of the region’s arts and culture organizations, reaches an additional 6,500 patrons. Lake Tahoe Shakespeare Festival also provides two educational outreach programs that reach over 7,000 young people each year in the Lake Tahoe region.

The first week of August is reserved for Hot August Nights; a celebration of the 50’s, 60’s and 70’s emphasizing the cars of the era. More than 800,000 people flock to the event and bring an economic impact of \$351 million. There are more than 5,000 classic cars from 36 states across the nation, including Alaska, Massachusetts, and Florida and three Canadian provinces. Californians bring over 2,500 cars for this event. Nevadans have over 1,500 cars entered.

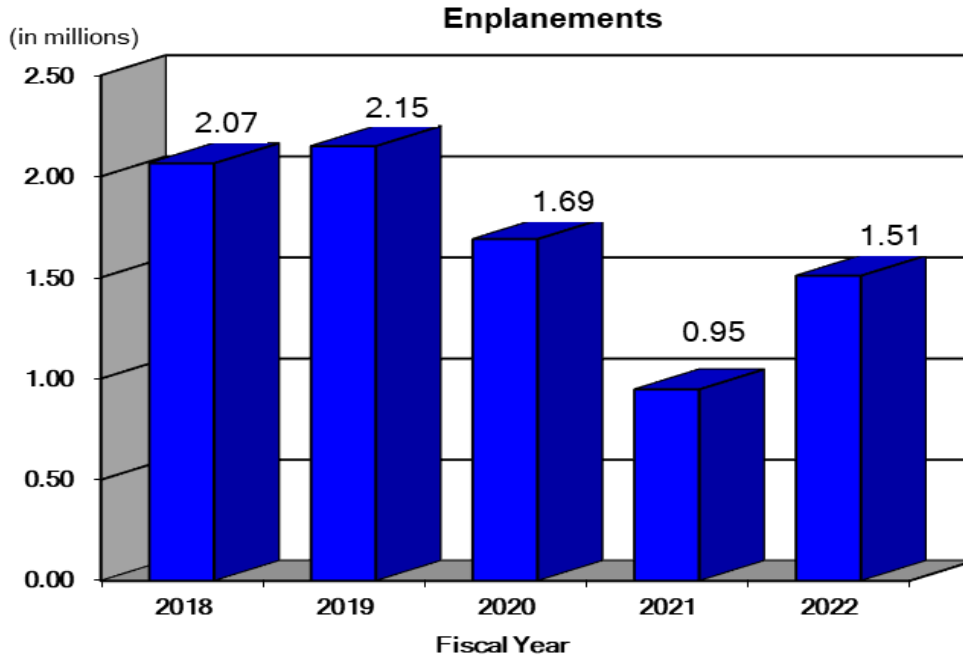
Supplemental Information

The following charts show five fiscal years of the RTAA’s activity levels and measures of financial effectiveness. The first three years’ numbers on these charts are year-end actual amounts and the last two years (FY 2021 and FY 2022) are the budgeted amounts.

In addition, tables and charts that detail local demographic, employment, and economic information are provided.

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Enplaned Passengers

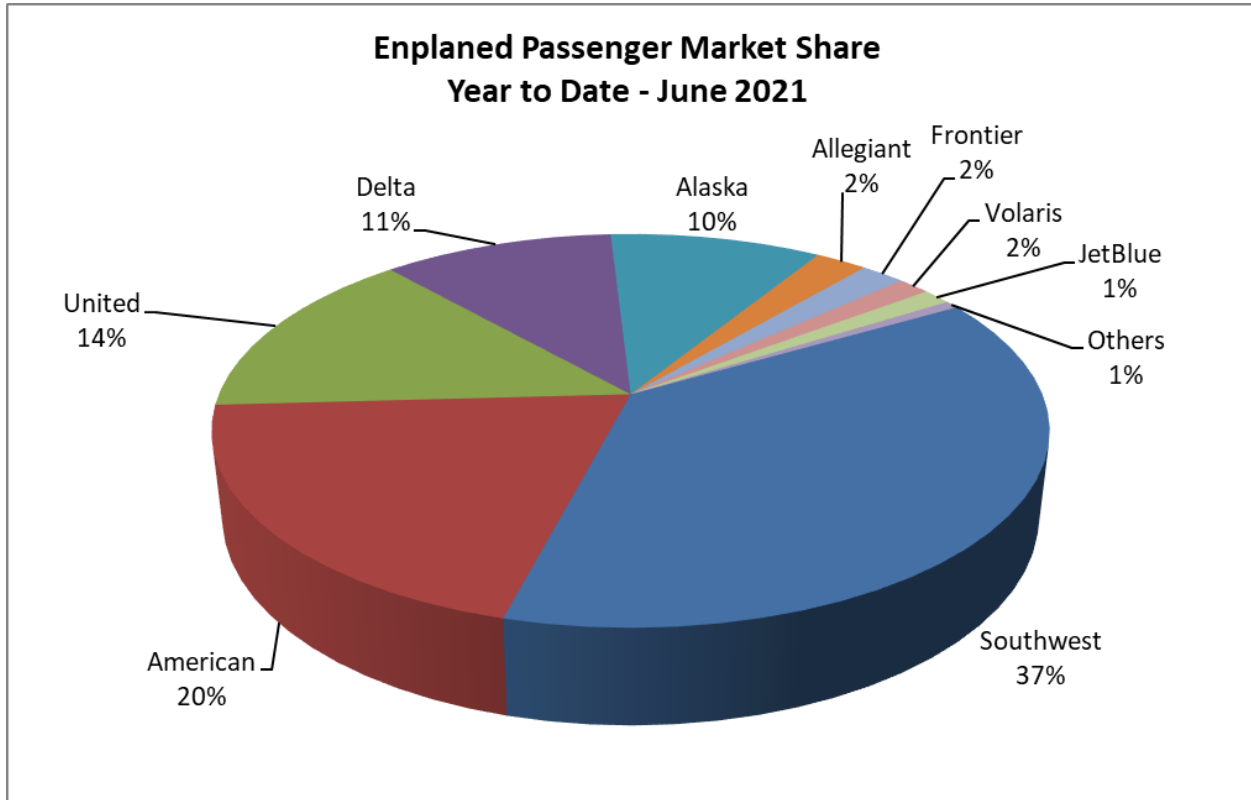


Enplaned passengers in FY 2021-22 at the RNO are projected to be 1.509, a 59.4% increase compared to the prior year budget of 946,737 and a 10.7 % decrease compared to the FY 2019-20 actual results. The significant increase in passenger traffic is due to the recovery of passenger air travel demand, especially leisure travel. The Reno-Tahoe International Airport (RNO) is seeing very encouraging signs of passenger traffic recovery.

The average load factor for scheduled air service in fiscal year 2020-21 was 64.4%. The load factor is projected to increase to 67% for the FY 2021-22.

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Airline Market Share



| Airline Passenger Market Share – FY 2020-21 Actual Results | | |
|---|------------------------------|-------------------------|
| | Number of Enplaned Passenger | Percent of Market Share |
| Southwest | 460,904 | 37.4% |
| American | 246,791 | 20.0% |
| United | 175,966 | 14.3% |
| Delta | 131,351 | 10.7% |
| Alaska | 120,292 | 9.8% |
| Allegiant | 29,316 | 2.4% |
| Frontier | 24,976 | 2.0% |
| Volaris | 18,207 | 1.5% |
| JetBlue | 16,084 | 1.3% |
| Others | 7,729 | 0.6% |
| Total | 1,231,616 | 100% |

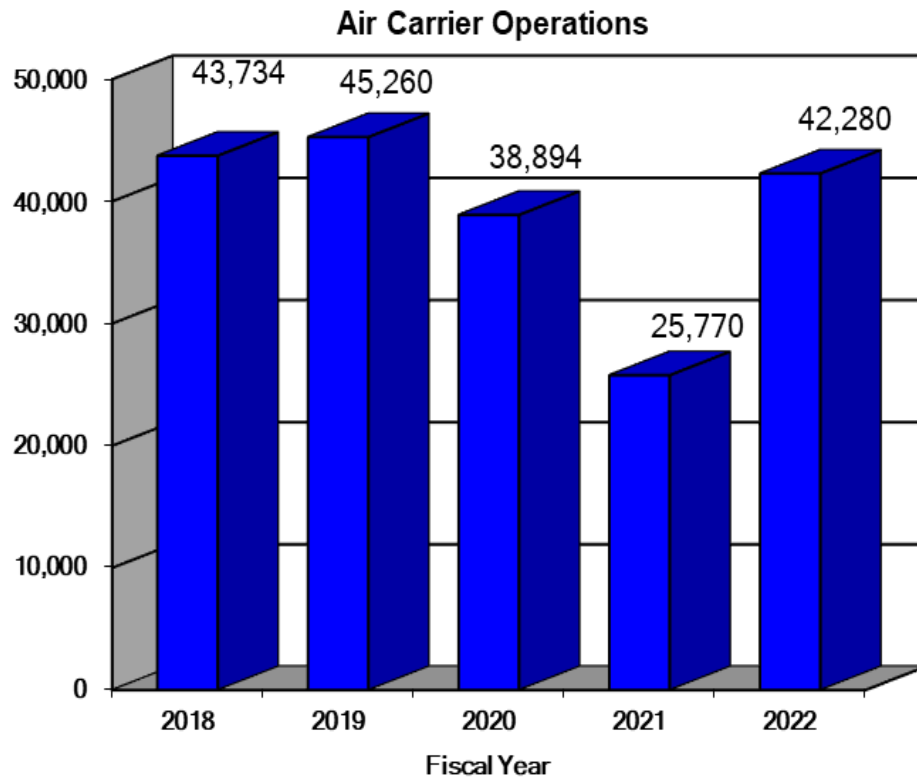
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The more diverse an airport’s airline market, the less susceptible that airport is to the effects of an individual airline having financial problems or changing flight activity. However, the market continues to be uncertain due to the new Covid-19 variant and airlines are adjusting schedules often based on demand.

This chart shows that RNO has five main carriers providing 92.2% of the passenger flights with another seven carriers making up the balance. This table reflects actual enplaned passenger numbers for the period July 1, 2020, through June 30, 2021. As shown, Southwest had 37.4%, American 20.0%, United 14.3%, Delta 10.7%, and Alaska 9.8%. Southwest continues to be the dominant carrier at RNO.

In the previous FY 2019-20 chart, Southwest had 39.0% of the passengers, American had 20.6%, United had 15.0%, Alaska had 10.2%, and Delta had 7.6%.

Air Carrier Operations

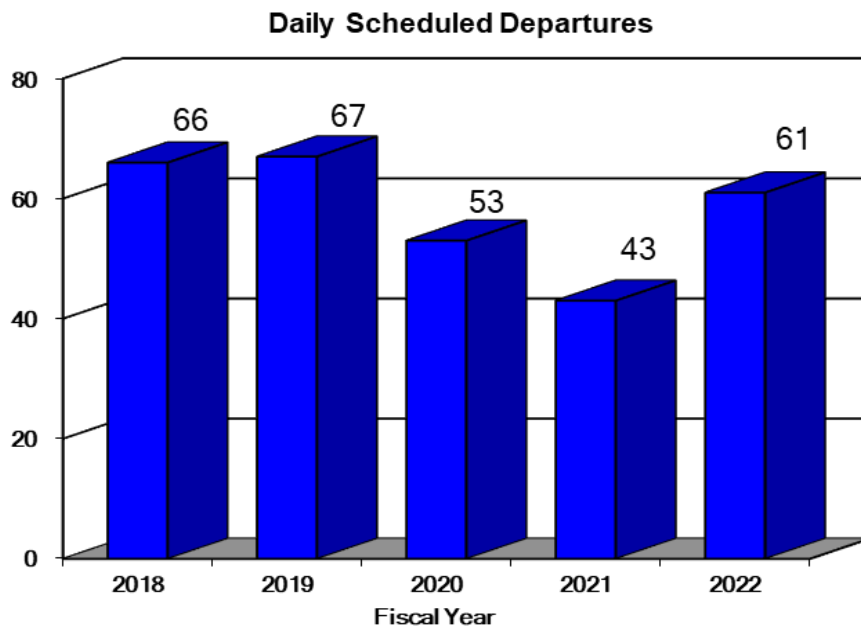


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An operation is the term used to describe an aircraft landing or taking off. Scheduled annual operations are the landings and takeoffs of the scheduled airline flights for an entire year. Operations are projected to be approximately 42,280 in FY 2021-22, an increase of 16,510 operations or a 64.1% as compared to the budget for FY 2020-21. Airlines have increased the number of operations, in response to passenger demand and anticipation of a pandemic recovery. Passenger demand at RNO has increased, especially in regard to leisure travel, however the market continues to be relatively uncertain and passenger airlines continue to adjust schedules often based on passenger demand.

This activity does not include scheduled cargo service or other non-scheduled operations at the airport such as charter flights, military, or general aviation.

