

The Future of **RNO** is more

Fiscal Year 2023-2024

ANNUAL BUDGET



**Reno-Tahoe
Airport
Authority**

Reno, Nevada

**more!
RNO+**



**Reno-Tahoe
International
Airport**

Reno-Tahoe Airport Authority
FY 2023-24
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Section 1 – Introduction and Summary

**Reno-Tahoe Airport Authority
FY 2023-24 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) 2023-24 as approved by the Board of Trustees on May 18, 2023.

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 2023-24. 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 for 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.

It is an exciting time at RNO. The following budget not only provides for the sound fiscal operation of the airport throughout the next fiscal year, but the development of an airport that meets the demand of the growing catchment area for generations to come. RTAA staff continue to work resolutely and professionally day in and day out, providing an exceptional travel experience to all those who utilize our airports. We have established a new strategic vision to carry us through FY 2028 and continue to modernize the products and services we provide both passengers and commercial partners alike.

Background

The discussion of the preliminary FY 2023-24 budget occurred during the Board’s annual strategic retreat and budget workshop on April 19, 2023. The purpose of the retreat was to provide a general assessment of the current operational and fiscal positioning of RTAA, and evaluate the proposed budget for FY 2023-24, including capital improvement projects.

FY 2023-24 forecasts to be a record year, following the record year that was FY 2022-23. Through the first six months of calendar year 2023, RNO served its greatest number of passengers since 2008 with 2.18 million passengers having traveled through the airport. This resurgence comes as our nearly \$1 billion MoreRNO capital improvement program enters its second phase. The MoreRNO capital improvement program consists of four main projects; the Ticketing Hall Expansion, Loop Road Improvements, the Ground Transportation Center (GTC) and the construction two New Concourses, known as New Gen B&C. The Ticketing Hall Expansion construction is to be complete in early 2024, and Loop Road Improvements construction has begun as of July 2023. Negotiations continue with the potential developer of the GTC, or Consolidated

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Rental Car Facility (CONRAC), and are expected to be finalized in November 2023. The Design and Preconstruction of the New Gen Concourses B & C is set to begin in the first quarter of FY 2023-24.

The budget for FY 2023-24 includes \$107.093 million in total revenues to fund operating expenses, equipment purchases, and capital projects at both RNO and RTS. This revenue forecast represents a 5% increase, or \$5.13 million more in revenue over the FY 2022-23 budget. Operating revenues of \$85.456 million are generated from both airline and non-airline airport operations. The revenue budget is developed with a forecast of 2.439 million enplaned passengers throughout the fiscal year. An in-depth discussion of revenue can be found in Section 6 – Revenue.

Operating and maintenance (O&M) costs are separated into five categories: Personnel Services, Utilities and Communication, Purchased Services, Materials and Supplies, and Administrative Expenses. Total O&M Budget for FY 2023-24, including fixed asset acquisition but excluding capital projects, is \$66.040 million, \$6.714 million or 11.3% greater than the FY 2022-23 Budget. An in-depth discussion of O&M expenses can be found in Section 7 – Expenditures, and an in-depth discussion of Fixed Assets and Capital Projects can be found in Section 8 – Capital Budget.

Following a noticed public hearing, the Board of Trustees adopted the FY 2023-24 budget on May 18, 2023, which has become effective as of July 1, 2023.

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 Airports Council International North American Airport Traffic Summary, RNO is the 63rd busiest airport in the nation based on the total passenger traffic in calendar year 2022. As defined by the Federal Aviation Administration (FAA), RNO is a medium hub airport.

Starting on July 1, 2023, RTAA has entered into a new Airline-Airport Use and Lease Agreement (AAULA). The new ten-year AAULA was negotiated with our signatory airlines with the concourse redevelopment capital project at the heart of negotiations. Currently, RTAA has signatory agreements with five commercial airlines and two cargo airlines: Alaska Airlines, American Airlines, Delta Airlines, Southwest Airlines, United Airlines, Federal Express (FedEx),

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and United Parcel Services (UPS). Non-signatory airlines operating at RNO include Allegiant Air, Concesionaria Vuela Compañia de Aviación d.b.a Volaris, JetBlue Airlines, JSX, Spirit Airlines and Sun Country Airlines. Cargo carrier DHL also operates at RNO. The terms of the AAULA are central to the airport business model; AAULAs establish the rights, privileges, and obligations of both the airlines and airport. It also sets the rate methodology for the calculation of airline rates and charges. For a full explanation of the new AAULA, please see Section 5 – Financial and Budgetary Policies.

RTAA Strategic Plan

On June 8, 2023, the Board of Trustees approved the Strategic Plan for fiscal years 2023-24 through 2027-28. The Strategic Plan was developed with extensive input from the Board, RTAA staff and other interested stakeholders. The Strategic Plan was developed with the successful execution of the MoreRNO capital improvement plan at its core. This five-year plan will help guide RNO and RTS staff on a path to success as we endeavor to change the future of air travel in the region for generations to come.

The purpose and desired outcomes of the RTAA FY 2024-2028 Strategic Plan are:

- **Shared Vision** - A strategic vision for the organization that is shared by staff and Board of Trustees.
- **Strategic Direction** - Core strategies that will help guide the RTAA over the next five fiscal 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 developed by the Executive Team.
- **Agility/Flexibility** - A living, breathing plan that provides direction, but is also flexible and broad enough to incorporate constant change in the aviation industry.

The strategic priorities provide the framework for the direction of RTAA over the next five fiscal years. With a holistic focus across the whole organization, the priorities provide clarity on the intent of how the RTAA will achieve this vision.

1. Safety and Security - Create a safe and secure environment for everyone who utilizes the Reno- Tahoe International Airport and Reno-Stead Airport.
2. People - Bolster our employees who are the current and future strength of our organization.
3. Facilities for the Future - Optimize existing facilities and construct new infrastructure at both airports to address market demand by implementing the MoreRNO Program and Airport Capital Improvement Program (ACIP).
4. Air Service and Cargo - Retain and increase air service and cargo.

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5. Financial Stewardship - Establish a culture of fiscal integrity; responsibly manage our business costs, diversify revenues, engage commercial business opportunities, and pursue grant funding, and the prudent use of debt financing for MoreRNO projects.
6. Customer Experience - Provide a positive environment and experience for all.
7. General Aviation - Support and elevate general aviation at both airports.
8. Sustainability - Operate and manage both airports with a holistic approach reflecting sustainability policies and practices along with environmental stewardship.

For an in-depth discussion about the Strategic Plan, please refer to Section 3 – Strategic Initiatives and Budget Goals.

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-related statutory requirements.

Date	Action/Description
April 19, 2023	Board Retreat/Board Budget Workshop – The Board reviewed and discussed the preliminary RTAA budget for FY 2023-24.
April 15, 2023	RTAA filed a tentative budget with the Nevada Department of Taxation
May 8, 2023	Notice of Budget Public Hearing was published calling for public comment on the proposed RTAA budget for FY 2023-24.
May 18, 2023	Board of Trustees - Following a noticed public hearing to receive public comment, the Board of Trustees voted to approve the RTAA budget for FY 2023-24.
July 1, 2023	The Budget became effective for the Fiscal Year 2023-24.

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’s Distinguished Budget Presentation Award and has

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received this important designation each year beginning in 1997. 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 2023-24 annual budget also conforms to the GFOA's 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 Director of Finance 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.

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.

Economic Outlook

The US economy has been struggling to control inflation throughout FY 2022-23, as the fed has moved aggressively to maintain its dual mandate of price stability and maximum employment. As of June 2022, inflation reached its peak rate of 9.1% annually, and the federal funds overnight rate was at 1.75%. The 12-month period that followed was an unprecedented year of quantitative tightening, as the Fed raised rates to 5.5% as of July 2023, a 22 year high, and reduced its balance sheet by 7.3%. The lag effect of monetary policy is now being realized, and inflation has come down every month since its peak in June of 2022, settling at 3.0% in June 2023. Despite the aggressive policy, the job market has remained historically resilient with the 3.6% unemployment recorded in June of 2023. It has ranged from 3.4% to 3.7% since March of 2022. Fed Chair Jerome Powell remains committed to taming inflation and maximum employment and will adjust monetary policy accordingly over the months to come.

Much like the greater US economy, the Reno MSA remains resilient despite high inflation. Unemployment has remained below its historical average in Washoe County, coming in at 4.1% as of May 2023. Importantly, the Reno MSA has continued to diversify in recent history, and no longer relies on gaming as its only source of revenue. The friendly business environment has attracted companies such as Tesla, Panasonic, Microsoft, Apple, Amazon, Patagonia, Walmart, and Petco to set up major business operations in northern Nevada.

The Reno MSA industry trends for the month of May 2023, as published by Ekay Consulting, are as follows:

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- Business Activity Index – Business activity declined in May of 2023 by 3.95% from the same period in May 2022. While taxable sales and gaming revenue were down modestly, airport passengers were up 4.7% year over year, and job growth was up 3.1%. While overall decline can be construed as concerning, it is important to note the economic impact federal reserve actions have taken on the economy. By bringing inflation down from 9% to 3% over the same 12 months, a modest decline in activity is to be expected, and the economy remains resilient.
- Construction Index – The index shows a 20.1% decrease in construction activity from May 2022 to May 2023. The only data series showing improvement over the year is Construction Employment, having risen 8.1%. Future construction, as represented by permit data, is expected to be lower than in the past. Increasing interest rates and flat home sale prices are impacting developers’ ability to obtain financing.
- Housing Affordability Index – A ratio of 100 indicates the median family income in the MSA is sufficient to purchase a median-priced home. In the first quarter of 2023 the housing affordability index was 67.81, meaning the median income is 32.19% less than the necessary income needed to purchase a median priced home. This is a 6.2% drop in affordability from Q1 2022. The significant rise in borrowing costs from increased rates, combined with flat home prices and reduced supply introduction from construction suggests that housing affordability will continue to be an issue in the months to come.

Air Service Market Update

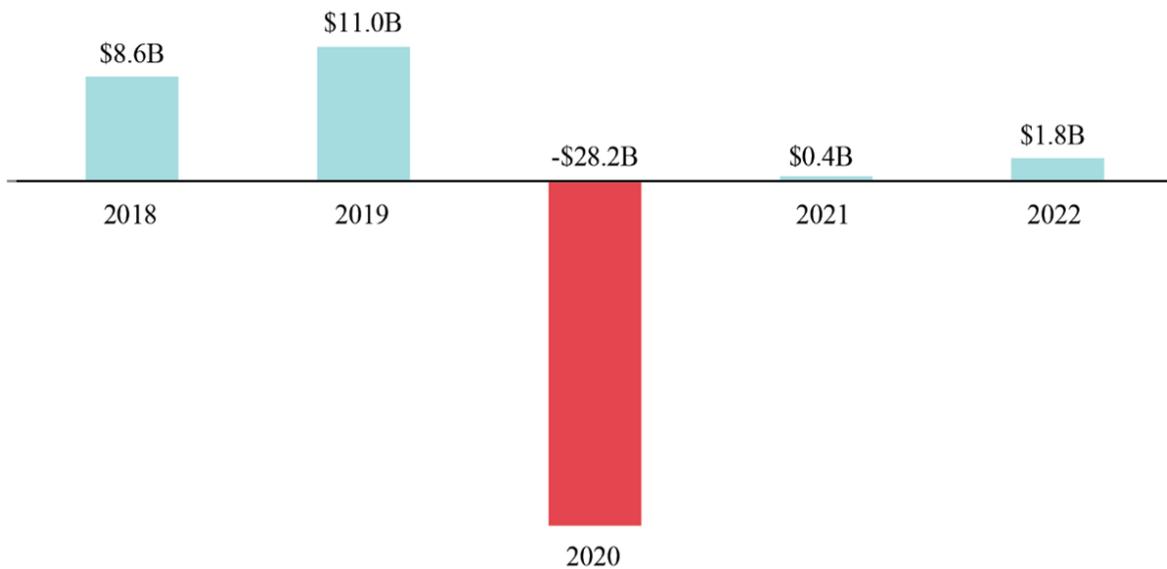
US scheduled passenger airlines reported a 2022 after-tax net profit of \$1.6 Billion, as well as a pre-tax operating profit of \$7.9 billion, posting profits both pre-tax and after tax for the first year since the pandemic. Airlines were able to both benefit and struggle with inflation as higher passenger demand necessitated higher operating costs. Airlines did face similar employment constraints to the greater economy. Low unemployment rates meant fewer staff and higher labor costs. Accordingly, airlines have been reducing scheduled flights to adjust to the labor shortage.

The after-tax profit of \$1.6 billion in 2022 is a \$4.4 billion increase over the \$2.8 billion loss in 2021, and \$36.6 billion increase over the peak pandemic year of 2020. Additionally, the \$7.9 billion pre-tax profit in 2022 is a \$25.2 billion increase over the \$17.3 billion loss in 2021, signaling the air service market has exited the effects of the pandemic. Total operating revenues in 2022 were \$211.2 billion. Total fares collected were \$155.1 billion, or 73.5% of total revenue, baggage fees accounted for \$6.8 billion or 3.2% of revenue, and reservation change fees of \$1.0 billion accounted for 0.5% of revenue. Operating expenses in 2022 totaled \$203.3 billion, of which Fuel accounted for \$49.1 billion, or 24.2% of total expenses, and Labor accounted for \$64.0 billion, or 31.5% of expenses.

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Annual Net Income 2018-2022, Systemwide U.S. Scheduled Passenger Airlines

Billions of Dollars (\$)



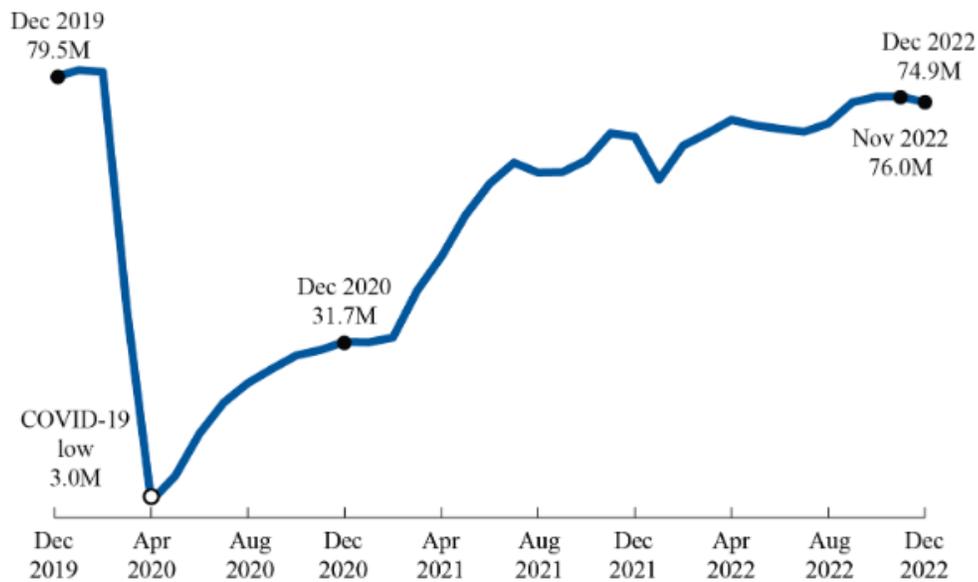
Source: Bureau of Transportation Statistics

Passenger Activity

US airlines saw a total of 853 million enplanements in 2022, signaling an end to the pandemic and resurgence in demand for airline travel. The 853 million enplanements represent a 194 million passenger or 30% increase over 2021, and an increase of 465 million passengers from 2020. Systemwide, 2022 totals were down only 8% from the all-time annual high of 928 million reached in 2019, with domestic travel seeing the most rapid rate of return to normalcy.

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**Monthly Passengers on U.S. Scheduled Airlines (Domestic and International)
 Seasonally Adjusted, December 2019 – December 2022**

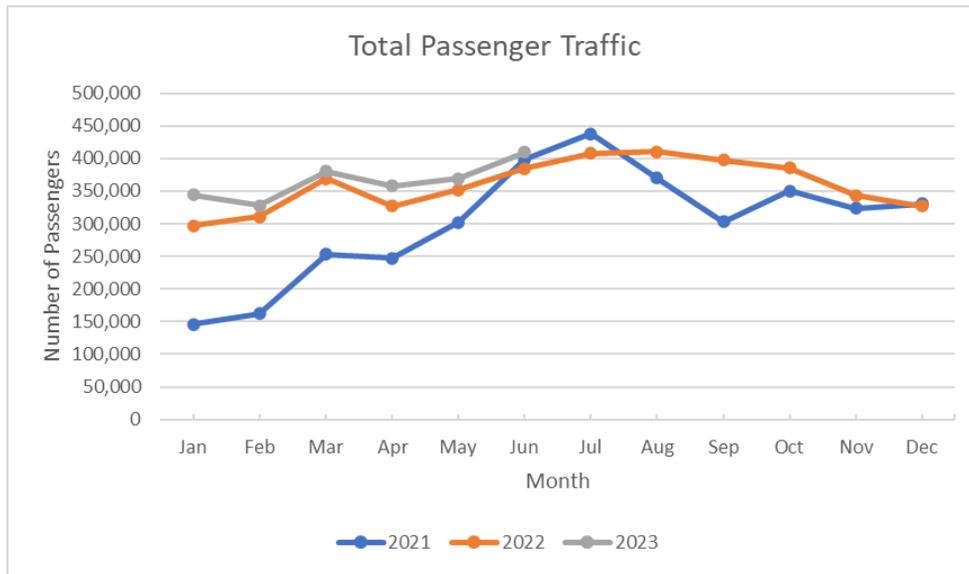


Source: Bureau of Transportation Statistics

RNO Passengers

In June of 2023, RNO served a total of 409,467 passengers, a 6.5% increase over June of 2022. Total traffic for FY 2022-23 reached 4.460 million passengers, a 7.3% increase over FY 2021-22. RNO lost two minor operators throughout the prior fiscal year as aha! filed for bankruptcy, and Frontier terminated operations. Total seat capacity increased 4.9% in FY 2022-23, with an average load factor of 80.51%

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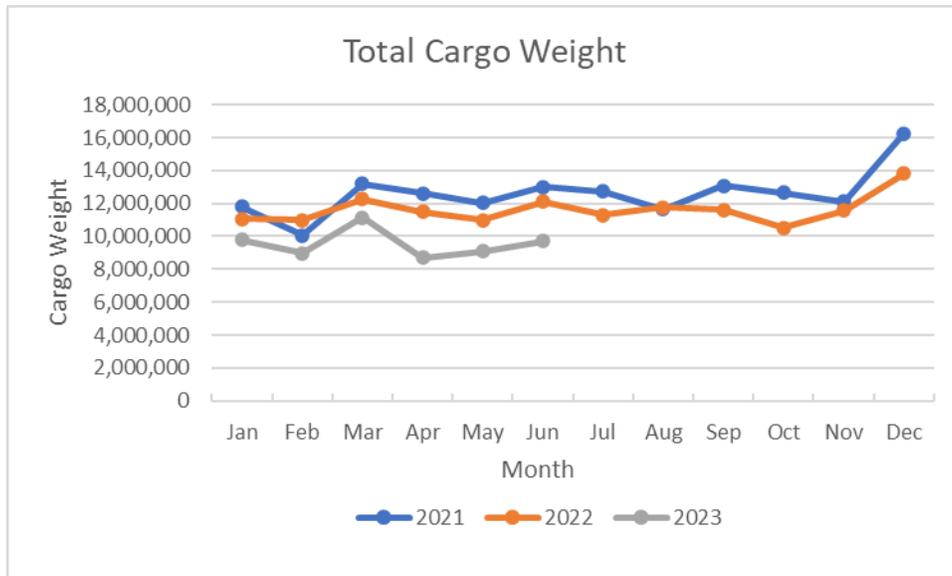


Cargo Airlines

The Reno MSA has become a major west coast distribution hub to its strategic location and the business-friendly environment that has developed since the great recession. Companies such as Amazon, Walmart, Petco, eBay and Zulily have major distribution centers in the immediate vicinity of RNO. 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.

However, as we have exited the pandemic, we have seen a decrease in overall cargo weight as the population has become less reliant on online shopping. In June of 2023, RNO handled 9,694,997 pounds of cargo, a 19.9% decrease from June of 2021. For all of FY 2022-23, RNO handled 127,892,891 pounds of cargo, a 13.1% decrease from FY 2021-22.

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Conclusion

It is an exciting time at RNO. As we conclude the post-pandemic record year that was FY 2022-23, we are prepared for another substantial year in FY 2023-24 as we develop an airport that will meet the growing demand of the region for the next 30 years. The FY 2023-24 budget is balanced, includes increased funding for mission critical airport operations, higher revenues, and the usage of federal funding for major capital projects. We continue to closely monitor airline traffic, revenues, and expenses, and are prepared to make necessary adjustments if the current forecasts do not materialize, or we are faced with an economic downturn.