Daily Scheduled Departures

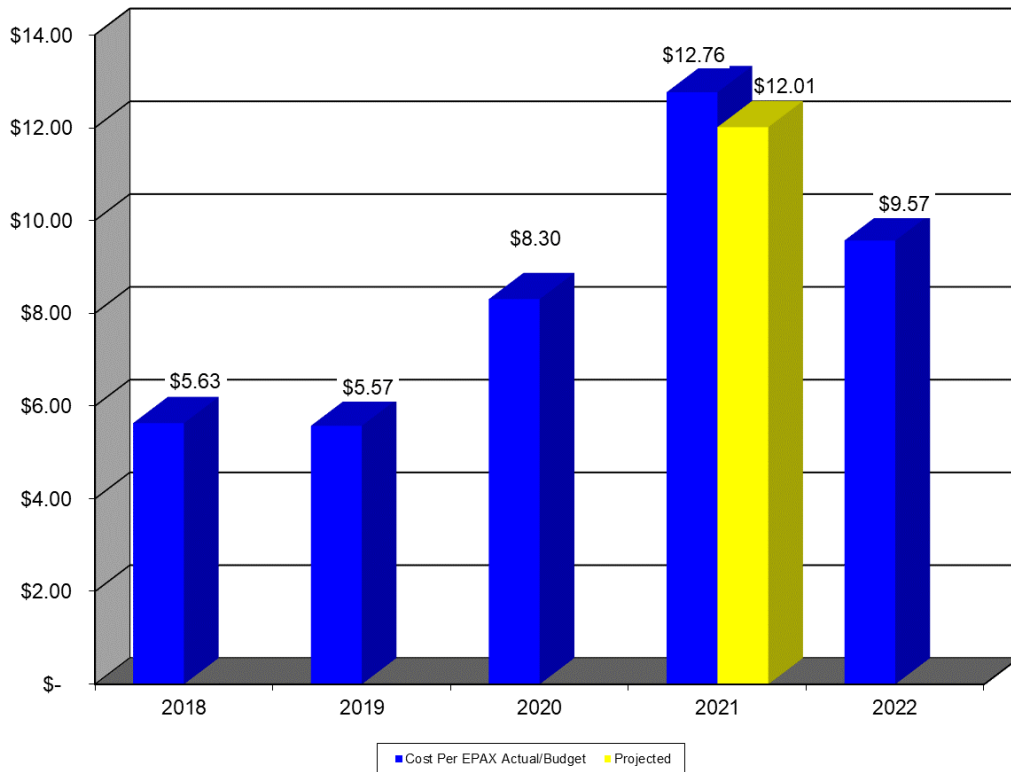


This graph shows the average number of flights departing RNO each day in the month of June. For FY 2021-22, the forecasted average daily flights are forecasted to increase by 18 flight per day or 41.86%, compared to the prior year budget. In response to an increase of passenger demand and anticipation of a pandemic recovery the daily departures forecasted for FY2021-22 have increased.

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Airline Cost Per Enplaned Passenger

Cost Per Enplanement (CPE)



The cost per enplaned passenger (CPE) ratio measures the airport related costs paid by the airlines for each enplaned passenger flown from an airport. The airport costs incurred by an airline are landing fees and terminal building rents.

While rents and landing fees are approximately 9% of the domestic passenger airlines’ operating costs in 2020 according to Bureau of Transportation Statistics (BTS), RTAA works hard to minimize the cost per enplanement to encourage airlines to serve the Northern Nevada market. In comparison, labor and fuel costs represent 39.8% and 8.8% of the airline’s 2020 operating costs, respectively.

As a measure to maintain rents and landing fee cost low, RNO has forecasted \$11.7 million to be allocated in FY2021-22 from the Coronavirus Aide, Relief, and Economic Security (CARES) Act.

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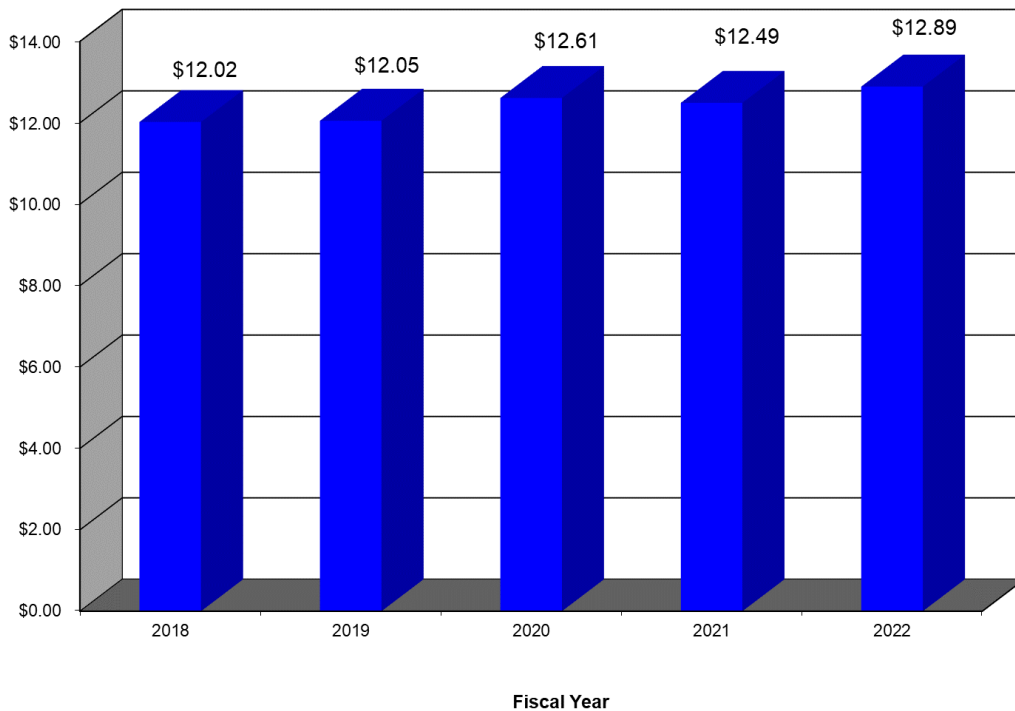
Concession Revenue Per Enplaned Passenger

Concession revenue per enplaned passenger is a measure of concessionaire’s ability to generate revenue from passengers using RNO’s terminal facilities. This ratio allows staff to compare the performance from year to year and between airports.

The following sections outline the main concession revenues of the RTAA as presented in a per enplaned passenger format.

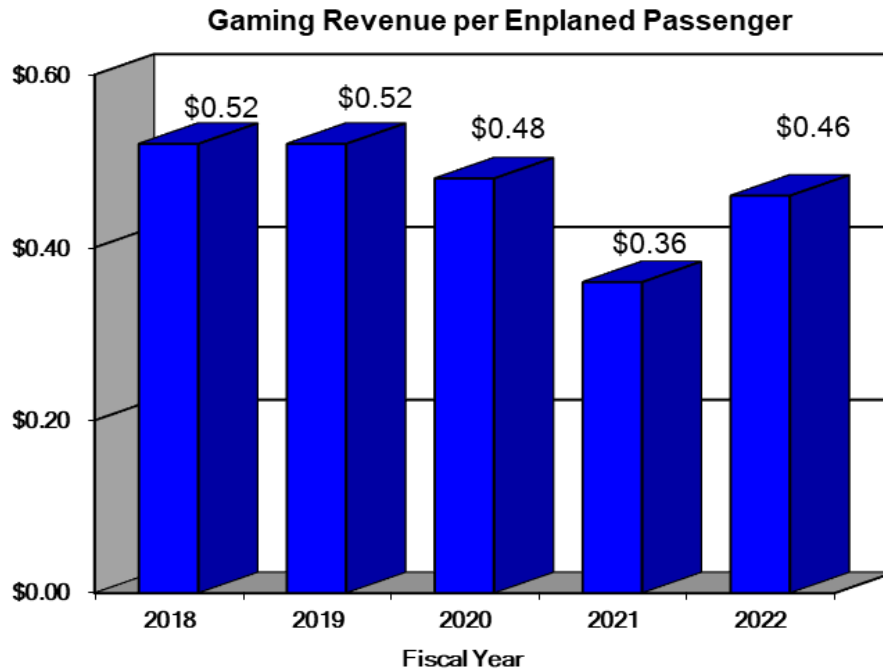
Concession revenue per enplaned passenger has slightly increased due the increase in passengers traffic forecast in FY 2021-22, resulting in an increase in non-airline revenue.

Concession Revenue Per Enplanement



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Gaming Concession Revenue per Enplaned Passenger

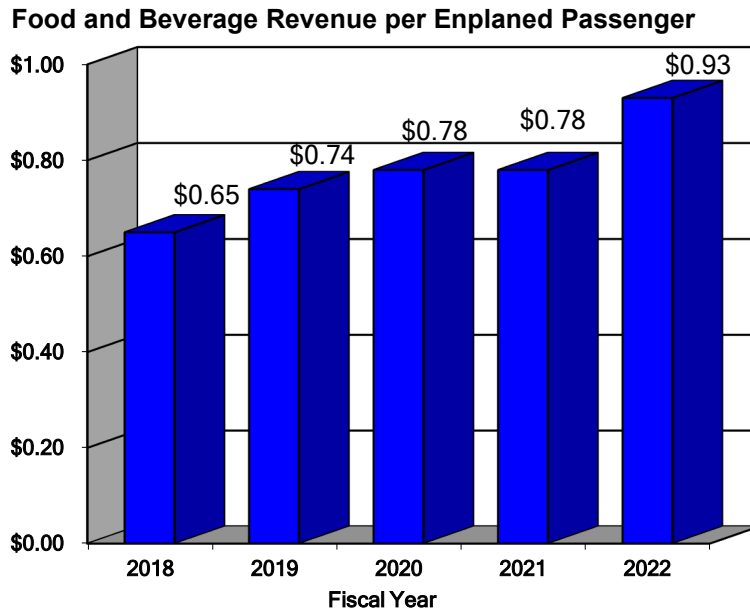


Few other airports have gaming revenues to compare. The gaming revenues are budgeted at approximately \$700,400 for FY 2021-22 and are projected to be \$428,300 for FY 2020-21. The revenue increased as compared to the prior year, is due to an increase of forecasted passenger traffic in FY 2021-22.

This concession is awarded to International Game Technology (IGT) under a five-year agreement and four-year extension, which started on December 1, 2015.

**Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 10 – Supplemental Data**

Food and Beverage Concession Revenue per Enplaned Passenger

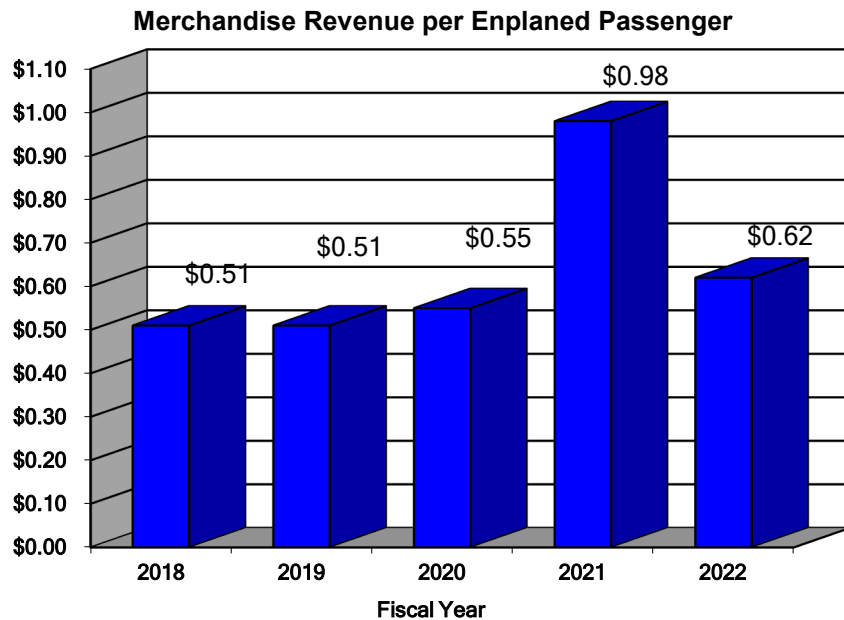


The food and beverage concession agreements currently pays the RTAA the greater of a minimum guaranteed amount or a percentage of gross revenues. Per the existing contract with SSP America, the minimum annual guarantee amount is set annually at 85% of prior year's payments, or \$885,800, whichever is greater. Per the existing contract with Manchester Airport Group (MAG Lounge), the minimum annual guarantee amount is set annually at 85% of prior year's payments, or \$60,000, whichever is greater. Per the existing Contract with Vino Volo Wine Bar and Verdi Market, the minimum annual guarantee amount is set annually at 85% of prior year's payments, or 93,000, whichever is greater. Per the existing Contract with Subway, the minimum annual guarantee amount is set annually at 85% of prior year's payments, or 48,000, whichever is greater.

The budgeted revenue of \$1.4 million for FY 2021-22, results in estimated revenue of \$0.93 per enplaned passenger. This estimate is primarily due to the sharp recovery of passenger traffic and higher gross revenue forecasted in FY 2021-22.

**Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 10 – Supplemental Data**

Merchandise Concession Revenue per Enplaned Passenger



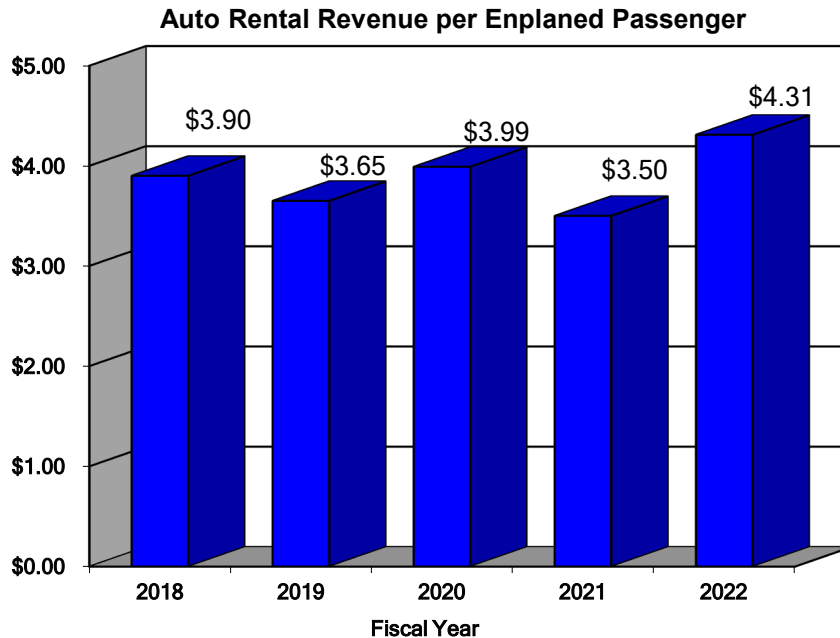
The RTAA’s merchandise concession stores have offerings that would fit in any upscale shopping mall. There are four post security stores, branded as the High Mountain Market, including Brighton Collectibles, No Boundaries (an outdoor apparel store), In Motion (a high-tech electronics shop), and CNBC (news and gifts). Also, two travel essential and specialty gifts stores (Travelers Gifts and Summit Travel) are located on Concourse B and C, respectively. In addition, the RNO also offers Silver Market Place (a travel essentials and specialty gift store), PGA Tour shop, and Harley Davidson, which are available to passengers’ pre-security.