Respectfully submitted,

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

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**Reno-Tahoe International Airport
Nevada**

For the Fiscal Year Beginning

July 01, 2022

Christopher P. Morill

Executive Director

Section 2 – Executive Summary

**Reno-Tahoe Airport Authority
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Section 2 – Executive Summary

On June 8, 2023, the Board of Trustees (Trustees) voted to adopt a new Strategic Plan for the Reno-Tahoe Airport Authority (RTAA). The five-year plan will help guide RTAA from Fiscal Year (FY) 2023-24 to FY 2027-28 and is meant to identify strategic initiatives while serving as a road map for RTAA staff as we enter the most ambitious and evolutionary five-year period in RTAA’s history. The original plan was created through a public process that invited participation from airport committees, user groups, trustees, staff, and the public.

The FY 2023-24 budget summarized in the following sections is focused on achieving the RTAA’s strategic initiatives:

1. SAFETY & SECURITY – Create a safe and secure environment for everyone who utilizes the Reno-Tahoe International Airport and Reno-Stead Airport.
2. PEOPLE – Bolster our employees who are the current and future strength of our organization.
3. FACILITIES FOR FUTURE – Optimize existing facilities and construct new infrastructure at both airports to address market demand by implementing the MoreRNO Program and Airport Capital Improvement Program (ACIP).
4. AIR SERVICE AND CARGO – Retain and increase air service and cargo.
5. FINANCIAL STEWARDSHIP – Establish a culture of fiscal integrity; responsibly manage our business costs, diversify revenues, engage commercial business opportunities, and pursue grant funding, and the prudent use of debt financing for MoreRNO projects.
6. CUSTOMER EXPERIENCE – Provide a positive environment and experience for all.
7. GENERAL AVIATION – Support and elevate general aviation at both airports.
8. SUSTAINABILITY – Operate and manage both airports with a holistic approach reflecting sustainability policies and practices along with environmental stewardship.

A detailed discussion of the Strategic Plan can be found in Section 3 – Strategic Initiatives.

The budget considers the requirements of various contractual agreements including the Airline-Airport Use and Lease Agreement (AAULA), as well as RTAA’s obligations under state and federal law. Beyond the revenue and operations and maintenance (O&M) budgets, the FY 2023-

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24 budget also includes funding for multiple aspects of the MoreRNO Capital Improvement Program.

The following summary provides a financial overview of the RTAA’s budget for FY 2023-24, which begins July 1, 2023, and ends June 30, 2024.

Airline Activity Forecast

Despite all the economic headwinds, the first half of calendar year 2023 has seen resilient travel demand, with total passenger traffic reaching levels not seen since 2008. Similarly, enplaned passengers (passengers boarding planes at RNO) have exceeded the same period of the prior year every month going back to November of 2022.

RTAA staff started developing the FY 2023-24 airline activity forecast in January of 2023 based on actual results reported in the first half of FY 2022-23. A base schedule was developed for passenger airlines, then adjusted for seasonality and anticipated service modifications. Staff discussed the proposed budget with the Airport Airline Affairs Committee (AAAC) in April 2023 and after some traffic forecast adjustments based on airline feedback finalized the FY 2023-24 passenger and landed weight forecast. 2.497 million enplaned passengers are expected to depart RNO in FY 2023-24, a 5.5% increase over the FY 2022-23 budget and a 12.0% increase over the FY 2022-23 actuals. It also represents a 20.1% increase over the FY 2021-22 actuals.

RNO Enplaned Passenger Forecast

FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Adopted Budget	FY 2022-23 Actual to Budget	
			Nominal Change	% Change
2,079,807	2,229,254	2,496,862	267,608	12.0%

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 (Federal Express (FedEx) and United Parcel Service (UPS)) during the April budget discussion.

Aircraft Landed Weight Forecast

RTAA recovers almost 100% of its costs of operating the Airfield 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 established by the Federal Aviation Administration (FAA) for each aircraft. Therefore, the higher the overall landed weight at RNO, the lower the unit cost for each aircraft landing.

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The FY 2023-24 landed weight forecast of 3.506 million thousand pounds is a 0.3% decrease from the FY 2022-23 budget and a 13.1% increase from the FY 2022-23 actuals. It also represents a 13.9% increase over the FY 2021-22 actuals. The relatively flat budget year over year reflects the exit of two commercial airlines during the prior FY, but the significant increase over prior year actuals represents the continued strength of passenger demand.

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 2023-24 Budget:

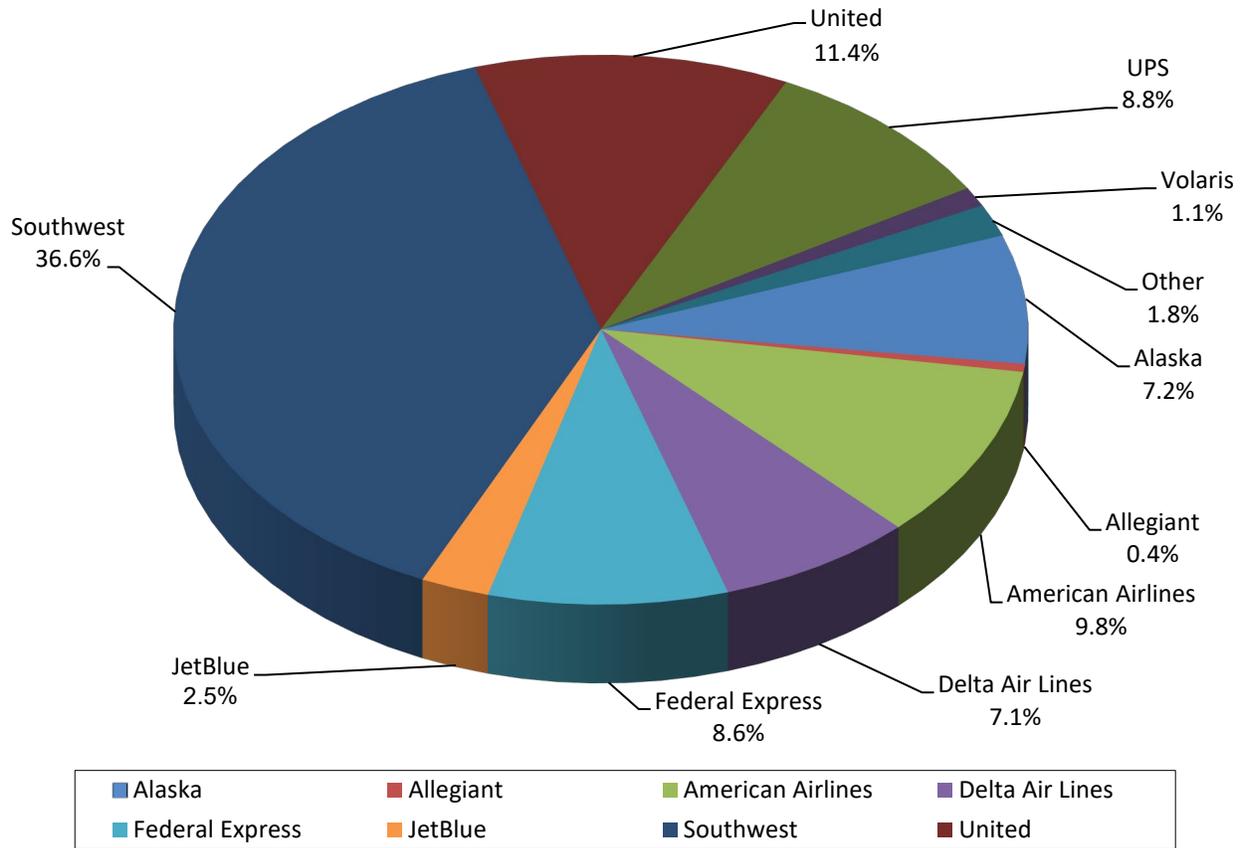
LANDED WEIGHT BY CARRIER (000 Lbs. Units)

Landed Weight by Airline	FY 2021-22 Actual	FY 2022-23 Actual	Variance	FY 2023-24 Budget	Variance from FY 2022-23 Actual
Signatory Airlines					
aha!	33,872	7,608	(26,264)	-	(7,608)
Alaska	226,813	176,654	(50,159)	253,095	76,441
American	413,665	345,045	(68,620)	344,104	(941)
Delta	252,886	219,842	(33,044)	248,838	28,996
Southwest	936,362	1,088,784	152,422	1,284,068	195,284
United	336,502	366,515	30,013	398,566	32,051
Other	-	-	-	-	-
	2,200,100	2,204,448	4,348	2,528,671	324,223
Federal Express	305,799	298,958	(6,841)	303,084	4,126
UPS	314,538	292,066	(22,472)	309,840	17,774
Other Cargo	20,144	39,711	19,567	41,296	1,585
	640,481	630,735	(9,746)	654,220	23,485
	2,840,581	2,835,183	(5,398)	3,182,891	347,708
Non-Signatory Carrier					
Allegiant	41,859	16,404	(25,455)	15,708	(696)
Frontier	34,922	16,244	(18,678)	-	(16,244)
Jet Blue	80,321	65,445	(14,876)	86,599	21,154
Spirit	-	92,493	92,493	160,454	67,961
Volaris	30,993	37,540	6,547	37,977	437
Other	48,659	37,019	(11,640)	22,463	(14,556)
	236,754	265,145	28,391	323,201	58,056
	3,077,335	3,100,328	22,993	3,506,092	405,764
Percent Change			0.7%		13.1%

**Reno-Tahoe Airport Authority
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FY 2023-24 Budgeted Landed Weight



Financial Summary

The FY 2023-24 Budget forecasts \$11.935 million in net income, an increase of \$1.445 million or 13.8% over the FY 2022-23 budget.

The table below provides a summary level comparison of the FY 2021-22 actual results, the FY 2022-23 Budget, and the FY 2023-24 Budget.

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Budget Category	FY 2021-22 Actual	FY 2022-23 Budget	FY 2023-24 Budget	Budget to Budget	
				\$ Change	% Change
Operating Budget:					
Revenues	\$ 58,065,181	\$ 68,448,458	\$ 85,456,219	\$ 17,007,761	24.8%
Expenses	(46,340,021)	(57,931,967)	(65,144,750)	(7,212,783)	12.5%
Revenues over Expenses	11,725,160	10,516,491	20,311,469	9,794,978	93.1%
Other Sources (Uses):					
Property, Plant and Equipment	(919,442)	(1,393,416)	(894,962)	498,454	-35.8%
Debt Service	(12,689,857)	-	250,425	250,425	100.0%
Capital Projects (Federal Stimulus)	-	(12,530,300)	(5,500,000)	7,030,300	-56.1%
Federal Stimulus Funds	14,483,077	13,650,300	6,660,094	(6,990,206)	-51.2%
Interest Income	(1,491,248)	837,100	1,211,100	374,000	44.7%
Other Non-Operating Revenue	309,098	256,700	298,400	41,700	16.2%
Total Other Sources (Uses)	(308,372)	820,384	2,025,057	1,204,673	146.8%
Net Sources over Uses	11,416,788	11,336,875	22,336,526	10,999,652	97.0%
Other Revenues:					
Passenger Facility Charges	8,502,997	8,894,700	9,394,600	499,900	5.6%
Customer Facility Charges	6,350,891	10,588,500	9,573,000	(1,015,500)	-9.6%
Total Other Sources	14,853,888	19,483,200	18,967,600	(515,600)	-2.6%
Capital Projects	14,442,243	11,472,127	52,884,588	41,412,461	361.0%

Description	FY 2021-22 Actual	FY 2022-23 Budget	FY 2023-24 Budget	Budget to Budget	
				\$ Change	% Change
Enplaned Passengers	2,079,807	2,367,740	2,496,862	129,121	5.5%
Cost Per Enplanement	\$ 6.13	\$ 7.53	\$ 9.65	\$ 2.12	28.1%
Landed Weights (000's)	3,077,335	3,514,945	3,506,091	(8,854)	-0.3%
Landing Fee	\$ 3.04	\$ 3.55	\$ 3.99	\$ 0.44	12.4%
Terminal Rental Rate (avg)	\$ 39.40	\$ 54.40	\$ 142.44	\$ 88.04	161.8%
Debt Service Coverage	2.64	44.45	27.92	\$ (16.52)	-37.2%
Federal Stimulus	\$ 14,483,077	\$ 13,650,300	\$ 6,660,094	\$ (6,990,206)	-51.2%
Workforce (FTEs)	275.5	289.0	292	3.0	1.0%

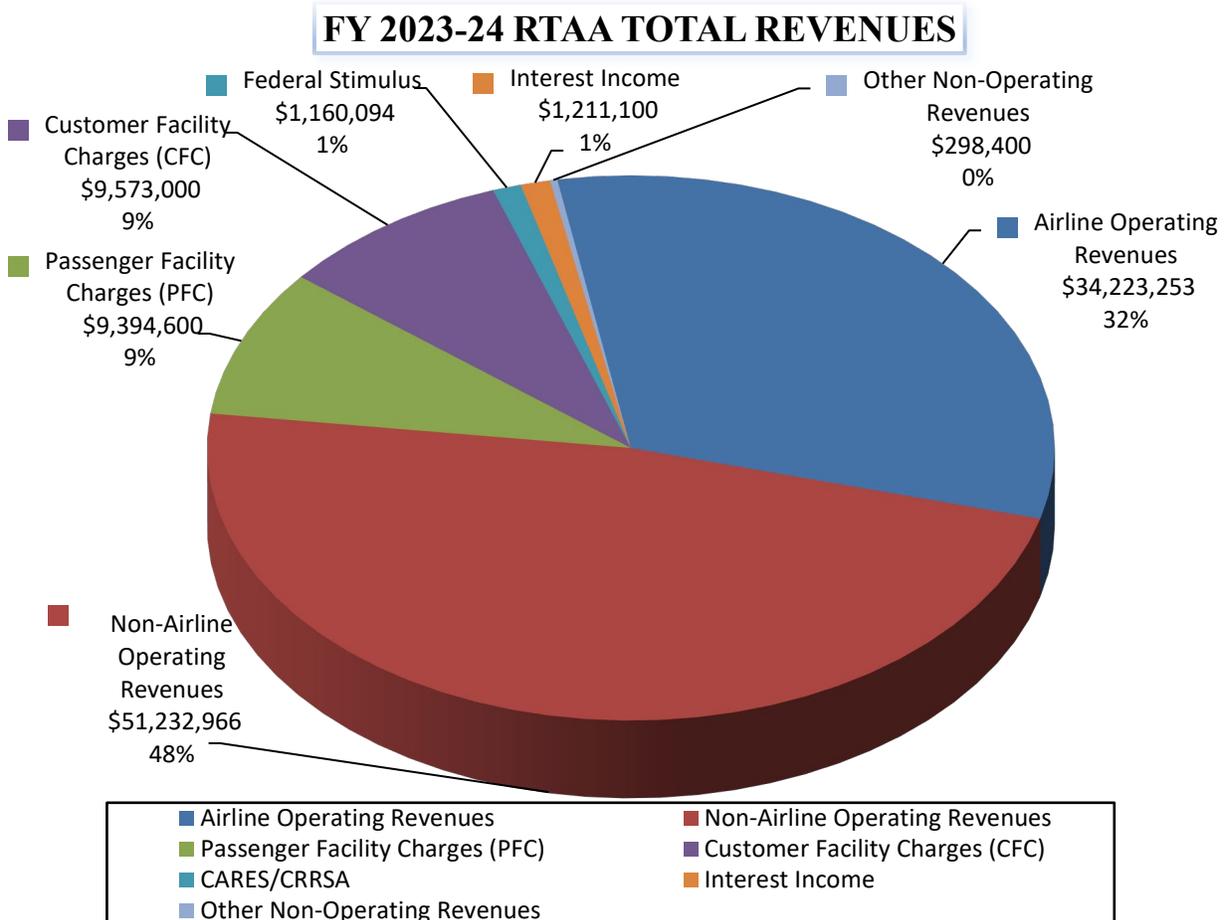
Revenue Forecast

Total Revenues are composed of Operating Revenues (Airline and Non-Airline Revenues), and Non-Operating Revenues. In the FY 2023-24 budget, total revenues are forecast to be \$107.093 million, an increase of \$16.948 million or 18.8% from the FY 2022-23 budget. The table below provides a comparison of the FY 2021-22 actual results, the FY 2022-23 budget, and the FY 2023-24 adopted budget:

**Reno-Tahoe Airport Authority
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Budget Category	FY 2021-22	FY 2022-23	FY 2023-24	Budget to Budget	
	Actual	Budget	Budget	\$ Change	% Change
Operating Revenues:					
Airline Revenues	\$ 15,578,356	\$ 21,209,355	\$ 34,223,253	\$ 13,013,898	61.4%
Non-Airline Revenues	42,486,825	47,239,103	51,232,966	3,993,863	8.5%
Total Operating Revenues	58,065,181	68,448,458	85,456,219	17,007,761	24.8%
Non-Operating Revenues:					
Passenger Facility Charges	\$ 8,502,997	\$ 8,894,700	\$ 9,394,600	\$ 499,900	5.6%
Customer Facility Charges	6,350,891	10,588,500	9,573,000	(1,015,500)	-9.6%
Federal Stimulus	13,847,857	1,120,000	1,160,094	40,094	3.6%
Interest Income	670,320	837,100	1,211,100	374,000	44.7%
Other Non-Operating	294,018	256,700	298,400	41,700	16.2%
Total Non-Operating Revenues	29,666,083	21,697,000	21,637,194	(59,806)	-0.3%
Total Revenues	87,731,264	90,145,458	107,093,413	16,947,955	18.8%



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The total operating revenue budget for FY 2023-24 is \$85.456 million. This represents a \$17.007 million or 24.8% increase from the FY 2022-23 budget. Operating revenues are summarized in two major categories.

- Airline related revenues for FY 2023-24 are anticipated to be \$34.223 million or approximately 40.0% of the total operating revenues. Revenues attributed to the passenger and cargo airlines are in the form of landing fees and terminal rents. The passenger airline derived revenue per enplaned passenger is forecasted to increase from \$7.53 in FY 2022-23 to \$9.65 in FY 2023-24.
- Non-Airline revenues of \$51.233 million represent approximately 60.0% of the FY 2023-24 total operating revenues. The major non-airline revenue sources are as follows: (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 2021-22 actual results, the FY 2022-23 budget, and FY 2023-24 adopted budget:

Budget Category	FY 2021-22	FY 2022-23	FY 2023-24	Budget to Budget	
	Actual	Budget	Budget	\$ Change	% Change
Airline Revenues:					
Landing Fees	\$ 8,602,845	\$12,278,055	\$14,007,453	\$ 1,729,398	14.1%
Terminal Building Rents	6,975,511	8,931,300	20,215,800	11,284,500	126.3%
Total Airline Revenues	15,578,356	21,209,355	34,223,253	13,013,898	61.4%
Non-Airline Revenues:					
Concession Fees	\$ 15,257,011	\$17,161,806	\$17,314,715	\$ 152,908	0.9%
Parking/Ground Transport	14,004,587	17,150,500	20,106,732	2,956,232	17.2%
Building, Hangar and Land	8,098,322	6,781,127	7,328,258	547,131	8.1%
Reimbursed Services	3,000,059	2,972,759	3,142,836	170,077	5.7%
Other Revenues	2,126,846	3,172,911	3,340,425	167,515	5.3%
Total Non-Airline Revenues	42,486,825	47,239,103	51,232,966	3,993,863	8.5%
Total Operating Revenues	58,065,181	68,448,458	85,456,219	17,007,761	24.8%

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Airline Revenues

The AAULA, discussed in further detail in Section 5 – Financial and Budgetary Policies, sets forth the rate setting formula by which airlines pay for facilities and services. RTAA and signatory airlines have entered into a new ten-year AAULA commencing July 1, 2023. The FY 2023-24 annual budget was developed based on the business arrangement specified under this agreement.

The total FY 2023-24 Airline Revenues are forecasted to be \$34.223 million, an increase of \$13.014 million or 61.4% from the FY 2022-23 budget. The majority of this increase can be attributed to the terms of the new AAULA, and significantly higher airline terminal rental rates.

Landing Fees

Pursuant to the airline agreement, landing fees are determined by the cost recovery requirements in the Airfield Cost Center. Landing fees are charged to both passenger and cargo carriers for each aircraft landing based on the Maximum Gross Landed Weight of each aircraft. Landing fee revenues of \$14.007 million budgeted for FY 2023-24 represent an increase of approximately \$1.729 million or 14.1% over the FY 2022-23 budget.