The concession agreement awarded to The Paradies Shops calls for payment to the RTAA of a percentage of revenues ranging from 12% to 23% depending on product type or a minimum annual guarantee (MAG), which is 85% of previous year’s payments but not less than \$901,000, whichever is greater.

For FY 2021-22, revenues are expected to be \$932,145, same as the FY 2020-21 Budget. The merchandise concession revenue per enplane passenger has decreased due to revenue forecast at MAG levels and an increase in enplanements.

**Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 10 – Supplemental Data**

Rental Car Concession Revenue per Enplaned Passenger



The RTAA has six (6) car rental company agreements with nine (9) brands: (1) Avis/Budget Car Rental doing business as Avis and Budget, (2) DTG Operations doing business as Dollar and Thrifty, (3) Enterprise, (4) Hertz, (5) Vanguard Car Rental doing business as Alamo and National, and (6) Payless Car Rental.

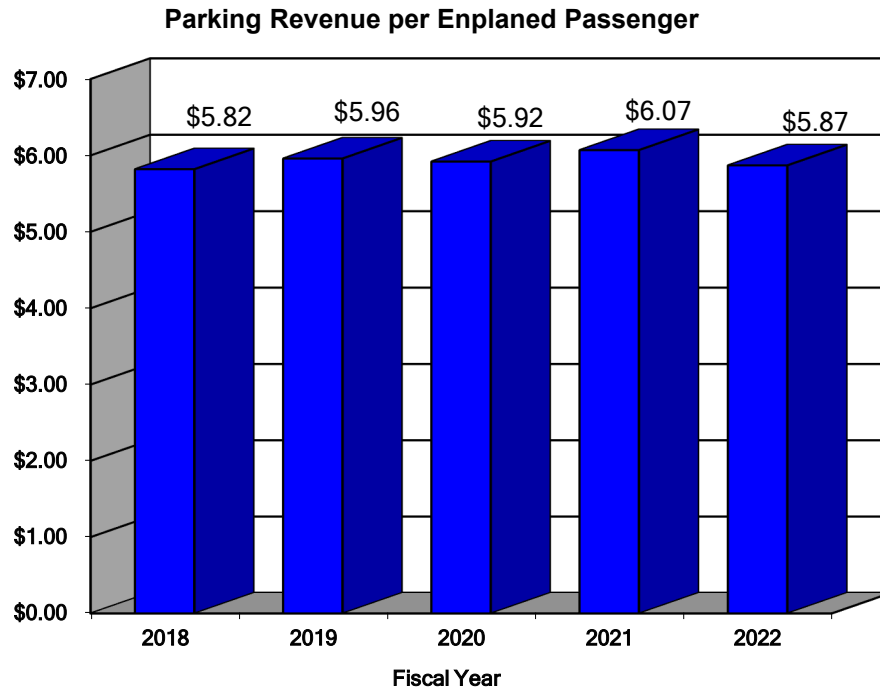
In 2007, Enterprise acquired Vanguard Car Rental, doing business as Alamo and National. In 2013, the Hertz Corporation acquired DTG Operations, doing business as Dollar and Thrifty and Avis/Budget acquired Payless Car Rental. Effectively, three (3) rental car companies control the nine brands at RTAA.

Effective July 1, 2018, the rental car companies enter into a new five-year agreement ending June 30, 2023. RTAA revenues are the greater of the minimum annual guarantee (MAG) or 10% of gross receipts earned by companies.

Based on forecasted passenger traffic and revenue per enplaned passenger included in the FY 2021-22 Budget, Auto Rental revenue is projected to be approximately \$6.496 million. This is \$3.183 million or 96.1% above the FY 2020-21 Budget and \$682,600 or 11.7% above the FY 2020-21 updated forecast. The increase is primarily due to the significant increase in enplaned passenger forecast and increase in rental car revenues per enplaned passengers.

**Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 10 – Supplemental Data**

Parking Revenue per Enplaned Passenger



Total auto parking and ground transportation revenues of \$8.853 million are budgeted for FY 2021-22 an increase of \$3.107 million or 54.1% above the prior fiscal year budget and 45.8% above the FY 2020-21 projected revenues.

The significant increase in revenue is primarily due to the significant increase in enplaned passenger forecast of 59.4% compared to prior fiscal year. Parking revenue per enplane passenger has slightly decreased due to the significant increase in enplane passengers forecasted in FY2021-22 Budget.

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 10 – Supplemental Data

RENO-TAHOE AIRPORT AUTHORITY
POPULATION IN AIR TRADE AREA
FOR THE CALENDAR YEARS 2010-2019
(unaudited)

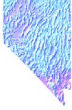
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Nevada | | | | | | | | | | |
| <u>County</u> | | | | | | | | | | |
| Churchill | 24,877 | 24,637 | 24,375 | 24,063 | 23,989 | 24,200 | 24,198 | 24,230 | 24,440 | 24,909 |
| Douglas | 46,997 | 46,886 | 46,996 | 47,118 | 47,536 | 47,710 | 48,020 | 48,309 | 48,467 | 48,905 |
| Humboldt | 16,528 | 16,735 | 17,048 | 17,363 | 17,279 | 17,019 | 16,842 | 16,826 | 16,786 | 16,831 |
| Lyon | 51,980 | 51,871 | 51,327 | 51,557 | 51,789 | 52,585 | 53,179 | 54,122 | 55,808 | 57,510 |
| Pershing | 6,753 | 6,734 | 6,749 | 6,877 | 6,698 | 6,634 | 6,560 | 6,508 | 6,666 | 6,725 |
| Storey | 4,010 | 3,896 | 3,935 | 3,942 | 3,912 | 3,987 | 4,051 | 4,006 | 4,029 | 4,123 |
| Washoe | 421,407 | 425,710 | 429,908 | 433,731 | 440,078 | 446,903 | 453,616 | 460,587 | 465,735 | 471,519 |
| Carson City | 55,274 | 55,439 | 54,838 | 54,080 | 54,522 | 54,521 | 54,742 | 54,745 | 55,414 | 55,916 |
| Subtotal | 627,826 | 631,908 | 635,176 | 638,731 | 645,803 | 653,559 | 661,208 | 669,333 | 677,345 | 686,438 |
| California | | | | | | | | | | |
| <u>County</u> | | | | | | | | | | |
| Alpine | 1,175 | 1,102 | 1,129 | 1,159 | 1,116 | 1,110 | 1,071 | 1,120 | 1,101 | 1,129 |
| El Dorado | 181,058 | 180,938 | 180,561 | 181,737 | 183,087 | 184,452 | 185,625 | 188,987 | 190,678 | 192,843 |
| Lassen | 34,895 | 34,200 | 33,658 | 32,163 | 31,749 | 31,345 | 30,870 | 31,163 | 30,802 | 30,573 |
| Mono | 14,202 | 14,309 | 14,348 | 14,074 | 13,997 | 13,909 | 13,981 | 14,168 | 14,250 | 14,444 |
| Nevada | 98,764 | 98,612 | 98,292 | 98,200 | 98,893 | 98,877 | 99,107 | 99,814 | 99,696 | 99,755 |
| Placer | 348,432 | 357,138 | 361,682 | 367,309 | 371,694 | 375,391 | 380,531 | 386,166 | 393,149 | 398,329 |
| Plumas | 20,007 | 19,765 | 19,399 | 18,859 | 18,606 | 18,409 | 18,627 | 18,742 | 18,804 | 18,807 |
| Sierra | 3,240 | 3,113 | 3,086 | 3,047 | 3,003 | 2,967 | 2,947 | 2,999 | 2,987 | 3,005 |
| Subtotal | 701,773 | 709,177 | 712,155 | 716,548 | 722,145 | 726,460 | 732,759 | 743,159 | 751,467 | 758,885 |
| Total | 1,329,599 | 1,341,085 | 1,347,331 | 1,355,279 | 1,367,948 | 1,380,019 | 1,393,967 | 1,412,492 | 1,428,812 | 1,445,323 |
| Percentage increase | 1.97% | 0.86% | 0.47% | 0.59% | 0.93% | 0.88% | 1.01% | 1.33% | 1.16% | 1.16% |
| Unemployment rate | | | | | | | | | | |
| Washoe County | 12.9% | 12.6% | 11.0% | 9.4% | 7.6% | 6.3% | 5.0% | 3.5% | 2.3% | 3.2% |

Source: US Census Bureau - Quickfacts *Population Estimates as of July 1, 2019
Nevada Department of Employment, Training, and Rehabilitation

<http://www.census.gov/quickfacts/table/PST045219/>

<http://nevadaworkforce.com/HOME/DS-Results-LAUS2>

Reno-Tahoe Airport Authority
 FY 2021-22
 ANNUAL BUDGET
 Section 10 – Supplemental Data

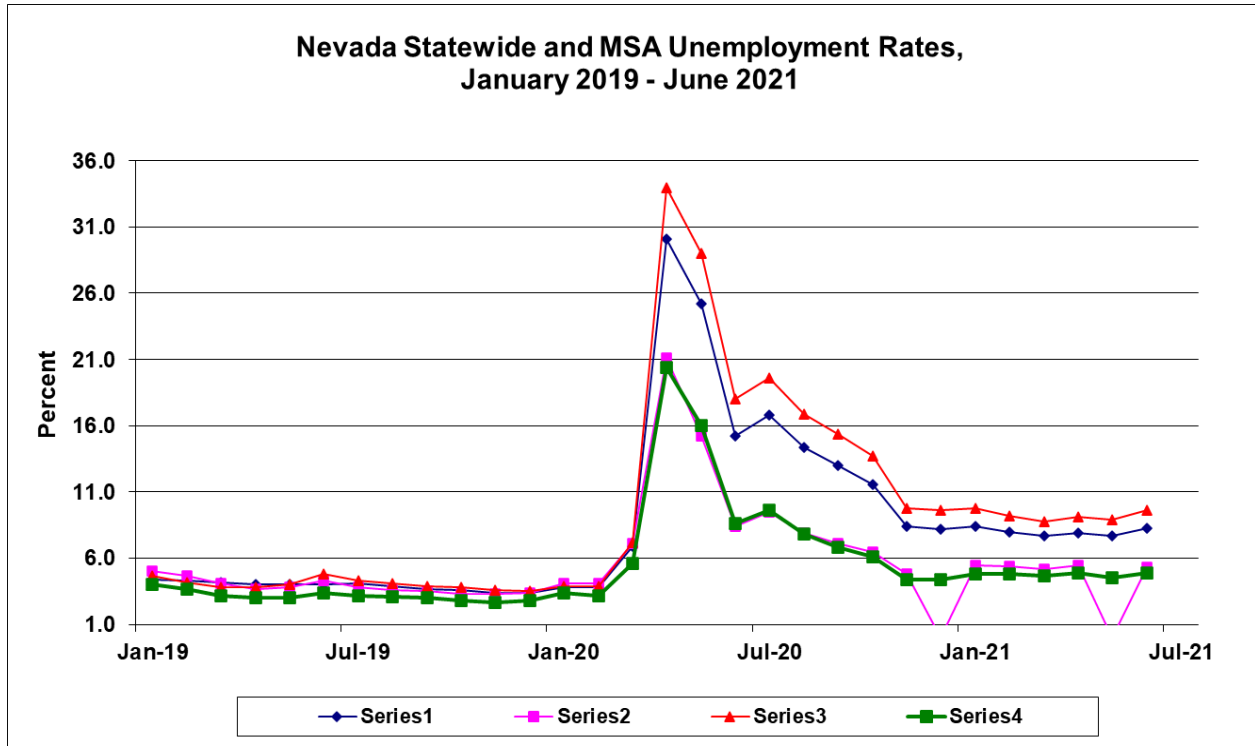
|  Nevada Statewide 2021 Industrial Employment | | | | |
|---|---------------|---------------|--------------|-------------|
| Estimates in thousands | June 2021 | June 2020 | Change | % Change |
| Total All Industries | 1337.9 | 1269.7 | 68.20 | 5.4% |
| <i>Goods Producing</i> | 170.3 | 168.0 | 2.3 | 1.4% |
| Natural Resources & Mining | 15.1 | 15.7 | -0.6 | -3.8% |
| Construction | 94.4 | 96.1 | -1.7 | -1.8% |
| Manufacturing | 60.8 | 56.2 | 4.6 | 8.2% |
| <i>Services Producing</i> | 1167.6 | 1101.7 | 65.9 | 6.0% |
| <i>Private Service Providing</i> | 1011.2 | 945.0 | 66.2 | 7.0% |
| Trade, Transportation & Utilities | 277.5 | 231.8 | 45.7 | 19.7% |
| Information | 13.4 | 14.1 | -0.7 | -5.0% |
| Financial Activities | 67.8 | 67.6 | 0.2 | 0.3% |
| Professional & Business Services | 192.9 | 166.6 | 26.3 | 15.8% |
| Education and Health Services | 140.8 | 131.2 | 9.6 | 7.3% |
| Leisure and Hospitality | 275.9 | 297.9 | -22.0 | -7.4% |
| Other Services | 42.9 | 35.8 | 7.1 | 19.8% |
| Government | 156.4 | 156.7 | -0.3 | -0.2% |
| Data may not add due to rounding. Employment by place of work. Does not coincide with labor force concept. Includes multiple jobholders. | | | | |
| https://www.nevadaworkforce.com/admin/uploadedPublications/3116_Current_Release.pdf | | | | |

Employment Statistics

The table above demonstrates Nevada’s diversified economy. Continuing diversification of the local economy, as outlined in the Introduction section, will help reduce the impact of any future economic downturns and reduce the dependence on gaming. The chart above shows the employment in the largest sectors of the economy. Trade, Transportation & Utilities, the largest category of employment, has shown a 19.7% increase in employment in June 2021 as compared to June 2020. The Leisure & Hospitality Services sector was also impacted by the COVID-19 pandemic with a 7.4% decrease in employment. The employment category that has sustained growth through the COVID-19 pandemic is the Other Services sector of 19.8%.