Per the terms of the new AAULA, a landing fee premium of 15% will be charged to non-signatory airlines. As such, signatory airlines are budgeted to pay a landing fee \$3.99 per thousand-pound units, and non-signatory airlines are budgeted to pay a landing fee of \$4.59 per thousand-pound units, an increase of \$0.44 and \$1.04, respectively. Landed weights are forecasted to remain virtually flat in FY 2023-24 from the FY 2022-23 budget, and the resulting increase in costs due to personnel related expenses and inflation are responsible for the increase in landing fees. RTAA has allocated \$300,000 in Federal Stimulus funds to reduce landing fees in FY 2023-24.

The following are factors impacting the requirement in the Airfield Cost Center and the calculation of the landing fee in the FY 2023-24 Budget:

- Landed weight in FY 2023-24 at RNO is forecasted to be 3.506 million, a 0.2% decrease from FY 2022-23 budget.
- Operating and maintenance costs allocated to the Airfield Cost Center in FY 2023-24 are forecast to increase \$881,500 or 6.5% from FY 2022-23 budget. This increase is due to both the overall increase in direct costs and the allocation of indirect operating budget assigned to 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, Baggage Handling System (BHS), Ground Transportation, Other, and Reno-Stead Airport).

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- Fixed assets and capital project cost recovery of \$240,400 represents a decrease of \$450,100 or 65.2% from the FY 2022-23 budget. The FY 2023-24 Budget reflects funding for some vehicle and equipment purchases. A detailed presentation of the FY 2023-24 fixed assets and capital program is in Section 8 – Capital Budget.
- Amortization of capital items is a new item added in the landing fee calculation per the new AAULA. This is cost recovery of previously completed capital investments. The FY 2023-24 allocation is \$697,400.
- RTAA allocated \$300,000 from its share of federal stimulus funds to pay for a portion of the cost of operating and maintaining the Airfield. This has a positive impact on the landing fee rate as it decreases the net requirement recovered from the airlines operating at RNO.

Terminal Rental Rate

The terminal rental rate calculation is based on the recovery of costs to maintain and operate the terminal building. Under the new AAULA, total net requirement is divided to airline rentable space in the terminal building, a substantial change from the total rentable square footage used in the prior agreement. The calculation for the terminal rental rate is (i) the total cost of the Terminal as a whole (operation and maintenance expenses, debt service, fixed asset and capital improvement expenditures, and amortization of capital projects), less (ii) revenue credit of 50% of gaming concessions, and 100% of in-terminal concessions and airline reimbursements for disposal fees, divided by (iii) total airline rentable square footage.

RTAA net revenues are calculated as 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 prior airline agreement included 50% of the RTAA's net revenues as a credit in the calculation of terminal rental rates for signatory airlines. Although RTAA continues to share a portion of its net revenues with the signatory airlines, the new agreement calls for a distribution based on enplaned passengers at RNO.

Non-Airline Revenues

Total budgeted non-airline revenues of \$51.233 million in FY 2023-24 represents an increase of \$3.994 million or 8.5% over the FY 2022-23 budget.

Concession revenues of \$17.315 million in FY 2023-24 represent a \$152,900 or 0.9% increase over the FY 2022-23 budget. Concession revenues represent 33.8% of all non-airline operating revenues. Concession revenues consist of gaming, food and beverage, specialty retail/travel essentials, advertising, rental cars, and other concession revenues. The majority of concession revenue is from auto rentals, which are budgeted at \$10.936 million in FY 2023-24, a 3.4%

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decrease from FY 2022-23. The decrease in auto rental revenues is offset by increased forecasts in all other concession revenue streams.

Auto parking and ground transportation revenues of \$20.107 million in FY 2023-24 are \$2.956 million or 17.2% greater than the FY 2022-23 budget and represent 39.2% of all non-airline operating revenues. The increase can largely be attributed to three developments from the prior fiscal year. First, enplaned passengers are forecasted to increase 12.0% in FY 2023-24. Additionally, more passengers utilizing RNO originate from the catchment area, therefore parking revenues are budgeted to increase. Second, short-term parking rates have increased. Max-per-day short-term parking rates of \$36 are up from \$26 in FY 2022-23, with the rate effective after 6 hours of parking. Third, the fees charged to ground transportation companies (GTCs) and scheduled shuttles are increasing per pick up from \$1 to \$2. RTAA is also implementing a new \$1 per drop off fee for GTCs and shuttles.

A detailed breakdown of Operating Revenues can be found in Section 6 – Revenues.

Non-Operating Revenues

Total non-operating revenues are budgeted at \$21.637 million in FY 2023-24, \$12.617 million or 36.8% less than the FY 2022-23 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. In addition, this category includes federal stimulus funds in the form of grant reimbursements from the Coronavirus Aid, Relief, and Economic Security Act (CARES) and American Rescue Plan Act (ARPA). A detailed breakdown of Non-Operating Revenues can be found in Section 6 – Revenues.

Operation and Maintenance (O&M) Budget

The FY 2023-24 O&M budget of \$65.145 million is an increase of \$7.213 million or 12.5% over the prior fiscal year. The O&M budget is allocated across five categories: Personnel Services, Utilities and Communications, Purchased Services, Materials and Supplies, and Administrative Expenses.

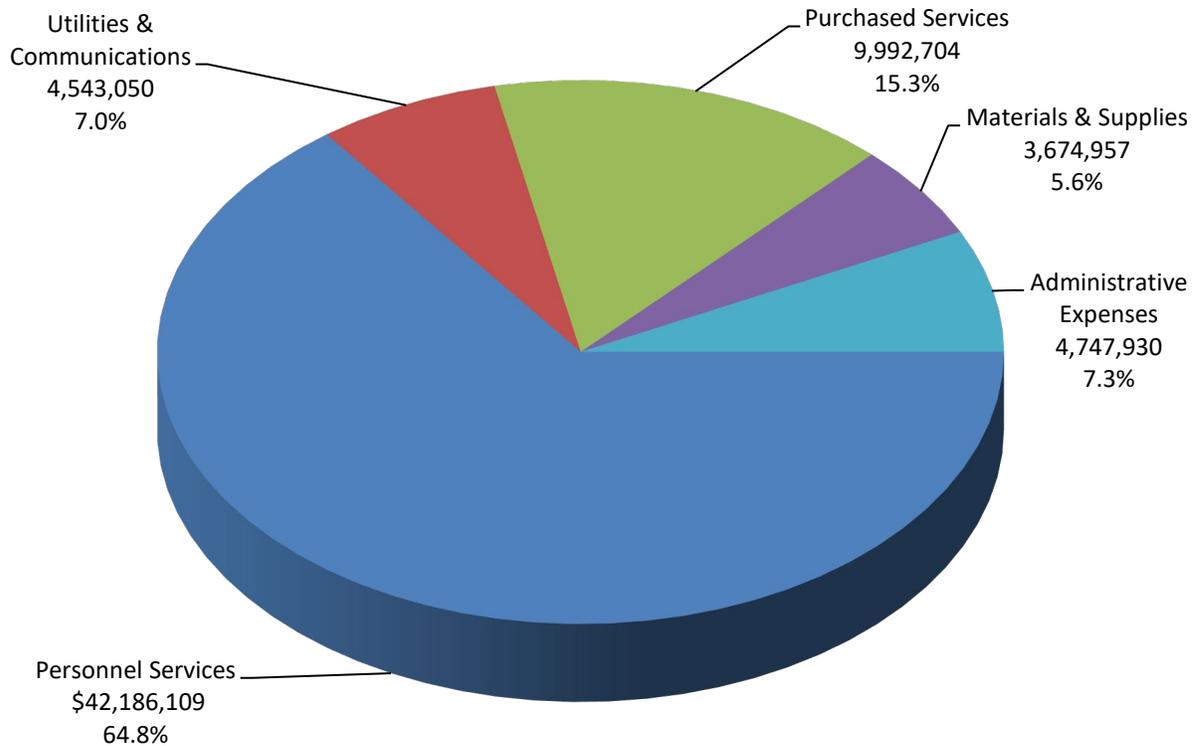
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The following table provides an overview of the FY 2023-24 adopted budget as compared to the FY 2021-22 actual results and the FY 2022-23 budget:

Budget Category	FY 2021-22	FY 2022-23	FY 2023-24	Budget to Budget	
	Actual	Budget	Budget	\$ Change	% Change
Operating Expenses:					
Personnel Services	\$ 30,348,607	\$ 38,057,907	\$42,186,109	\$ 4,128,202	10.8%
Utilities and Communications	3,156,581	3,133,050	4,543,050	1,410,000	45.0%
Purchased Services	7,405,170	9,765,000	9,992,704	227,704	2.3%
Materials and Supplies	2,575,145	2,984,990	3,674,957	689,967	23.1%
Administrative Expenses	2,854,518	3,991,021	4,747,930	756,910	19.0%
Total Expenses	46,340,021	57,931,967	65,144,750	7,212,783	12.5%

FY 2023-24 O&M BUDGET



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The following are key drivers and significant changes incorporated into the FY 2023-24 O&M budget:

Personnel Services

The Personnel Services budget of \$42.186 million includes the cost of salaries, wages, and benefits for RTAA's employees. The approved budget includes funding for 292 full time equivalent (FTE) positions, an increase of three FTEs from FY 2022-23. The Personnel budget in FY 2023-24 is an increase of \$4.128 million or 10.8% over the prior fiscal year. The increase is due to projected salary increases per the collective bargaining agreements, three (3) additional Firefighter positions, and an increase in Public Employees Retirement System (PERS) contributions.

Utilities and Communications

The Utilities and Communications budget includes the RTAA's electricity, water, natural gas, and data communication services. The FY 2023-24 budget of \$4.543 million is an increase of \$1.410 million or 45.0% compared to the FY 2022-23 budget. The key driver for the increase in utilities and communications is the significant increase in electricity and natural gas prices coupled with significant passenger traffic increase, and the expansion of the ticketing hall.

Purchased Services

Purchased Services are budgeted at \$9.993 million in FY 2023-24, an increase of \$227,700 or 2.3% from FY 2022-23. 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. Approximately \$592,600 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 costs 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 2023-24 budget estimates total expenditures of \$3.675 million, an increase of \$690,000 or 23.1% from FY 2022-23. A significant portion of the increase can be attributed to the \$114,800 radio communication replacement program bringing our system into the same system as the greater regional communication system, and \$192,200 due to additional software purchases. Much of the balance can be attributed to increased costs due to inflation.

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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 2023-24 budget of \$4.748 million represents an increase of \$756,900 or 19.0% from prior FY 2022-23. Airport insurance premiums are increasing for airport liability, vehicle liability, and public safety liability. Additionally, credit card processing fees are anticipated to increase because of parking and ground transportation usage and the increase in associated fees.

For a full explanation of the O&M budget, please refer to Section 7 – Expenditures.

Personnel Complement

RTAA’s total approved and funded personnel complement for FY 2023-24 is for 292 FTE positions, an increase of three positions from the prior approved budget. The three new positions are all firefighters. There were also a number of reclassifications, although these did not affect the total FTE count. For a full explanation of the personnel complement, please see Section 4 – Organization Guide.

Debt Service

As of July 1, 2022, RTAA was debt free. To provide a short-term financing facility for its capital program, as an interim bond financing plan, on July 14, 2022, RTAA Board approved a non-revolving credit agreement with Wells Fargo Bank for the issuance of airport system subordinate revenue bonds Series 2022 including Subseries A (AMT), Subseries B (Non-AMT), and Subseries C (Taxable) in the maximum aggregate principal amount of \$50 million. RTAA intends to issue revenue bonds in FY 2024-25 to fund some of the major projects included in the MoreRNO capital program, the most significant being the New Gen B&C estimated at a total cost of \$570 million.

For a full explanation of RTAA debt, please refer to Section 9 – Debt Service.

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 \$500,000 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 2023-24 is \$897,900, a decrease of \$490,100 or 35.8% from the FY 2022-23 budget. The reduction comes as of RTAA having met much of the fixed asset demand in FY 2022-23, and a majority of our capital budget being directed toward key projects of the MoreRNO capital improvement program.

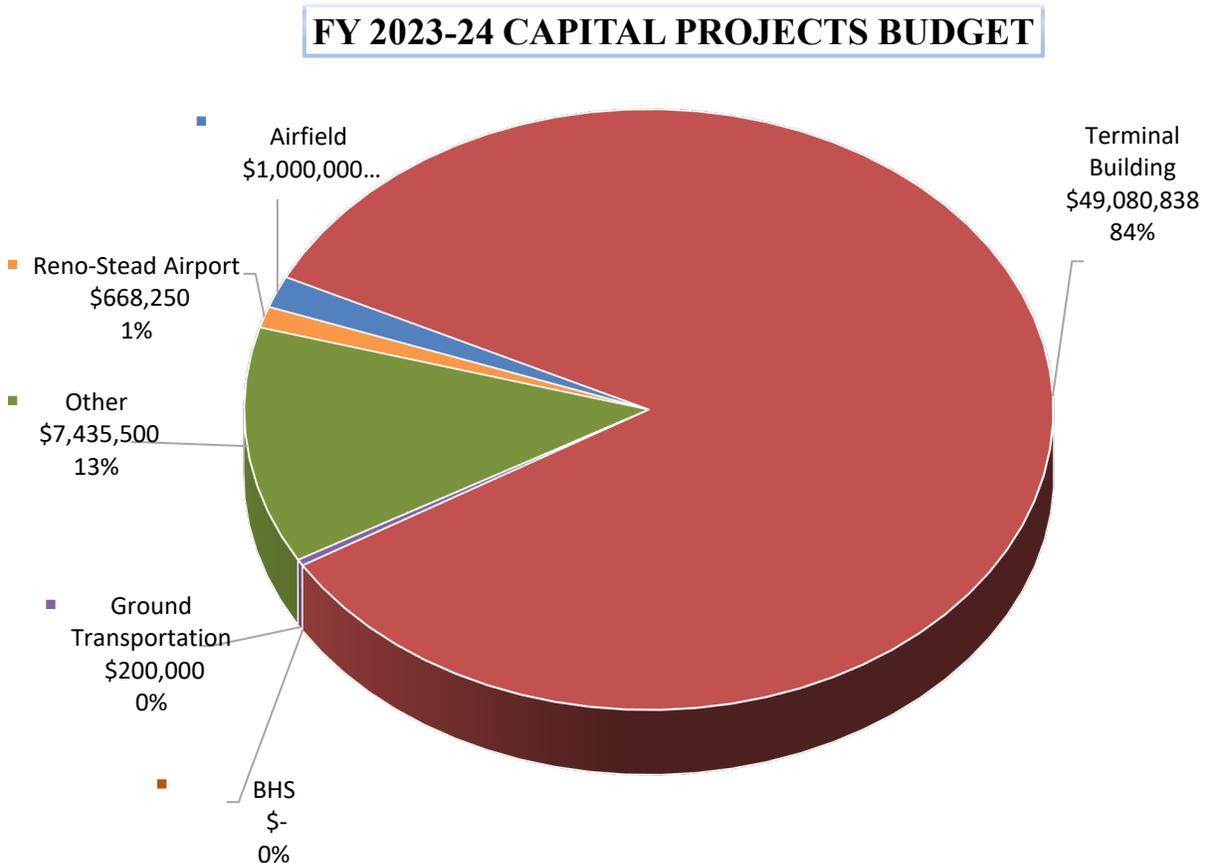
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Capital Projects

Capital projects for RNO and RTS in FY 2023-24 funded from PFCs, RTAA internally generated revenues, and other local funds (primarily the general-purpose account, and the special account), and short-term borrowing, are estimated to be \$58.385 million, an increase of \$17.283 from FY 2022-23. Of this amount, \$47.840 million is allocated to the design and selection of a Construction Manager at Risk (CMAR) for the New Gen B&C Concourse Redevelopment project.

The following chart shows the classification by cost center of the FY 2023-24 capital projects using PFCs and RTAA funding:



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

Section 3 – Strategic Initiatives and Budget Goals

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Section 3 – Strategic Initiatives

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). These airports are economic drivers for the region.

With the launch of MoreRNO, the largest infrastructure program in the airport’s history, we are positioning RNO and regional travel for success for years to come. The near \$1 billion investment in infrastructure will provide RNO decades of capacity to meet the needs of the growing region, the home to tech giants like Panasonic and Tesla, boutique hotels, craft breweries, a thriving local art scene and year-round outdoor adventure, adding to the always thriving tourism and gaming offered in the Reno-Tahoe region. The construction is expected to have a \$2 billion economic impact for the region.

To help guide the future of RTAA, on June 8, 2023, the Board of Trustees approved the new Strategic Plan for fiscal years 2024-2028. This five-year guide will help staff from RNO and RTS to navigate a well-planned course for success for our airports and local community. The new strategic plan is in support of the MoreRNO capital program.

The RTAA strategic planning process was initiated in November 2022 and the final plan was completed in June 2023. The finished product reflects input from employees, management, the executive team, and the Board of Trustees. The final document and planning process can be reviewed on the RTAA’s website by clicking [RTAA- Strategic Plan FY 2024-2028](#).

The purpose and desired outcomes of the adopted RTAA FY 2024-28 Strategic Plan are the following:

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

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Strategic Plan Methodology

The FY 2024-2028 Strategic Plan focused on the following key questions:

- Why do we exist? (**Mission**)
- What do we do? (**Business Description**)
- How will we behave? (**Values**)
- What will the RTAA look like in 10-20 years? (**Vision**)
- How will we succeed? (**Strategic Priority overview**)
- How will we measure success? (**Annual Review & Metrics**)

The Strategic Plan consists of the following components:

- **Mission Statement** – An overarching, timeless expression of RTAA’s core purpose and aspiration for the future, addressing both what RTAA seeks to accomplish and the way to accomplish it. A mission statement is a declaration of an organization’s core purpose that answers the question, “why do we exist?”
- **Business Description** - RTAA provides and maintains air transportation facilities and delivers safe customer support services for the benefit of the region, while being financially self-sustaining This describes “what we do.”
- **Core Values** – These are the guiding principles of the organization and answer “how do we behave.”
- **Vision Statement** – A short, concise, vivid statement of RTAA’s future, answering the question: “what will RTAA look like in 10-20 years?”
- **Strategic Priorities Overview** – 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.
- **Annual Review and Metrics** – These are qualitative and quantitative measures that show evidence of movement toward the RTAA’s Strategic Priorities, and ultimately to achieving the Vision.

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- **Key Performance Measures** – RTAA will be measuring the progress of our performance to these strategic objectives on a regular basis. Many key indicators are already being reported to our Executive Team and the Board on a regular basis.

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 and 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, bringing 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. As the region’s gateway to the world, we serve the community by bringing in goods and resources. We are proud to improve 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, 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!

Business Description – “What do we do?”

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

Core 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)

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Enthusiasm for Excellence. These values as outlined below represent the guiding principles to answer the question of how we behave:

Teamwork for Results (T)

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

Honesty & Integrity (H)

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 the 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 (R)

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 seek to understand other viewpoints before arriving at decisions.

Inspire & Innovate (I)

All RTAA employees have the capacity to Inspire and Innovate. With our respective talents and passions, every time we interact with another person, each individual 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 and improve existing processes.

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Versatility (V)

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.

Enthusiasm for Excellence (E)

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.

Vision Statement – “What will the RTAA look like in 10-20 years?”

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** – The 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** – Our facilities are customer focused, adhere to the highest safety and security standards, and are environmentally sustainable.
- **Customer satisfaction** – The RTAA staff provides value to customers and enables tenants to prosper.
- **Community’s pride** – The organization is the best place to work that demonstrates forward thinking, and employee-focused values with a highly skilled, engaged workforce.
- **Significant contributor** – RTAA is a valued community partner and respected as a 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 Overview and Long-Term Goals – “How will we succeed”?

The strategic priorities provide the framework for the RTAA’s direction over the next five fiscal years. With a holistic focus across the whole organization, the priorities provide clarity on the intent of how RTAA will achieve its vision.

1. SAFETY & SECURITY – Create a safe and secure environment for everyone who utilizes the Reno-Tahoe International Airport and Reno-Stead Airport.
2. PEOPLE – Bolster our employees who are the current and future strength of our organization.
3. FACILITIES FOR FUTURE – Optimize existing facilities and construct new infrastructure at both airports to address market demand by implementing the MoreRNO Program and Airport Capital Improvement Program (ACIP).
4. AIR SERVICE AND CARGO – Retain and increase air service and cargo.
5. FINANCIAL STEWARDSHIP – Establish a culture of fiscal integrity; responsibly manage our business costs, diversify revenues, engage commercial business opportunities, and pursue grant funding, and the prudent use of debt financing for MoreRNO projects.
6. CUSTOMER EXPERIENCE – Provide a positive environment and experience for all.
7. GENERAL AVIATION – Support and elevate general aviation at both airports.
8. SUSTAINABILITY – Operate and manage both airports with a holistic approach reflecting sustainability policies and practices along with 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:



Safety and Security

- 1. Safety and Security** - *Create a safe and secure environment for everyone who utilizes the Reno-Tahoe International Airport and Reno-Stead Airport.*

RTAA has a successful record of implementing safety and security measures required of our commercial airport, which operates 24/7, and our general aviation airport. The organization continues to improve training for our employees as well as methods and systems that enhance safety and security for our employees and the traveling public.