**Reno-Tahoe Airport Authority
 FY 2021-22
 ANNUAL BUDGET
 Section 10 – Supplemental Data**

Unemployment Statistics

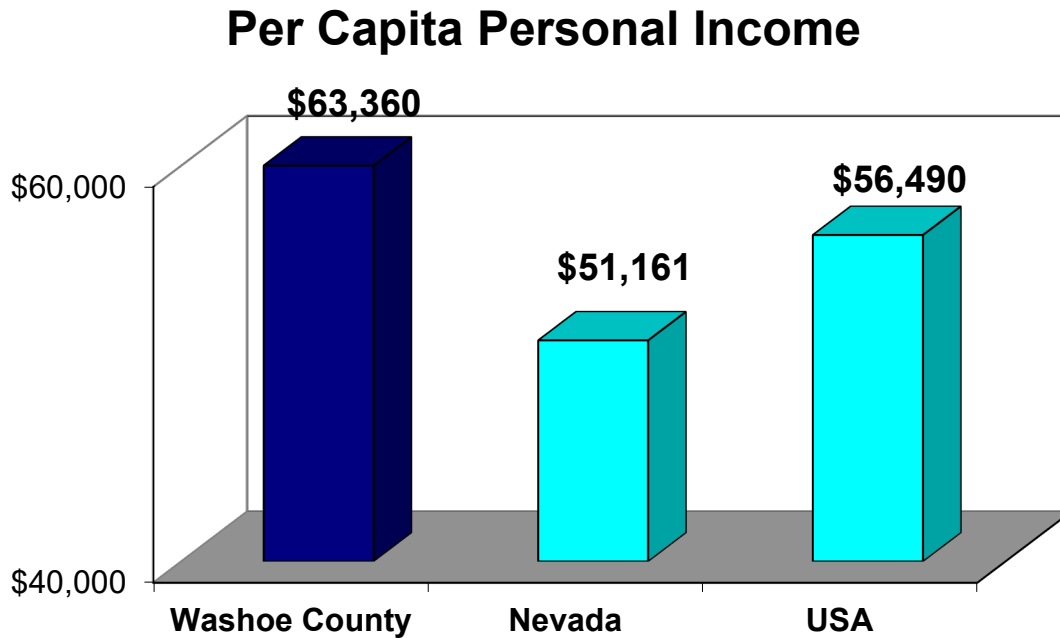


Source: Nevada Department of Employment, Training and Rehabilitation

This graph shows the Reno-Tahoe area unemployment rate of 4.9% in June 2021 as compared to the rest of the state. The Reno - Sparks MSA is usually below the Las Vegas statistics for Southern Nevada, and below the state as a whole. During the past year, the Reno-Sparks 2020 unemployment rate has increased as compared to 8.6% in June 2020 and 3.4% in June 2019. The unemployment rate increase is due to the closing of non-essential businesses per Governor Sisolak’s order on March 20, 2020, and the slow recovery as shelter in place orders are lifted.

The nationwide unemployment rate at the end of June 2021 registered 5.9% as reported by the Bureau of Labor Statistics. The COVID-19 pandemic has caused the largest global recession in history, and this is reflected in an increase in the nationwide unemployment rate due to many states ordering non-essential businesses to close.

**Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 10 – Supplemental Data**



Source: U.S. Department of Commerce – Bureau of Economic Analysis
www.bea.gov/Regional/Reis

Per Capita Personal Income

Another aspect of Reno-Tahoe area employment is Per Capita Personal Income. As the latest data available as of 2019 demonstrates, the Reno-Tahoe service area of Washoe County, Nevada not only has a higher per capita personal income than the state in general, but also surpassed the national average per capita personal income level.

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 10 – Supplemental Data

RENO-TAHOE AIRPORT AUTHORITY
 PRINCIPAL EMPLOYERS WITHIN AIR TRADE AREA
 FOR THE CALENDAR YEARS ENDED 2019 AND 2010
 (unaudited)

| Employer | Calendar year 2019 | | Calendar year 2010 | |
|-------------------------------------|--------------------|-------------|--------------------|-------------|
| | Rank | Employees | Rank | Employees |
| Renown Medical Center | 1 | 5,000-9,999 | 4 | 2,000-2,499 |
| AMERCO | 2 | 1,000-4,999 | - | - |
| Circus Circus Reno | 3 | 1,000-4,999 | - | - |
| Eldorado Resort Casino | 4 | 1,000-4,999 | - | - |
| Grand Sierra Resort & Casino | 5 | 1,000-4,999 | - | - |
| Harrah's Reno Casino | 6 | 1,000-4,999 | - | - |
| International Game Technology (IGT) | 7 | 1,000-4,999 | 6 | 2,000-2,499 |
| Nevada System of Higher Education | 8 | 1,000-4,999 | 2 | 4,000-4,499 |
| Nugget Casino Resort | 9 | 1,000-4,999 | - | - |
| Peppermill Inc | 10 | 1,000-1,499 | 5 | 2,000-2,499 |
| Silver Legacy Resort Casino | 11 | 1,000-1,499 | 7 | 1,500-1,999 |
| St Mary's Regional Medical Center | 12 | 1,000-1,499 | 8 | 1,500-1,999 |

Nevada Revised Statute Chapter 612 stipulates that actual employment for individual employers may not be published.

Source: Nevada Workforce & the Department of Employment, Training and Rehabilitation, 2019 Second Half

www.nevadaworkforce.com/CAER

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 10 – Supplemental Data

Domestic Airline Passengers

| Enplanements on U.S. Airlines, Unadjusted | | | | | | |
|--|---------------|---------------|------------------|---------------|------------------|---------------|
| Passenger numbers in millions (000,000) | | | | | | |
| | 2018 | 2019 | 2018-2019 | | 2020-2021 | |
| | | | 2020 | PCT. | 2021 | PCT. |
| | | | | Change | | Change |
| January | 64.43 | 67.02 | 70.77 | 4.0% | 27.29 | -61% |
| February | 61.72 | 63.58 | 67.81 | 3.0% | 26.61 | -61% |
| March | 76.29 | 80.21 | 39.06 | 5.1% | 42.80 | 10% |
| April | 73.63 | 76.43 | 3.01 | 3.8% | 47.80 | 1488% |
| May | 77.30 | 81.34 | 8.43 | 5.2% | 57.50 | 582% |
| June | 80.88 | 83.84 | 16.53 | 3.7% | | -100% |
| July | 83.96 | 86.96 | 24.01 | 3.6% | | |
| August | 80.99 | 83.78 | 25.30 | 3.4% | | |
| September | 68.70 | 72.58 | 25.27 | 5.6% | | |
| October | 75.51 | 78.62 | 30.01 | 4.1% | | |
| November | 72.74 | 73.07 | 28.76 | 0.5% | | |
| December | 72.88 | 79.28 | 30.54 | 8.8% | | |
| 6 Mo. | 434.25 | 452.42 | 205.61 | 4.2% | 202.00 | |
| Total | | | | | | -1.8% |
| Yr. Total | 889.03 | 926.71 | 369.50 | 4.2% | | |

Source: Bureau of Transportation Statistics, T-100 Market
 Note: Percentage changes based on numbers prior to rounding.
 Note: May & June 2021 passenger numbers have not been published

<https://www.bts.gov/newsroom>

The table above lists the last two calendar years of domestic airline passenger enplanements for the United States. The national statistics mirror the annual passenger peaks for RNO that occur in July and August each year. The COVID-19 pandemic has caused a decline in airline passenger enplanements as reflected in table above.

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 10 – Supplemental Data

Airline Profitability

| Quarterly Large Airline Systemwide (Domestic + International) Net Income Ranked by 1Q 2021 Operating Revenue (millions of dollars) | | | | | | | |
|--|------------------|---------------|----------------|----------------|---------------|---------------|---------------------------------------|
| Rank | Airline | 1Q 2020 | 2Q 2020 | 3Q 2020 | 4Q 2020 | 1Q 2021 | Dollar Change 1Q2020- 1Q2021 |
| 1 | American | -2,169 | -1,968 | -2,276 | -2,037 | -1,216 | 953 |
| 2 | Delta | -511 | -5,692 | -5,381 | -793 | -1,181 | -670 |
| 3 | United | -1,704 | -1,626 | -1,841 | -1,896 | -1,357 | 347 |
| 4 | Southwest | -94 | -915 | -1,157 | -908 | 116 | 210 |
| 5 | Alaska | -210 | -262 | -501 | -429 | -188 | 22 |
| 6 | JetBlue | -268 | -321 | -392 | -373 | -247 | 21 |
| 7 | Spirit | -28 | -144 | -99 | -157 | -112 | -84 |
| 8 | Hawaiian | -142 | -81 | -96 | -157 | -59 | 83 |
| 9 | SkyWest | 9 | -39 | 23 | -65 | 10 | 1 |
| 10 | Frontier | -60 | 17 | -52 | -127 | -91 | -31 |
| 10-Carrier Total | | -5,177 | -11,031 | -11,772 | -6,942 | -4,325 | 852 |

Source: Bureau of Transportation Statistics, F41; Schedule P12 data

This table lists the latest quarterly operating profit and loss for the Largest Scheduled Passenger Airlines for the most recent five quarters ending with the 1st Quarter of 2021.

The top 10 airlines, ranked by operating revenue, reported an improvement in after-tax net loss of \$4.3 billion in the first quarter of 2021, down 17% from a net loss of \$5.2 billion in the first quarter of 2020 and down 38% from a net loss of \$6.9 billion in the fourth quarter of 2020.

Fuel costs decreased 34% as compared to the prior year and decreased 57% as compared to 2019. Crude oil prices have an increase of 86% in June 2021 as compared to the same period last year. Full-time equivalent (FTE) employment at U.S. passenger airlines reached over 411,902 jobs in 2020, a decrease from the highest level since 2002.

Section 11 – State of Nevada Budget Format



Reno-Tahoe Airport Authority

P.O. Box 12490 • Reno, NV 89510-2490 • (775)328-6400 • (775)328-6510

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

Reno-Tahoe Airport Authority herewith submits the FINAL budget for the
fiscal year ending June 30, 2022

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

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

This budget contains 0 governmental fund types with estimated expenditures of \$ 0 and
1 proprietary fund with estimated expenses of \$ 80,217,076

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

CERTIFICATION

I Randall O. Carlton
(Printed Name)
Chief Finance and Administration Officer
(Title)
certify that all applicable funds and financial
operations of this Local Government are
listed herein

Signed Randall O. Carlton

Dated: 5/20/2021

APPROVED BY THE GOVERNING BOARD

Jenifer Rose
Richard Jay
Nat Carasali
Shaun Carey
Carol Chaplin
Daniel Farahi
Lisa Gianoli
Jessica Sferrazza
Art Sperber

SCHEDULED PUBLIC HEARING:

Date and Time 5/20/2021 - 9 AM

Publication Date 5/10/2021

Place: **Webinar-** <https://us02web.zoom.us/j/82187067640> or
One tap mobile: US: +16699006833,,82187067640# or +12532158782,,82187067640# or
Telephone: US: +1 669 900 6833 or +1 253 215 8782 or +1 346 248 7799 or +1 929 205 6099 or +1 301 715 8592
or +1 312 626 6799, Webinar ID: 821 8706 7640 or
International Numbers available: <https://us02web.zoom.us/j/82187067640>

Page: 1

Form 1
11/1/2014

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

| | ACTUAL PRIOR YEAR ENDING 06/30/20 | ESTIMATED CURRENT YEAR ENDING 06/30/21 | BUDGET YEAR ENDING 06/30/22 |
|--------------------------|---|--|--------------------------------|
| General Government | | | |
| Judicial | | | |
| Public Safety | | | |
| Public Works | | | |
| Sanitation | | | |
| Health | | | |
| Welfare | | | |
| Culture and Recreation | | | |
| Community Support | | | |
| TOTAL GENERAL GOVERNMENT | | | |
| Utilities | | | |
| Hospitals | | | |
| Transit Systems | | | |
| Airports | 264.0 | 280.5 | 275.5 |
| Other | | | |
| TOTAL | 264.0 | 280.5 | 275.5 |

| | | | |
|---|--|--|-------------------------------|
| POPULATION (AS OF JULY 1) | | | 473,606 |
| SOURCE OF POPULATION ESTIMATE* | | | Nevada Department of Taxation |
| 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

SCHEDULE A-2 PROPRIETARY AND NONEXPENDABLE TRUST FUNDS

Budget For Fiscal Year Ending June 30, 2022

Budget Summary for RENO-TAHOE AIRPORT AUTHORITY
(Local Government)

| FUND NAME | * | OPERATING REVENUES (1) | OPERATING EXPENSES (2) ** | NONOPERATING REVENUES (3) | NONOPERATING EXPENSES (4) | OPERATING TRANSFERS | | NET INCOME (7) |
|-----------|---|---------------------------|------------------------------|------------------------------|------------------------------|---------------------|--------|-------------------|
| | | | | | | IN (5) | OUT(6) | |
| AIRPORTS | E | \$ 48,081,224 | \$ 79,931,626 | 24,014,550 | 285,450 | 0 | 0 | \$ (8,121,303) |
| | | | | | | | | |
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| | | | | | | | | |
| TOTAL | | | | | | | | |

* FUND TYPES: E - Enterprise
I - Internal Service
N - Nonexpendable Trust

** Include Depreciation

| PROPRIETARY FUND | (1) | (2) | (3) (4) BUDGET YEAR ENDING 06/30/22 | |
|---|--|--|--|-------------------|
| | ACTUAL PRIOR YEAR ENDING 6/30/2020 | ESTIMATED CURRENT YEAR ENDING 6/30/2021 | TENTATIVE APPROVED | FINAL APPROVED |
| OPERATING REVENUE | | | | |
| Landing and Aircraft Fees | \$ 10,077,732 | \$ 7,904,299 | \$ 9,553,953 | \$ 9,553,953 |
| Gaming Concession | 818,747 | 428,300 | 700,400 | 700,400 |
| Food & Beverage Concession | 1,310,327 | 835,754 | 1,407,689 | 1,407,689 |
| Merchandise Concession | 932,145 | 732,145 | 932,145 | 932,145 |
| Auto Rental Concession | 6,737,159 | 5,813,774 | 6,496,400 | 6,496,400 |
| Parking/Ground Transportation | 10,012,455 | 6,073,300 | 8,853,300 | 8,853,300 |
| Rents | 16,534,688 | 16,525,823 | 16,799,996 | 16,792,796 |
| Other Concessions/Reimbursed Svcs/Misc. | 4,246,472 | 2,881,356 | 3,335,271 | 3,344,541 |
| Total Operating Revenue | \$ 50,669,725 | \$ 41,194,750 | \$ 48,079,153 | \$ 48,081,224 |
| OPERATING EXPENSE | | | | |
| Personnel Services | \$ 32,120,112 | \$ 30,427,425 | \$ 32,595,520 | \$ 32,947,635 |
| Utilities and Communications | 2,881,069 | 2,676,714 | 2,848,730 | 2,848,730 |
| Purchased Services | 5,418,705 | 5,378,177 | 7,597,265 | 7,699,265 |
| Materials and Supplies | 2,340,685 | 2,297,307 | 2,657,659 | 2,657,659 |
| Administrative Expenses | 2,431,355 | 2,282,480 | 3,994,372 | 3,778,337 |
| Depreciation/Amortization | 27,608,618 | 35,000,000 | 35,000,000 | 30,000,000 |
| Total Operating Expense | \$ 72,800,544 | \$ 78,062,102 | \$ 84,693,546 | \$ 79,931,626 |
| Operating Income or (Loss) | (22,130,819) | (36,867,352) | (36,614,393) | (31,850,403) |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Interest Earned | 2,324,420 | 712,400 | 705,400 | 708,000 |
| Jet Fuel Tax Revenue | 263,135 | 210,500 | 213,700 | 213,700 |
| PFC Revenues (Passenger Facility Chg.) | 7,607,924 | 4,224,400 | 5,650,300 | 5,653,900 |
| Gain (Loss) on sale of capital assets | 28,196 | - | - | - |
| Customer Facility Charge | 4,891,406 | 4,461,400 | 5,693,000 | 5,693,000 |
| CARES Act Proceeds | 617,197 | 7,578,475 | 11,297,450 | 11,745,950 |
| Interest Expense | (389,125) | (337,975) | (285,450) | (285,450) |
| Miscellaneous Non-Operating Expense | - | - | - | - |
| Total Nonoperating Revenues (Expenses) | 15,343,153 | 16,849,200 | 23,274,400 | 23,729,100 |
| Net Income before Operating Transfers | \$ (6,787,666) | \$ (20,018,152) | \$ (13,339,993) | \$ (8,121,303) |
| Operating Transfers (Schedule T) | | | | |
| In | | | | |
| Out | | | | |
| Net Operating Transfers | 0 | 0 | 0 | 0 |
| NET INCOME | \$ (6,787,666) | \$ (20,018,152) | \$ (13,339,993) | \$ (8,121,303) |

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 06/30/22 | |
|--|--|--|--|-----------------------|
| | ACTUAL PRIOR YEAR ENDING 6/30/2020 | ESTIMATED CURRENT YEAR ENDING 6/30/2021 | TENTATIVE APPROVED | FINAL APPROVED |
| A. CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Operating Income (Loss) | \$ (22,130,819) | \$ (36,867,352) | \$ (36,614,393) | \$ (31,850,403) |
| Depreciation/Amortization | 27,608,618 | 35,000,000 | 35,000,000 | 30,000,000 |
| Provision for Bad Debt | - | - | - | - |
| Loss on Sale of Property and Equipment | - | - | - | - |
| Changes in Current Assets and Liabilities | (2,967,566) | - | - | - |
| a. Net cash provided by (or used for) operating activities | 2,510,233 | (1,867,352) | (1,614,393) | (1,850,403) |
| B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | | |
| Jet Fuel Tax Revenue | 263,135 | 210,500 | 213,700 | 213,700 |
| b. Net cash provided by (or used for) non capital financing activities | 263,135 | 210,500 | 213,700 | 213,700 |
| C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: | | | | |
| Federal Grant Proceeds | 16,281,489 | 20,483,084 | 31,332,768 | 31,332,768 |
| Proceeds from sale of Capital Assets | 28,196 | - | - | - |
| CARES ACT Proceeds | 617,197 | 7,578,475 | 11,297,450 | 11,745,950 |
| Customer Facility Charge Revenue | 4,891,406 | 4,461,400 | 5,693,000 | 5,693,000 |
| Acq. & Const. of Capital Assets | (38,520,759) | (40,141,683) | (54,214,326) | (54,384,326) |
| Principal/Interest Payments | (2,224,013) | (2,247,975) | (2,250,450) | (2,250,450) |
| Receipts of PFC Revenue | 7,607,924 | 4,224,400 | 5,650,300 | 5,653,900 |
| Non-Operating Expenses | - | - | - | - |
| Cash paid to refunding escrow agent | - | - | - | - |
| Jet Fuel Activity | - | - | - | - |
| Insurance Settlement Proceeds | - | - | - | - |
| c. Net cash by (or used for) capital and related financing activities | (11,318,560) | (5,642,299) | (2,491,257) | (2,209,157) |
| D. CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Receipt of Interest | 1,626,053 | 712,400 | 705,400 | 708,000 |
| Purchase/Sale of Investments | 3,673,173 | - | - | - |
| d. Net cash provided by (or used in) investing activities | 5,299,226 | 712,400 | 705,400 | 708,000 |
| NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d) | (3,245,966) | (6,586,751) | (3,186,550) | (3,137,860) |
| CASH AND CASH EQUIVALENTS AT JULY 1, 20XX | 10,629,705 | 7,383,739 | 796,988 | 796,988 |
| CASH AND CASH EQUIVALENTS AT AT JUNE 30, 20XX | \$ 7,383,739 | \$ 796,988 | \$ (2,389,563) | \$ (2,340,872) |

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 7/1/2021 | INTEREST PAYABLE | PRINCIPAL PAYABLE | (9) + (10) TOTAL |
| FUND: AIRPORTS | | | | | | | | | | |
| RTAA, AIRPORT REVENUE REFUNDING BONDS SERIES 2015 | 4 | 11 | 20,690,000 | 10/01/15 | 07/01/26 | 2.75% | 10,380,000 | 285,450 | 1,965,000 | 2,250,450 |
| | | | | | | | | | | |
| | | | | | | | | | | |
| TOTAL ALL DEBT SERVICE | | | \$ 20,690,000 | | | | \$ 10,380,000 | \$ 285,450 | \$ 1,965,000 | \$ 2,250,450 |
| | | | | | | | | | | |

SCHEDULE C-1 INDEBTEDNESS

RENO-TAHOE AIRPORT AUTHORITY Budget Fiscal Year 2021-22

SCHEDULE OF EXISTING CONTRACTS

Budget Year 2021-22

Local Government: Reno-Tahoe Airport Authority
 Contact: Alex Kovacs
 E-mail Address: akovacs@renoairport.com
 Daytime Telephone: 775-328-6435

Total Number of Existing Contracts: 109

| Line | Vendor | Effective Date of Contract | Termination Date of Contract | Proposed Expenditure FY 2021-22 | Proposed Expenditure FY 2022-23 | Reason or need for contract: |
|------|--|----------------------------|------------------------------|---------------------------------|---------------------------------|---|
| 1 | Fennemore Craig Jones Vargas | 2/1/2014 | 1/30/2024 | \$ 450,000 | \$ 450,000 | Legal Services |
| 2 | Griffin Company | 11/1/2020 | 6/30/2021 | \$ 60,000 | \$ 60,000 | Local/State Lobbying & Government Advocacy |
| 3 | The Porter Group | 2/13/2019 | 1/31/2022 | \$ 96,000 | \$ 96,000 | Federal Representation Services |
| 4 | Reed Business Information, Inc. | 7/1/2021 | 6/30/2022 | \$ 16,000 | \$ 16,000 | Flight Global Mapping Tool - Annual Subscription - paid quarterly (annual auto renewal) |
| 5 | Flight Global/ Reed Business Information, Inc. | 7/1/2021 | 6/30/2022 | \$ 30,000 | \$ 30,000 | Dio - Annual Subscription (Data In. Intelligence Out) |
| 6 | Airline Data Inc. | 7/1/2021 | 6/30/2022 | \$ 7,800 | \$ 7,800 | ACA Leakage Module |
| 7 | anna.aero | 7/1/2021 | 6/30/2022 | \$ 12,000 | \$ 12,000 | 12 month contract: July 2021 - June 2022 |
| 8 | Unknown | N/A | N/A | 25,000 | 25,000 | Consultant Work & Airline Studies (Passengers) |
| 9 | Unknown | N/A | N/A | 50,000 | - | Cargo Study |
| 10 | Noble Studios | N/A | N/A | 40,000 | - | Quarterly Travel Sentiment Surveys at \$9K+\$1K (gift cards) each |
| 11 | UNR | N/A | N/A | 5,000 | 5,000 | Demographics of local catchment area (UNR) |
| 12 | Unknown | N/A | N/A | 100,000 | - | Psychographics (to include advertising for RFP/RFQ) |
| 13 | Unknown | N/A | N/A | 15,000 | - | Creative for Air Service Marketing |
| 14 | Reno Air Racing Association | 7/1/2021 | 6/30/2022 | \$ 100,000 | \$ 100,000 | National Championship Air Race Sponsorship |
| 15 | University of Nevada-Reno | 7/1/2021 | 6/30/2022 | \$ 43,340 | \$ 43,340 | Intercollegiate Athletics Trade Out Agreement |
| 16 | Unknown | 7/1/2021 | 6/30/2022 | \$ 200,000 | \$ 200,000 | renoairport.com Website |
| 17 | Constant Contact | On-going | | \$ 3,840 | \$ 3,840 | Annual Contract for E-News Distribution |
| 18 | Hootsuite Insights | On-going | | \$ 3,888 | \$ 3,888 | Annual Contract for Social Media Monitoring |
| 19 | Meltwater News US | On-going | | \$ 11,737 | \$ 12,911 | Annual Contract for News Media Monitoring |
| 20 | Noble Studios | 7/1/2018 | 6/30/2021 | \$ 480,000 | \$ 280,000 | Advertising Campaign/New Website Coordination |
| 21 | TV Eyes | 8/1/2021 | 7/31/2024 | \$ 1,600 | \$ 1,600 | Three Year Contract for Capturing News Media |
| 22 | Spotify | On-going | | \$ 120 | \$ 120 | Annual Contract for On-demand, Ad-free Music |
| 23 | Dropbox Business | On-going | | \$ 450 | \$ 450 | Annual Contract for 5 TB of Document Sharing (3 Admins) |
| 24 | ComPsych | 8/1/2019 | 7/31/2022 | \$ 5,925 | \$ 6,400 | Employee Assistance Program Services |
| 25 | Lockton | 7/1/2017 | 6/30/2022 | \$ 44,000 | \$ 44,000 | Insurance Brokerage Services |
| 26 | Health Insurance Provider | 1/1/2021 | 12/31/2022 | \$ 3,644,000 | \$ 3,840,000 | Employee Health Benefit Plan |
| 27 | Standard Insurance | 1/1/2020 | 12/31/2022 | \$ 382,000 | \$ 394,000 | Employee Dental, Vision, Life & Long Term Disability Benefit Plans |
| 28 | My Cafeteria Plan | 1/1/2017 | 6/30/2022 | \$ 6,000 | \$ 6,600 | Third Party Administration Services (HSA/Flex Plan Claims) |
| 29 | Affirmity | 9/1/2019 | 8/31/2022 | \$ 5,500 | \$ 5,500 | Third Party Affirmative Action Analysis |
| 30 | Ionwave Technologies | 7/1/2015 | 6/30/2021 | \$ 18,750 | \$ 18,750 | E-Procurement License, Maintenance and Professional Services |
| 31 | TBD | 7/1/2021 | 6/30/2022 | \$ 27,000 | \$ 27,000 | Aircom system maintenance |
| 32 | Trophy Peak Fire Services | 2/1/2021 | 6/30/2024 | \$ 6,500.00 | \$ 6,500.00 | Fire system/equipment inspections, alarm monitor, and service |
| 33 | Ozilio | 7/1/2021 | 6/30/2022 | \$ 600.00 | \$ 600.00 | Video webstreaming for afdl cam |
| 34 | Safety Kleen | 7/1/2021 | 6/30/2023 | \$ 1,000.00 | \$ 1,000.00 | Parts washer service |
| 35 | Waters Septic Service | 7/1/2020 | 6/30/2023 | \$ 1,500.00 | \$ 1,500.00 | Separator services |
| 36 | All Weather, Inc. | 7/1/2020 | 6/30/2022 | \$ 5,900.00 | \$ 5,900.00 | AWQS certification and service |
| 37 | Kone Elevator service | 7/1/2021 | 6/30/2022 | \$ 2,700.00 | \$ 2,700.00 | |
| 38 | LA Perks | 7/1/2021 | 6/30/2022 | \$ 1,100.00 | \$ 1,100.00 | Annual washrack alarm certification |
| 39 | Emerson | 7/1/2021 | 6/30/2022 | \$ 7,500.00 | \$ 7,500.00 | Terminal UPS services |
| 40 | One Call Maintenance | 9/1/2017 | 8/30/2022 | \$ 19,800.00 | \$ 21,000.00 | Janitorial Services |
| 41 | US Bank | 5/23/2013 | 7/1/2020 | \$ 9,185 | \$ 9,185 | Bond and Note Trustee |