The strategic approach builds on our safety and security as follows:

Extending security and safety plans and training beyond what is legally required. As safety and security risks have evolved beyond the traditional response to an aircraft accident, it is imperative that we are prepared for all types of hazards in the airport environment. 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.

Being proactive. Active airport policing, security, and fire prevention measures are at the core of our Airport Police and Fire Department strategic initiatives and our Airport Security Plan. While safety and security responses are often reactive in nature, it is imperative that airport safety and security are based on proactive efforts.

Being inclusive. A catastrophic event can quickly exhaust the RTAA’s available resources. We continue to train in emergency preparedness with our employees, tenants, and community partners to enhance the effectiveness of our response.

Considering design and technology as opportunities. New technologies are continually developed helping us increase safety and security, creating positive customer experiences. The airport looks at ways to use facility and infrastructure projects as part of technology and environmental design that positively impacts safety and security.



People

2. People - *Bolster our employees who are the current and future strength of our organization.*

RTAA recognizes our people are the foundation of operating a world-class airport. Maintaining and enhancing our organization’s values fosters collaborative and supportive working relationships. In order to stay proactive in a changing industry it is critical to invest in people while cultivating and supporting a respectful organizational environment. We will focus on training and innovation to strengthen the professional development, skills, and abilities of our people.

The strategic approach to achieve this priority focuses on:

Continue to build a strong culture. A focus on fueling our vibrant workplace by continuing to engage, recognize, and value our employees will enhance employment experience, and perpetuate passion for our values. We will continue to apply the principles of Enterprise Leadership, to develop collaboration, communication, and alignment between employees and departments.

Encouraging and investing in employee development. Leaders exist at all levels, and it is the RTAA’s job to be on the lookout for internal talent to grow and nurture. Formal and informal programs, coaching and mentoring relationships, professional associations, and a wide variety of “teachable moments” will support future growth. Internal opportunities are plentiful through succession planning, participation in trouble-shooting teams, timely performance feedback, tuition reimbursement and scholarships, and internal and external leadership coaching. We plan to develop a formal Leadership Academy with a focus on Culture and Enterprise Leadership at its core.

Enhancing workforce planning. Nurturing a forward-focused framework is necessary to ensure that the workforce is appropriately aligned to efficiently and effectively support the needs of the organization. This includes succession planning, Diversity, Equity, & Inclusion programs, and proactive recruiting and retention.

A graphic consisting of a dark olive green circle on the left and a horizontal bar of the same color extending to the right. The text "Facilities for the Future" is written in white, sans-serif font inside the bar.

Facilities for the Future

3. Facilities for the Future – *Optimize existing facilities and construct new infrastructure at both airports to address market demand by implementing the MoreRNO Program and Airport Capital Improvement Program (ACIP).*

As the region continues its unprecedented growth, RNO’s facilities must be proactively enhanced to keep pace with the rapid changes. The MoreRNO program will meet the needs of RNO’s growing customer base, tenants, and staff well into the 21st century. RNO’s infrastructure needs are supported by the RNO Master Plan, Landside Study, Concourse Planning Study, and the Workspace Study.

The RTAA’s MoreRNO program can be viewed on the RTAA website at www.renoairport.com or by clicking [MoreRNO](#).

The strategic approach to create facilities for the future is:

Relieving congestion in parking lots and rental car facilities. RNO’s growth, and a change in passenger travel patterns, are resulting in longer parking stays and overflow into our public parking facilities. RTAA implements overflow procedures and requires off-site parking during peak periods. A Ground Transportation Center (GTC), which includes a consolidated rental car facility, is anticipated during the strategic plan period. The GTC will improve rental car operations: access, fueling and electrical charging infrastructure, and will address current and anticipated needs of ground transportation operations: for shuttles, rideshares, taxis and public transit. Once completed, RTAA will regain approximately 750 parking spaces in the parking garage. RNO will also continue to construct additional parking lots on airport property to accommodate additional demand.

Replacing RNO Concourses. The existing concourses are over 40 years old. RTAA needs to modernize, future-proof, and reconstruct Concourses B and C to provide more for growing demand. The New Gen B&C project will include 28 new gates, expand spaces for amenities, concessions and hold rooms, improve wayfinding in the connector and concourses, and add more art and architecture inspired by the region. The construction of new concourses will enhance aircraft movement with dual taxi-lanes and improve the efficiency of operations on the ground floor for airlines, maintenance, and concessions.

Modernizing the RNO Terminal Building

- **Expanding the Ticketing Hall** – The Ticketing Hall Expansion project expands the footprint of the building by 10,000sqf. It improves queuing, circulation, and includes new

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restrooms in the ticketing hall. The project enhances customer experience through better wayfinding, the addition of public art and future technology accommodations, including common use areas.

- **Adding an Administration Headquarters and Police Station, “The HQ”** – Relocate the administration headquarters near the terminal building to provide a better use of the existing space for airlines and tenants. In addition, the Police department will move from Concourse B to a new location providing better access to airside and landside. The planning study has identified a collocated building south of the ticketing hall. The building(s) shall incorporate the latest technologies, office configuration, and security requirements.
- **Reconstructing the Loop Road, “The Loop”** – The loop road shall be reconstructed due to aging concrete and will provide full Americans with Disabilities Act (ADA) compliance at the curb in front of the ticketing hall as well as on the center median. The Loop Project improves security by protecting passengers and the ticketing hall building along the curb by “hardening” the areas with the use of bollards. Canopies will be installed along the island and south of the ticketing hall to provide shelter for passengers.

Constructing and modifying the RNO Airfield - The airfield is in good condition and meets Federal Aviation Administration (FAA) standards, however, new airfield projects need to be implemented to improve aircraft efficiency as noted by the FAA. The following are identified airfield improvements:

- **Constructing a General Aviation (GA) Run-Up Area** - A GA run-up area for propeller aircraft will allow them to perform system checks prior to departure.
- **Renaming the Airfield Signage and Taxiway** - Improve the airfield by addressing non-standard signage of the taxiways and intersections that do not comply with FAA design guidance including new taxiway designations and signage.
- **Maximizing the Airport Capital Improvement Program (ACIP)** - The FAA’s Airport Improvement Program (AIP) grants and other federal funding opportunities are vital for the projects listed in the ACIP.
- **Relocating the Cargo Apron** - Work with a private developer to relocate air cargo to the southwest quadrant of the airport. If development occurs, provide taxi lane connectors and portions of the apron to access the cargo buildings.

Developing a financial plan and negotiating business agreements - In order to provide funding for projects identified in the RNO Master Plan, MoreRNO, and other studies, staff will review each project to identify funding sources and eligibility. For each capital project, a plan of finance will

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be developed based on a detailed programmatic study, design, and cost estimate. Key stakeholders impacted by the project will be included in the design process. If a tenant is obligated to lease space in the facility and will be impacted by fees and rents collected by RTAA, a business agreement will be negotiated and executed prior to notice to proceed with construction.

Incorporating the Art Master Plan – Art will take a more prominent role with each project of MoreRNO, creating a positive experience that is in touch with our region.

Maintaining existing facilities at both RNO and RTS and supporting third-party private investments – There is a significant investment in existing infrastructure at both airports. To optimize and extend the useful life of these assets, staff will continue their ongoing programs of preventive maintenance and major rehabilitation. RTAA will support and facilitate third-party private investments in facilities at both airports.

Initiating an FAA-funded Airport Master Plan and Airport Layout Plan update for RTS Airport - With progress on the Dermody non-aeronautical development, potential changes to the National Championship Air Races, growth in wildland fire operations, redevelopment of Nevada Army Guard facilities, and a region-wide shortage of general aviation aircraft hangars, the timing is right to initiate an update to the RTS Master Plan and Airport Layout Plan, pending AIP grant funding from the FAA. An update to the 2010 RTS Master Plan would consider current operations and activities, including UAS operations, dwindling industrial land availability in the region, and housing growth in the North Valleys.



Air Service and Cargo

4. Air Service and Cargo - Retain and increase air service and cargo.

Retaining and increasing commercial air service and cargo activities are essential to the region’s economic growth and the RTAA’s long-term success. Growth in commercial air service depends on three pillars – airlines, RNO, and market demand, which are driven by economic environment, inbound business/tourism, and outbound business/leisure. RTAA supports and nurtures these pillars throughout RNO’s catchment area, extending to Lake Tahoe, Susanville, Gardnerville, and Elko while improving the perception of the region as a year-round airline market. RNO continues to work closely with airlines and community stakeholders to retain, expand, and attract air service. This process, with a focus on short, medium, and long-term goals, supports strategies to retain and increase air service and cargo activities over the next five years and are as follows:

Retaining and expanding existing air service - RNO is better positioned for growth than most airports due to the outdoor recreation amenities, continued economic diversification, changing

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demographics, and recent population growth. RNO posted high passenger and capacity numbers in 2022 and while the airline industry is projecting future growth, challenges still exist. U.S. seat capacity is constrained due to aircraft retirements and delays in new aircraft deliveries, and staffing and operational challenges forced the airlines to reduce capacity. Staff will continue to monitor trends, airline strategies, and RNO route health, to identify and address weaknesses or market shifts before they adversely affect RNO air service. The strategy is to sustain the current diversification of airlines, with a balance of ultra-low-cost, low-cost, legacy, and international carriers, and retain and expand existing airlines, seats, and routes.

Pursuing new opportunities that are operationally viable - Several domestic “opportunity markets,” are routes on the cusp of warranting new, nonstop service, most of which are long-haul markets. Given the current airline constraints, and to ensure maximum airline revenue on aircraft utilization, securing longer haul markets will be challenging in the short term. RTAA is implementing common-use technology, offering shared spaces for airport check-in, to help accommodate more airlines and flights.

The current U.S. Customs and Border Protection (CBP) hours of operation, and facility constraints, limit RNO’s international targets. Thus, the short-term international strategy will be to focus on pre-cleared nonstop flights from Canada and narrow body aircraft flights from Mexico/Central America.