SCHEDULE OF EXISTING CONTRACTS

Budget Year 2021-22

Local Government: Reno-Tahoe Airport Authority
 Contact: Alex Kovacs
 E-mail Address: akovacs@renoairport.com
 Daytime Telephone: 775-328-6435

Total Number of Existing Contracts: 109

| Line | Vendor | Effective Date of Contract | Termination Date of Contract | Proposed Expenditure FY 2021-22 | Proposed Expenditure FY 2022-23 | Reason or need for contract: |
|------|---------------------------------------|----------------------------|------------------------------|---------------------------------|---------------------------------|---|
| 42 | Wells Fargo Bank | 9/30/2018 | 7/1/2020 | \$ 39,280 | \$ 39,280 | Banking Services |
| 43 | Wells Fargo Bank | 10/24/2018 | 10/24/2020 | \$ 315,000 | \$ 320,000 | Merchant Services Credit Card Processing |
| 44 | Crowe Horwath | 3/13/2014 | 6/30/2021 | \$ 65,000 | \$ 67,000 | External Audit Services |
| 45 | Washoe County Invest Pool | 5/1/2014 | On-going | \$ 8,000 | \$ - | Investment fund fees |
| 46 | McCloud | 7/1/2018 | 7/1/2020 | \$ 1,400 | \$ 3,000 | OPEB & GASB Actuarial |
| 47 | Government Portfolio Advisors | 6/1/2017 | 6/2/2022 | \$ 48,000 | \$ 50,000 | Investment Advisors Contract |
| 48 | TBD | | | \$ 50,000 | \$ - | GASB 87 compliance |
| 49 | Airport Concession Consultants | 7/1/2019 | ongoing | \$ 10,000 | \$ - | Airport Concessions Disadvantage Business Enterprise (ACDBE) compliance |
| 50 | QSI Specialists | 11/1/2013 | ongoing | \$ 4,500 | \$ - | Mystery Shopper program |
| 51 | TNT Lawns Plus | 4/1/2019 | ongoing | \$ 2,500 | \$ - | Landscape maintenance of Grassy Knolls parcel |
| 52 | SmarteCarte | 2/1/2020 | 12/31/2030 | \$ 6,000 | \$ - | Luggage Carts for CPB Building |
| 53 | Landrum Borown | 2/7/2019 | 6/30/2020 | \$ 75,000 | \$ 75,000 | Airline Agreement Negotiations |
| 54 | MVI Facility Services | 1/1/2020 | 12/31/2022 | \$ 498,823 | \$ 454,143 | Maintenance of Quick-Turn Around Facility (CFC Funded) |
| 55 | Detailed Cleaning | | ongoing | \$ 2,200 | \$ 2,200 | Janitorial Service for East and West T-Hangar restrooms |
| 56 | Johnson Controls Hangar B E F | | ongoing | \$ 2,000 | \$ 2,000 | Fire Alarm Monitoring-485 S Rock Hangars |
| 57 | Atlantic Aviation T-hangar Management | | ongoing | \$ 78,972 | \$ 78,972 | Manages RNO T-hangars for RTAA |
| 58 | Yardi for RNO East West T-hangars | | ongoing | \$ 3,000 | \$ 3,000 | Yardi for East and West T-Hangars |
| 59 | Johnson Controls | | ongoing | \$ 2,100 | \$ 2,100 | Fire Alarm Monitoring-601 S Rock |
| 60 | Burgarello Alarm | | ongoing | \$ 1,758 | \$ 1,758 | Fire Alarm Monitoring - 1200 Terminal |
| 61 | Burgarello Alarm | | ongoing | \$ 1,700 | \$ 1,700 | Fire Alarm Monitoring - 1250 Terminal |
| 62 | Midwest Heating | | ongoing | \$ 9,860 | \$ 9,860 | HVAC Quarterly Maintenance-1280 Terminal |
| 63 | T&T Lawns Plus | | ongoing | \$ 3,360 | \$ 3,360 | Landscaping-1280 Terminal |
| 64 | T&T Lawns Plus | | ongoing | \$ 4,000 | \$ 4,000 | Snow Removal-1280 Terminal |
| 65 | Burgarello Alarm | | ongoing | \$ 1,700 | \$ 1,700 | Fire Alarm Monitoring-1280 Terminal |
| 66 | A Natural Sparkle | | ongoing | \$ 6,000 | \$ 6,000 | Janitorial Service-1280 Terminal |
| 67 | Western Exterminator | | ongoing | \$ 500 | \$ 500 | Pest Control-1280 Terminal |
| 68 | Johnson Controls | | ongoing | \$ 500 | \$ 500 | Fire Extinguisher Service-1280 Terminal |
| 69 | CEI Alarm | | ongoing | \$ 420 | \$ 420 | Burglar Alarm Monitoring-Mini Warehouse |
| 70 | T&T Lawns Plus | | ongoing | \$ 5,000 | \$ 5,000 | Snow Removal-Mini Warehouse |
| 71 | Custom Aire | | ongoing | \$ 2,400 | \$ 2,400 | HVAC Quarterly Maintenance-Mini Warehouse |
| 72 | Western Exterminator | | ongoing | \$ 1,170 | \$ 1,170 | Pest Control-Mini Warehouse |
| 73 | ABC Fire | | ongoing | \$ 1,000 | \$ 1,000 | Fire Alarm Monitoring-Mini Warehouse |
| 74 | Johnson Controls | | ongoing | \$ 1,000 | \$ 1,000 | Fire Extinguisher Service-Mini Warehouse |
| 75 | Martin-Ross Security | | ongoing | \$ 2,400 | \$ 2,400 | Security Patrol-Mini Warehouse |
| 76 | Johnson Controls | | ongoing | \$ 1,700 | \$ 1,700 | Fire Alarm Monitoring-1500 Terminal |
| 77 | Midwest Heating | | ongoing | \$ 5,000 | \$ 5,000 | HVAC Quarterly Maintenance-1500 Terminal |
| 78 | Johnson Controls | | ongoing | \$ 500 | \$ 500 | Fire Extinguisher Service-1500 Terminal |
| 79 | T&T Lawns Plus | | ongoing | \$ 2,500 | \$ 2,500 | Snow Removal-1500 Terminal |
| 80 | USDA - APHIS | 7/1/2021 | 6/30/2025 | \$ 62,000 | \$ 64,000 | Part 139 Wildlife Management Services |
| 81 | Console Cleaning Specialists | 7/1/2020 | 6/30/2021 | \$ 2,500 | \$ 2,500 | Console Cleaning and Preventative Maintenance Service |
| 82 | Scheidt and Bachmann | 7/1/2021 | 6/30/2022 | \$ 165,000 | \$ 175,000 | Parking Revenue Control System Maintenance Agreement |
| 83 | Windcave | 7/1/2021 | 6/30/2022 | \$ 20,500 | \$ 22,000 | Processor for EMV and Credit Card Trx's for new PARCS Equipment. |

SCHEDULE OF EXISTING CONTRACTS

Budget Year 2021-22

Local Government: Reno-Tahoe Airport Authority
Contact: Alex Kovacs
E-mail Address: akovacs@renoairport.com
Daytime Telephone: 775-328-6435

Total Number of Existing Contracts: 109

| Line | Vendor | Effective Date of Contract | Termination Date of Contract | Proposed Expenditure FY 2021-22 | Proposed Expenditure FY 2022-23 | Reason or need for contract: |
|------|--|----------------------------|------------------------------|---------------------------------|---------------------------------|--|
| 84 | Gatekeeper AdComp | 7/1/2021 | 6/30/2022 | \$ 4,000 | \$ 4,000 | GT Payment Software |
| 85 | Gatekeeper - Current System | 7/1/2021 | 6/30/2022 | \$ 40,891 | \$ 42,118 | Et Tracking Software Support Agreement |
| 86 | Bobby Pages | | On-going | \$ 7,000 | \$ 7,000 | Laundry Service |
| 87 | OnStrategy | 7/1/2021 | 6/30/2022 | \$ 7,500 | \$ 7,500 | Strategic Planning |
| 88 | AEEC | 1/1/2021 | 12/31/2021 | \$ 57,000 | \$ - | Consultant Services - Stead Consent Decree Remediation (Contract typically renewed annually) |
| 89 | Bob Firth | 7/1/2021 | 6/30/2022 | \$ 2,000 | \$ 2,000 | Consultant Services - Water Rights (Contract typically renewed annually) |
| 90 | Sierra Environmental Monitoring | 7/1/2021 | 6/30/2022 | \$ 12,000 | \$ 12,000 | Consultant Services - Stormwater Sampling (Contract typically renewed annually) |
| 91 | Michael Baker International | 7/1/2021 | 6/30/2022 | \$ 35,000 | \$ 35,000 | Consultant Services - GIS-Related Repair Work, Programming, and Staff Training (Contract typically renewed annually) |
| 92 | Michael Baker International | 7/1/2021 | 12/31/2021 | \$ 60,000 | \$ - | Consultant Services - GIS Federal Investment Mapping Project |
| 93 | Mead & Hunt | 1/1/2021 | 6/30/2022 | \$ 1,400,000 | \$ - | Consultant Services - Concourse(s) Redevelopment Planning Study |
| 94 | TBD | 3/1/2021 | 1/1/2022 | \$ 200,000 | \$ - | Consultant Services - Landside Operations Planning Study |
| 95 | Waters Vacuum Truck Service | 7/1/2021 | 6/30/2022 | \$ 21,000 | \$ 23,000 | Maintain sand/oil separators including pumping, analytical testing & permitting - estimated 5% increase in 2021/22 |
| 96 | Delta Fire Systems | 7/1/2021 | 6/30/2022 | \$ 33,000 | \$ 33,000 | State certification requirements |
| 97 | One Call Maintenance | 7/1/2021 | 6/30/2022 | \$ 208,000 | \$ 208,000 | Heavy duty cleaning services and equipment |
| 98 | Automated Temperature Control Services-BCS | 7/1/2021 | 6/30/2022 | \$ 15,000 | \$ 15,000 | Specialized training and equipment expertise |
| 99 | Chemtreat International-Cooling Towers | 7/1/2021 | 6/30/2022 | \$ 8,500 | \$ 8,500 | Cooling Tower Equipment and chemical servicing |
| 100 | Emerson Network Power-UPS | 7/1/2021 | 6/30/2022 | \$ 49,500 | \$ 49,500 | Specialized training and equipment servicing |
| 101 | Linen Service | 7/1/2021 | 6/30/2022 | \$ 2,000 | \$ 2,000 | Linen Services needed for our PR dept. support for table clothe cleaning |
| 102 | KoneElevator-Escalator Repair and Maintenance | 7/1/2021 | 6/30/2022 | \$ 130,000 | \$ 130,000 | State certification requirement |
| 103 | Stanley Access-Assa Abloy Certified door Service | 7/1/2021 | 6/30/2022 | \$ 3,000 | \$ 3,000 | Specialized equipment and repair service |
| 104 | Tennant Company-Ridding Scrubbers | 7/1/2021 | 6/30/2022 | \$ 17,000 | \$ 17,000 | Specialized training and equipment service |
| 105 | Trane Company-Chillers | 7/1/2021 | 6/30/2022 | \$ 60,000 | \$ 63,000 | Specialized equipment repair and service |
| 106 | ADT Alarm Services- GAOB Building | 7/1/2021 | 6/30/2022 | \$ 3,000 | \$ 3,000 | Security monitoring to support outlying RTAA facilities |
| 107 | Elite Line Services BHS | 7/1/2021 | 6/30/2022 | \$ 1,180,000 | \$ 1,199,013 | Specialized Baggage Handling System (BHS) Equipment service and repair |
| 108 | Arthur J. Gallagher | 7/1/2018 | 6/30/2023 | \$ 61,800 | \$ 63,600 | Property/Casualty & Workers Compensation Brokerage Services |
| 109 | Puliz Records Management | On-going | On-going | \$ 18,000 | \$ 18,000 | Records Storage |
| | Total Proposed Expenditures | | | \$ 11,090,169 | \$ 9,105,078 | |

Additional Explanations (Reference Line Number and Vendor):

SCHEDULE OF EXISTING CONTRACTS
Budget Year 2021 - 2022

Local Government: Reno-Tahoe Airport Authority
Contact: Alex Kovacs
E-mail Address: akovacs@renoairport.com
Daytime Telephone: 775-328-6435

Total Number of Privatization Contracts: 1

| Line | Vendor | Effective Date of Contract | Termination Date of Contract | Duration (Months/ Years) | Proposed Expenditure FY 2021-22 | Proposed Expenditure FY 2022-23 | Position Class or Grade | Number of FTEs employed by Position Class or Grade | Equivalent hourly wage of FTEs by Position Class or Grade | Reason or need for contract: |
|------|----------------------|----------------------------|------------------------------|--------------------------|---------------------------------|---------------------------------|-------------------------|--|---|--|
| 1 | One Call Maintenance | 8/1/2017 | 6/30/2022 | 58 Months | \$ 208,000 | \$ 208,000 | 18 | 6 | 17.3 | Heavy duty cleaning services and equipment |
| 2 | | | | | | | | | | |
| 3 | | | | | | | | | | |
| 4 | | | | | | | | | | |
| 5 | | | | | | | | | | |
| 6 | | | | | | | | | | |
| 7 | | | | | | | | | | |
| 8 | Total | | | | | | | | | |

Attach additional sheets if necessary.

Section 12 – Acronym and Glossary

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 12 – Acronym and Glossary

| ACRONYMS TERMS | DEFINITIONS |
|-------------------|-------------|
|-------------------|-------------|

| | |
|------|----------------------------------|
| RTAA | Reno-Tahoe Airport Authority |
| RNO | Reno-Tahoe International Airport |
| RTIA | Reno-Tahoe International Airport |
| RTS | Reno-Stead Airport |

Airlines

| | |
|----|--------------------|
| AS | Alaska Airlines |
| G4 | Allegiant Airlines |
| AA | American Airline |
| DL | Delta Air Lines |
| F9 | Frontier Airlines |
| QX | Horizon Air |
| B6 | JetBlue |
| WN | Southwest Airlines |
| SY | Sun Country |
| UA | United Airlines |
| Y4 | Volaris Airlines |

Airport Codes

| | |
|-----|------------------------------|
| AUS | Austin, TX |
| BOI | Boise |
| MDW | Chicago Midway |
| ORD | Chicago O'Hare |
| DFW | Dallas Fort Worth |
| DAL | Dallas Love Field |
| DEN | Denver |
| GDL | Guadalajara |
| IAH | George Bush Intercontinental |
| LAS | Las Vegas |
| LGB | Long Beach |
| LAX | Los Angeles |
| MSP | Minneapolis/St Paul |
| JFK | New York City |

Reno-Tahoe Airport Authority
FY 2021-22
ANNUAL BUDGET
Section 12 – Acronym and Glossary

| | |
|-----|----------------|
| OAK | Oakland |
| PHX | Phoenix |
| PDX | Portland |
| SLC | Salt Lake City |
| SAN | San Diego |
| SFO | San Francisco |
| SJC | San Jose |
| SEA | Seattle |

Regulations

| | |
|------|---|
| 77 | FAA Part 77 Imaginary Protection Services |
| 107 | FAA Part 107 – A section of the Federal Aviation Regulations having to do with an airport operator’s responsibilities for airport security. |
| 139 | FAA Part 139 – A section of the Federal Aviation Regulations having to do with the certification of an airport’s airfield. |
| 150 | FAA 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. |
| 333 | Code of Federal Regulations Section for Exempting a Commercial UAS from needing a COA |
| 1542 | TSA Part 1542, Airport Security |

All Other

| | |
|--------|---|
| A/E | Architect/Engineer |
| AAA | American Arbitration Association – Arbitrators are required under some collective bargaining agreements |
| AAAE | American Association of Airport Executives |
| AAE | Accredited Airport Executive |
| AAPOPA | Airport Authority Police Officers Protective Association |
| AC | Asphaltic Concrete |
| AC | FAA Advisory Circular |
| ACA | Affordable Care Act |
| ACAMS | Access Control and Alarm Monitoring System |

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| ACEP | Airport Capacity Enhancement Plan |
| ACI-NA | Airports Council International - North America |
| ACIP | Airport Capital Improvement Program for FAA |
| ACL | Aviation Classics Ltd. - Reno-Stead Airport |
| ACM | Airport Certification Manual |
| ACN | Aircraft Certification Number |
| ACR | Aircraft Condition Report |
| 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. |
| ADA | Americans with Disability Act - U.S. law governing employment and treatment of persons with a qualified disability |
| AD&D | Accidental Death & Dismemberment Insurance |
| ADAAP | Americans with Disabilities Act Advisory Panel |
| ADG | Airplane Design Group |
| ADPM | Average Day Peak Month |
| ADO | FAA Airport District Office |
| AEP | Airport Emergency Plan |
| AFV | Alternative Fuel Vehicles |
| AFFF | Aqueous Film Forming Foam |
| AGL | Above Ground Level |
| AIM | Aeronautical Information Manual |
| AIP | Airport Improvement Program - 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. |
| AirComm | Airport Communications Center |
| 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. |
| Airside | The airfield side of an airport used by aircraft, runways, taxiways, and aircraft parking aprons. |
| AKA | Also Known As |

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| ALP | Airport Layout Plan - A blue print of an airport required by the Federal Aviation Administration which shows current and future airport development. |
| ALPA | Air Line Pilots Association |
| ALS | Approach Lighting Systems |
| AMASS | Airport Movement Area Safety Systems - Federal Aviation Administration Program for runway incursions |
| Amortization | A term that refers either to the gradual paying off of a debit in regular installments over a period of time or to the depreciation of an asset over a period of time. |
| AMP | Airport Master Plan |
| AMSL | Above Mean Sea Level |
| ANCA | Airport Noise and Capacity Act of 1990 |
| ANTN | Airport News & Training Network (AAAE) |
| ANOMS | Aircraft Noise and Operations Monitoring System |
| ANAP | Airport Noise Advisory Panel |
| AOA | Air Operations Area |
| AOPA | Aircraft Owners and Pilots Association |
| APU | Auxiliary Power Unit |
| ARC | Airport Reference Code |
| ARFF | Aircraft Rescue and Fire Fighting |
| ARP | Airport Reference Point |
| ARPA | The American Rescue Plan Act of 2021, also known as the COVID-19 Stimulus Package, is a \$1.9 trillion economic stimulus bill passed by the 117 th U.S. Congress and signed into law by President Joe Biden in March 2021 to speed up the recovery from the economic and health effects of the COVID-19 pandemic and the ongoing recession in the United States. |
| ARTS | Automated Radar Terminal System |
| ASDA | Accelerate Stop Distance Available |
| ASDE | Airport Surface Detection Equipment |
| Asset | A single item of ownership having exchange value. |
| AFSD | Assistant Federal Security Director |
| ASM | Available Seat Mile |

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| ASOS | Automated Surface Observing System |
| ASR | Airport Surveillance Radar |
| ATA | Air Transport Association |
| ATC | Air Traffic Control |
| ATCT | Airport Traffic Control Tower |
| ATIS | Automated Terminal Information System |
| ATO | Airline Ticket Office |
| ARTCC | Air Route Traffic Control Center |
| ATSI | Airport Training & Safety Institute (AAAE) |
| AUVSI | Association of Unmanned Vehicle Systems International |
| AV | Audio-Visual |
| AVA | Airport Vassar Annex |
| AVGAS | Aviation Gasoline |
| AVIS | Automatic Vehicle Identification System - An electronic system that counts vehicle entrances, exits and dwell time at a location. |
| AWOS | Automated Weather Observing System |
| AWP | FAA's Western Pacific Region 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. |
| BAFO | Best and Final Offer |
| BCS | Building Control System |
| BHS | Baggage Handling System |
| BIDS | Baggage Information Displays System - Electronic displays to inform passengers which baggage conveyor will be used for their flight's luggage. |
| BLM | Bureau of Land Management |
| BMP | Best Management Practices |
| BMU | Bag Make-Up |
| Bond | A security issued by a corporation or public body and usually carrying a fixed rate of interest and a set date, called the bond's maturity, for redemption of the principal. |

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| 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. |
| BRL | Building Restriction Line |
| BTS | Bureau of Transportation Statistics |
| Budget | An estimate, often itemized, of expected income and expense for a given period in the future. |
| CAD | Computer Aided Dispatch |
| CADD | Computer Aided Design and Drafting |
| CAFR | Comprehensive Annual Financial Report |
| CALCS | Computerized Airfield Lighting Control System |
| CAP | Civil Air Patrol |
| Capital Project | Construction projects that will have a useful life exceeding one year and a cost greater than \$5,000 and are paid under multiple invoices. These projects may be done either in-house or by an outside contractor. |
| CARES Act | The Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act, is a \$2.2 trillion economic stimulus bill passed by the 116 th U.S. Congress and signed into law by President Donald Trump in March 2020 in response to the economic fallout of the COVID-19 pandemic in the United States. |
| CASM | Cost per Available Seat Mile |
| CAT | Instrument Landing System Category - Category I, II, III |
| CATEX | Categorical Exclusion |
| CBA | Collective Bargaining Agreement - Written contract or agreement between the employee and a recognized employee organization |
| CBO | Congressional Budget Office |
| CBP | Customs and Border Protection |
| CD | Calendar Days |
| CCR | Central Control Room (for BHS) |
| CCTV | Closed Circuit Television - Video cameras used for surveillance to maintain security and safety. |
| CTAF | Common Traffic Advisory Frequency |
| CE | Civil Engineer |

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| CES | Current Employment Statistics |
| CFC | Customer Facility Charge |
| CFR | Code of Federal Regulations |
| CIP | Capital Improvement Project (in airport budget) |
| COA | Certificate of Authorization - form of approval for UAS operations |
| | |
| COBRA | Consolidated Omnibus Budget Reconciliation Act of 1985 - Benefit granted to employees to continue their health and other benefit coverage after terminating employment for a specified period of time. |
| COC | Community Outreach Committee |
| CPA | Certified Public Accountant |
| CPI | Consumer Price Index |
| CM | Construction Management |
| CMAQ | Congestion Mitigation Air Quality |
| CNG | Compressed Natural Gas |
| COLA | Cost of Living Adjustment |
| 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. |
| | |
| Compensatory Rate Setting | Compensatory rate setting is one in which a sponsor assumes all liability for airport costs and retains all airport revenue for its own use. Aeronautical users are charged only for the costs of the facilities they use. A compensatory rate structure may be imposed on users by ordinance. |
| ConRAC | Consolidated Rental Car Facility |
| Cost Centers | Geographic locations on an airport such as the airfield or terminal building use for rate setting purposes. |
| COVID-19 | Coronavirus disease 2019 (COVID-19) is a respiratory illness that can spread from person to person. There are many types of human coronaviruses, including some that commonly cause mild upper-respiratory tract illnesses. COVID-19 is a new disease, caused by a novel (or new) coronavirus that has not previously been seen in humans. |
| CPE | Cost Per Enplanement – The airlines’ airport costs, landing fees and rents, divided by the total number of passengers enplaned at the airport. |

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| CRJ | Canadair Regional Jet |
| CRRSAA | The Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) is a \$900 billion COVID-19 relief, passed by the 116 th U.S. Congress and signed into law by President Donald Trump in December 2020 in response to the economic effects of the COVID-19 pandemic in the United States. |
| CSP | Civil Service Plan |
| CT | Circuit Tester |
| CUTE | Common Use Terminal Equipment |
| CVR | Cockpit Voice Recorder “Black Box” |
| CY | Calendar Year |
| DAD | Deputy Area Director (Transportation Security Administration/TSA) |
| dB | Decibel |
| Daily Departure Seats | The total of all the seats on all the scheduled airline flights leaving an airport each day. |
| DBE | Disadvantaged Business Enterprise - The Department of Transportation (DOT) has 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 airport concession programs and FAA grant funded projects. |
| DETR | Nevada Department of Employment, Training, and Rehabilitation |
| DEIS | Draft Environmental Impact Statement |
| Depreciation | A non-cash expense that accounts for the value of assets which decreases over time as a result of use, age, or obsolescence. |
| DGPS | Differential Global Positioning System |
| DH | Decision Height |
| DHS | Department of Homeland Security |
| DME | Distance Measuring Equipment |
| DP | DP RTA Stead, LLC |

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| DP | Deplaning Passenger -An arriving passenger. |
| DR | Disaster Recovery |
| DRI | Desert Research Institute |
| DVR | Digital Video Recorder |
| EA | Environmental Assessment |
| EAP | Employee Assistance Program |
| EAS | Essential Air Service |
| EDS | Explosive Detection System - TSA screening equipment |
| EIS | Environmental Impact Statement |
| EEO | Equal Employment Opportunity |
| EEOC | U.S. Equal Employment Opportunity Commission - Agency that enforces various laws i.e., Civil Rights and ADA |
| ELS | Elite Line Service (BHS Maintenance Contractor) - Contractor that provides Operations and Maintenance on the BHS |
| ELT | Emergency Locator Transmitter |
| EMRB | Employee Management Relations Board - State of Nevada |
| EMS | Environmental Management System |
| EOC | Emergency Operations Center |
| 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. |
| EP | Enplaned Passenger - A departing passenger. |
| EPA | Environmental Protection Agency |
| EP | Enplaned Passengers |
| ESS | Employee Self Service |
| ETD | Explosive Trace Detection - TSA Screen Equipment |
| Expenditure | The act of expending something, especially funds; disbursement; consumption. |
| FAA | Federal Aviation Administration (FAA) – A component of the Department of Transportation with primary responsibility for the safety of civil aviation. |
| FAR | Federal Aviation Regulations |
| FBI | Federal Bureau of Investigation |

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| FBO | Fixed Base Operator – Businesses on airports that sell fuel to private plane owners, provide aircraft parking, as well as aircraft maintenance and mechanical services. |
| FCAD | Facility Condition Assessment Database |
| FCC | Federal Communication Commission |
| FDR | Flight Data Recorder “Black Box” |
| FEIS | Final Environmental Impact Statement |
| FEMA | Federal Emergency Management Agency |
| FIDS | Flight Information Displays System - Electronic displays to inform passengers of the status of their flight, such as arrival time, and terminal building gate number. |
| FIS | Federal Inspection Service |
| FLOW | Passengers Connecting |
| FLSA | Fair Labor Standards Act - U.S. Law governing computation and payment of overtime and regulating child labor |
| FMCS | U.S. Federal Mediation and Conciliation Service - A source of mediator and arbitrators required under some collective bargaining agreements |
| FMLA | Family and Medical Leave Act— U.S. law governing requirements for Leave Granting |
| FOD | Foreign Object Debris or trash on the airfield. |
| FONSI | Finding of No Significant Impact |
| FSD | Federal Security Director |
| FSDO | Flight Standards District Office |
| FSS | Flight Service Station |
| FTE | Full Time Equivalent - PTE is Part Time Equivalent |
| FTZ | Foreign Trade Zone |
| FY | Fiscal Year – A 12-month period, other than a calendar year, used for financial reporting purposes. The RTAA’s fiscal year begins July 1 st and ends June 30 th . |
| GA | General Aviation- The activities of privately owned aircraft that are not used for commercial purposes, such as the movement of passengers or freight. |
| GAAP | General Accepted Accounting Principles |
| GAO | U.S. General Accounting Office |
| GDP | Gross Domestic Product |

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| GFOA | Governmental Finance Officers Association |
| GNSS | Global Navigation Satellite System |
| GOED | Governor’s Office of Economic Development |
| GPS | Global Positioning System |
| GPU | Ground Power Unit |
| GSE | Ground Service Equipment |
| GT | Ground Transportation |
| | |
| HAN | Hot August Nights |
| HDQ | Headquarters |
| HIRL | High Intensity Runway Lights - (Medium Intensity MIRL) |
| HIPAA | Health Insurance Portability & Accountability Act |
| HRA | Health Reimbursement Account |
| HSA | Health Savings Account |
| HVAC | Heating Ventilation and Air Conditioning |
| Hybrid Rate Setting | A combination of the “residual” and “compensatory” methods of airline rate calculation. |
| | |
| IATA | International Air Transport Association |
| ICAO | International Civil Aviation Organization |
| ICS | Incident Command System |
| IFR | Instrument Flight Rules |
| ILS | Instrument Landing System |
| IMC | Instrument Meteorological Conditions |
| INM | Integrated Noise Model |
| | |
| Jet Bridge | A mechanical tunnel used by passengers to pass from the terminal building to an aircraft. |
| JMA | JMA Reno Holding, LLC |
| | |
| K9 | Police Working Dog |
| KCM | Known Crew Member |
| KKOH | Radio AM 780 |
| KOLO | TV 8 (ABC Affiliate) |
| KRNV | TV 4 (NBC Affiliate) |
| KTF | Kindness Takes Flight |
| KTVN | TV 2 (CBS Affiliate) |
| KREN | TV 27 (Univision, Spanish programming) |
| KSA | Knowledge, Skills and Abilities |

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| L3 | Manufacturer of TSA provided screening equipment |
| LAN | Local Area Network (computer network system) |
| 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. |
| LCC | Life Cycle Costs |
| LCD | Liquid Crystal Display; flat-panel, large-format displays - Flat panel displays for use at the checkpoints and FIDS/BIDS locations |
| LDA | Landing Distance Available |
| LED | Light-Emitting Diode |
| LEO | Law Enforcement Officer |
| LMR | Labor Management Relations |
| LOA | Letter of Agreement |
| LOC | Letter of Credit |
| LOC | Localizer |
| LOI | Letter of Intent |
| LPG | Liquefied Propane Gas |
| LTD | Long Term Disability |
| LVIED | Large Vehicle Improvised Explosive Device |
| MAG | Minimum Annual Guarantee - 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. |
| MALSF | Medium-Intensity Approach Lighting Systems with Sequence Flashers |
| MALSR | Medium-Intensity Approach Lighting System with Runway Alignment Indicator |
| MDA | Minimum Descent Altitude |
| Medium Hub Airport | An airport defined by the Federal Aviation Administration as handling 0.25% to 1% of the country's annual passenger boardings. |

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| MGT | Management Guidelines |
| MII | Majority In Interest - A method, defined in an airport’s airline agreement, of determining an airline majority for purposes of approving capital projects. |
| MISER Airport | Hangar development on west side of ramp at Reno-Stead |
| MOA | Military Operations Area |
| MOU | Memorandum of Understanding |
| MOU/A | Memorandum of Understanding/Agreement |
| MSA | Minimum Safe Altitude |
| MRO | Maintenance and Repair Overhaul |
| MVA | Minimum Vectoring Altitude |
| NAE | Nevada Association of Employers |
| NANG | Nevada Air National Guard |
| NASA | National Aeronautics and Space Administration |
| NATCA | National Air Traffic Controllers Association |
| NAVAIDS | Navigational Aids (FAA equipment) |
| NCAR | National Championship Air Races |
| NCIC | National Crime Information Center |
| NCP | Noise Compatibility Plan |
| NDA | National Defense Area |
| NDOT | Nevada Department of Transportation |
| NEM | Noise Exposure Map |
| NEPA | National Environmental Policy Act |
| Net Pledged Revenues | Operating Revenues less Operating Expenses pledged to pay debt service as defined in a bond covenant. |
| Net Win | The difference between gaming wins and losses before deducting costs and expenses. |
| NIAS | Nevada Institute of Autonomous Systems |
| NIBRS | National Incident-Based Reporting System |
| NLA | New Large Aircraft |
| NLR | Noise Level Reduction |
| NNHC | Northern Nevada Health Consortium |
| NNKK | Northern Nevada Kart Klub |
| NM | Nautical Mile |
| NOAA | National Oceanic and Atmospheric Administration |

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| 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. |
| NOTAM | Notice to Airmen |
| NPIAS | National Plan of Integrated Airport Systems |
| NPRM | Notice of Proposed Rule Making |
| NRS | Nevada Revised Statute |
| NTE | Not to Exceed |
| NTP | Notice to Proceed |
| NTSB | National Transportation Safety Board |
| NVBGH | Nevada Business Group on Health |
| NWS | National Weather Service |
| O & D | Origin and Destination |
| O & M | Operations & Maintenance - Usually refers to cost |
| O/S | Oversized belt system (Baggage Handling System) |
| OAG | Official Airline Guide |
| OFA | Object Free Area |
| OFZ | Object Free Zone |
| OSHA | Occupational Safety & Health Administration - Federal Agency responsible for work environment |
| OSR | On-Screen Resolution Room (TSA area) |
| OTA | Other Transaction Agreement (with TSA) |
| P4P | Paws 4 Passengers |
| PAPI | Precision Approach Path Indicator |

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| PARCS | Parking Revenue Control System |
| PAX | Passenger |
| PBX | Private Building Exchange - Private telephone system |
| PC | Personal Computer |
| PCI | Pavement Condition Index and/or Payment Card Industry |
| PCCP | Portland Cement Concrete Pavement |
| PCN | Pavement Condition Number |
| PCN | Position Control Number |
| PDEW | Passenger Daily Each Way |
| PEBP | Public Employee Benefits Program |
| PEHP | Post-Employment Health Plan |
| PERS | Public Employees' Retirement System |
| PFC | Passenger Facility Charge - A \$4.50 charge per passenger per airport levied by the airlines that is sent to the respective airport, less an \$0.11 administrative fee. The PFC may not be levied until after an airline review and FAA approval process. |
| PIDS | Perimeter Intrusion Detection System |
| PIO | Public Information Officer |
| PM/CM | Program Management/Construction Management |
| PP& E | Property, Plant & Equipment - Items that will have a useful life exceeding one year and a unit cost greater than \$5,000 and are paid under one invoice. |
| PRCS | Parking Revenue Control System |
| 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. |
| PSA | Professional Services Agreement |
| QTA | Quick Turn Around |
| RAC | Rent-a-Car |
| RADAR | Radio Detection & Ranging |
| RAFFA | Reno Airport Fire Fighters Association |
| RARA | Reno Air Racing Association |
| RASC | Regional Air Service Corporation |
| RASM | Revenue per Available Seat Mile |
| RAVEN | Regional Aviation Enforcement - Sherriff & Reno Police Department |

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| REIL | Runway End Identifier Lights |
| Residual Rate Setting | An airline rate setting method that permits aeronautical users to receive a cross-credit of non-aeronautical revenues to reduce air carrier fees; in exchange the air carrier agrees to cover any shortfalls in revenues to cover airport costs either as a whole or by cost center. A residual rate structure may be accomplished only with agreement of the users. |
| RFB | Request for Bids |
| RFI | Request for Information |
| RFID | Radio Frequency Identification |
| RFP | Request for Proposal |
| RFQ | Request for Qualifications |
| RI | Runway Incursion |
| RIAT | Runway Incursion Action Team |
| RIF | Reduction in Force |
| RJ | Regional Jet |
| RMS | Record Management System |
| ROD | Record of Decision |
| RON | Remain Overnight |
| RPZ | 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. |
| RSA | Runway Safety Area |
| RSAT | Runway Safety Action Team |
| RTAG | Reno Tahoe Aviation Group |
| RVR | Runway Visual Range |
| RWY | Runway - RWY or R/W |
| SaaS | Software as a service |
| SCCA | Sports Car Club of America |
| SEC | Securities Exchange Commission |
| SID | Standard Instrument Departure |
| SIDA | Security Identification Area - Secure areas of the airport in which identification badges are required to be displayed. |
| Signatory Airline | An airline that has signed an agreement with an airport committing to rent terminal leased space and pay landing fees for a fixed period of time. |
| SIP | Sound Insulation Program |

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| SLA | Service Level Agreement |
| Small Hub Airport | An airport defined by the Federal Aviation Administration as handling 0.05% to 0.25% of the country’s annual passenger boardings. |
| SMS | Safety Management System |
| SNJC | Sierra Nevada Job Corps |
| SOP | Standard Operating Procedure |
| SRMP | Safety Risk Management Panel |
| sUAS | Small Unmanned Aircraft System |
| SSI | Sensitive Security Information |
| SSP | Select Service Partners - Airport food vendor |
| STAR | Standard Terminal Arrival Route |
| SWAAAE | Southwest Chapter of the American Association of Airport Executives |
| T1 | A High Capacity Data Telephone Circuit |
| TAF | Terminal Area Forecast |
| TERPS | Terminal Instrument Procedures |
| TFR | Temporary Flight Restriction |
| 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. |
| THRIVE | RTAA Values - Teamwork for Results, Honesty & Integrity, Respect & Recognition, Inspire & Innovate, Versatility, Enthusiasm |
| TMSTR | Teamsters Union |
| TNC | Transportation Network Company - Uber and Lyft |
| TORA | Takeoff Run Available |
| TOD | Transit Oriented Development |
| TODA | Takeoff Distance Available |
| TRACON | Terminal Radar Approach Control |
| TRAFFIC | Passengers |
| TSA | Transportation Security Administration - A component of the Department of Homeland Security with primary responsibility for the security of civil aviation. |
| TWY | Taxiway - TWY or T/W |
| UAS | Unmanned Aircraft System |
| UAV | Unmanned Aerial Vehicle |

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| ULP | Unfair Labor Practice - A change or determination made against an employer or an organized employee organization that required certain actions, decided by the Nevada Employee Management Relations Board |
| UPS | Uninterruptable Power Supply/United Parcel Service |
| USC | United States Code |
| USAF | United States Air Force |
| USDA | United States Department of Agriculture |
| USDOD | United States Department of Defense - USDOD or DOD |
| USDOT | United States Department of Transportation - USDOT or DOT |
| USFS | United States Forest Service (Dept. of Interior) |
| USF&WS | United States Fish and Wildlife Service - or USFWS |
| | |
| VASI | Visual Approach Slope Indicator |
| VBIED | Vehicle Borne Improvised Explosive Device |
| VFR | Visual Flight Rules |
| VMC | Visual Meteorological Conditions |
| VOIP | Voice Over IP (Internet Protocol) |
| VOR | Very High Frequency Omni-directional Range |
| VOR/DME | Very High Frequency Omni-directional Range collocated with Distance Measuring Equipment |
| VORTAC | Very High Frequency Omni-directional Range/Tactical Air Navigation |
| | |
| WAN | Wide Area Network |
| WC | Workers Compensation |
| WebEOC | Incident Management Software |
| | |
| WebEx | Cisco Webex is web conferencing and videoconferencing applications. |
| | |
| WED | West End Development at Reno-Stead Airport |
| WHMP | Wildlife Hazard Management Plan |
| Wi-Fi | Wireless Fidelity (wireless Internet access) |
| WWW | World Wide Web |
| WX | Weather |
| YIELD | Cents per mile based on airfare & mileage |
| Zoom | Zoom is modern enterprise video communications with an easy, reliable cloud platform for video and audio conferencing, chat and webinars. |

Reno-Tahoe Airport Authority

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wemoveyou



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