Data-based decision making and strategic planning - Several data sources are used to monitor flight schedules, market demand/shifts, and airline route health. In addition to traditional air service sources and airport-led surveys, RNO partners with local stakeholders to understand passenger travel behaviors and identify leisure/business market demand.

Strengthening community awareness and support - The growth and sustainability of air service is dependent upon partnerships, communication, and marketing to the catchment area. RNO continues to add new partnerships and strengthen current ones with the regional conventions and visitors’ authorities, the Economic Development Authority of Western Nevada (EDAWN) and Nevada Commission on Tourism (Travel Nevada). RNO will continue the community awareness program that includes air service educational sessions and local presentations/meetings.

RNO will continue to work closely with the Regional Air Service Corporation (RASC) and assist in increasing membership, which benefits air service development. RNO will also work with RASC and the Reno-Sparks Convention & Visitors Authority (RSCVA) to ensure their support complements the RTAA strategy.

Increasing airline regional awareness - In addition to data, airlines consider local demand and the economic environment of the market they’re interested in serving. RNO will focus on bringing airline representatives to the Reno-Tahoe region to showcase the area using exclusive invitations, special event attendance, Familiarization (FAM) Tours, and more.

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Retaining and expanding air cargo – Federal Express (FedEx), United Parcel Services (UPS), and Dalsey, Hillblom, and Lynn (DHL), are the primary air cargo operators at RNO. In addition, certain passenger airlines carry belly freight, offering an opportunity for increased revenue.

The greater Reno-Sparks-Tahoe region is one of the nation’s strongest and fastest growing economies and is a major hub for technology, manufacturing, logistics, and innovation.

RNO has an opportunity for increased air cargo operations through land development. Air cargo operations at RNO are mainly conducted through two privately-owned facilities and one RTAA-owned facility. The owners of the private facilities have land leases with the RTAA that will expire within five years. The increase in cargo activity, the opportunity for new operators to enter the market and the expiration of leases create perfect timing for the development of new air cargo facilities. The RNO Master Plan identifies the southwest quadrant, an approximately 100-acre parcel on the southwest portion of the airfield, as the preferred site for new facilities.

Keeping abreast of industry and technology changes - New technology may allow for commercial use of Unmanned Aerial Vehicles (UAVs) and smaller piloted aerial vehicles that could alter normal flight patterns and their uses for travelers.



Financial Stewardship

- 5. Financial Stewardship** – *Establish a culture of fiscal integrity; responsibly manage our business costs, diversify revenues, engage commercial business opportunities, and pursue grant funding, and the prudent use of debt financing for MoreRNO projects.*

The RTAA business model is built on a principle of financial self-sufficiency. Revenues are generated at the airports from aircraft landing fees, facility rentals, concessions, land leases and other charges for service. No local taxes or fees fund RTAA’s operations. Airport revenues are highly regulated by the federal government and can only be used for qualified purposes. An approved annual budget establishes our fiscal priorities and forecasts of revenues and expenses for the coming year. Budget planning addresses major capital improvement projects to repair, rehabilitate or replace airfields, roadways, terminal buildings, other facilities, and major equipment. Funding sources for major capital projects includes grants, customer facility charges, passenger facility charges, non-aeronautical revenues, or RTAA funds. There is also the option to issue airport system revenue bonds or special facility bonds to finance major projects.

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Our strategic approach to financial stewardship is:

Managing business costs to operate the airports effectively and efficiently - We will prioritize budgetary operating expenses to be within a range of increase from four to six percent annually. We plan to maintain sufficient reserves adequate to withstand major revenue interruptions, while also positioning RTAA to obtain an investment grade bond rating on future airport system revenue bonds. Accordingly, we will strive to meet or exceed the Board-approved fiscal policy calling for a minimum target of 365 Days Cash on Hand.

Diversifying revenues by preserving and expanding land lease revenues through private capital investment in RTAA-owned vacant land - Enable interest from private developers to improve non-aeronautical and aeronautical land, including a new general aviation fixed based operation, new facilities, and a relocation of air cargo operations per the RNO Master Plan, and the further development of other available commercial land. At RTS, facilitate private investment into general and business aviation and industrial land to realize the vision of an airfield-centric business park. Land leases from these developments are key to diversifying revenue sources that are not dependent on passenger airline market cycles. An update of the RTS Master Plan will be performed in the next few years to assist us with identifying opportunities.

Engaging commercial business opportunities at RNO to optimize revenue and optimize passenger experience - Direct and indirect revenue sources, such as parking, rental cars, and concessions, continue to evolve ensuring RTAA facilities and services meet the public demand. Parking facilities and services continue to grow and diversify to ensure a positive passenger journey. Rental car facilities are being designed to address demand and increase rental car capacity and revenues. The design and delivery of new concourses will increase business opportunities and revenues in the future. Concession space will be greater with the development of the new concourses, and we will be ready to maximize these opportunities and better meet the needs of travelers.

Pursuing grant funding opportunities - The Bipartisan Infrastructure Law (BIL) was signed November 15, 2021. BIL provides \$20 billion for airport-related projects and can be invested in runways, taxiways, safety, and sustainability projects as well as terminal and roadway projects. BIL allocations are spread over five years beginning in federal fiscal year 2022. RTAA estimates it will receive approximately \$34.3 million in BIL airport infrastructure grants over the five-year allocation period. In addition, RTAA will be competing for BIL airport terminal program grants. BIL grants are factored significantly into our funding plans for the development of two new concourses.

Financing MoreRNO through prudent use of debt - The use of debt will help finance MoreRNO capital outlays. The amount of debt however is tempered by fiscal prudence to use debt wisely and not overly encumber future generations or become an airport where debt becomes a cost barrier for airline partners. Our strategy is to establish key bond terms that result in the most favorable borrowing terms.



Customer Experience

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

RNO and RTS Airports make the ultimate first and last impression as people come and go from our region. A commitment to kindness, respect, safety, and security allows us to serve a diverse customer base. Our customers are defined as anyone doing business with our airlines, airport tenants, concessionaires, general aviation, the military, and our regional business community and tenants.

This strategic priority focuses on enhancing the holistic customer experience for all stakeholders by:

Providing memorable and positive travel experiences - The Paws 4 Passengers program has proven to be a wonderful asset to help alleviate the stress of travelers and will continue to be a presence in the terminal. RNO's Customer Experience Team (CX Team) will increase service to answer questions, provide wayfinding, and welcome travelers. Technology enhancements and more intuitive wayfinding will reduce passenger anxiety and provide a better travel experience.

Empowering passengers to engage with the airport - RTAA is creative, innovative, and spontaneous. We have award-winning customer service programs and modernized event planning. We will continue to use proactive innovations through engaging content to create a travel experience that delights passengers. We keep travelers and our community informed through multi-media: including tools on our website like real-time parking availability and route map, eBlasts, social media, and signage throughout the airport. An informed traveler is an empowered traveler.

Offering amenities - Measure and monitor the changing needs and preferences of customers to enhance facilities and services targeted at pleasing a wide range of customers. Partner with stakeholders and tenants to utilize customer data to help guide future decisions on enhancements.

Embracing technology and industry process changes - Keep abreast of technology and process changes that improve the customer experience, such as satellite baggage drop off stations.



General Aviation

7. General Aviation - *Support and elevate general aviation at both airports.*

RTAA ensures both RNO and RTS airports have vibrant and diverse GA communities. GA is a vital part of the community that goes far beyond private aircraft. It is a key contributor to our regional economic growth by facilitating business travel to and from our region and introducing the community to major corporations from around the world. It provides aviation access to rural areas of Nevada and northeastern California. GA also plays a significant public safety role by training future pilots.

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

Maintaining, developing, and improving facilities at both airports - RTAA continues airfield infrastructure investment at both airports with ongoing preventative maintenance and rehabilitation programs to optimize and extend the useful life of assets.

Supporting third-party private investment – RTAA plays a critical role in future GA development at both airports and must ensure it guides and partners with private investors. Private investment is key to future GA development.

Balancing the needs of the diverse types of users and operational categories at RTS - Diverse types of GA at RTS include encouraging private investment in facilities and businesses that meet the demands of the varied GA communities and to maintain the promotion and use of the UAS Test Site. There is an important balance between the GA community, future aeronautical and non-aeronautical developments, and special events held at RTS - all of which have impacts to the local economy.

Continuing engagement - Promotion and support of GA growth with tenants, visitors, industry groups, and community neighbors, to understand user needs and preferences is vital to understanding market demand and needs. 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.

Supporting Fire Suppression Activities at RTS - Continue to support the Bureau of Land Management (BLM)'s fire suppression mission at RTS which is critical for the safety of our region.



Sustainability

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

Sustainability is about making decisions with a long-term perspective to ensure the continued viability and future of the organization and the community we serve.

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

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

Maintaining a healthy balance between economic viability and environmental responsibility - Economic health ensures the future operations and continued viability of our airports.

Prioritizing operational efficiency to do more with less - Operational efficiency is doing more with less because of effective management and creative ideas.

Conserving natural resources through policies, technology, recycling, and reuse - Conserving and protecting our natural resources is an important sustainability focus area.

Being exceptional community stewards and leaders in social responsibility - Enhancing the customer experience, while fostering an understanding of the value that airports provide to the community is essential. Combined with effective governance, partnerships among local and regional associations have the capacity to assist us and further our mission of sustainability.

Performance Measures – “How do we measure success?”

Annual Review & Metrics

Qualitative and quantitative metric reports will provide regular updates on progress. An annual review will be provided to the Board in the first quarter of each fiscal year. This is in addition to monthly reports and updates to the Board on items such as MoreRNO and our financial position.

Performance Measures

RTAA will be measuring the progress of our performance to these strategic objectives on a regular basis. Many key indicators are already being reported to our Executive Team and the Board on a regular basis. Some of the key metrics are as follows.

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Financial Performance Metrics - Monthly reports and updates are provided to the Finance Committee and the Board on RTAA's operating and capital budgets. This ensures that financial objectives are monitored and reported to the Board as compared against Board-approved budgets and other financial benchmarks.

Project Management Performance Metrics - Each month the Planning & Construction Committee will receive updates on the status of all RTAA capital projects. These updates will address project status, challenges, funding, and changes or other matters related to project completion.

Employee Performance Metrics – Employee Full Time Equivalent (FTE) numbers, pay, and benefits are reported in budgets and budget updates. Turnover, training statistics, internal promotions, Occupational Safety and Health Administration (OSHA) recordable injuries, and diversity reporting will be reported at the end of the year in the annual strategic plan document.

Air Service Metrics:

- Each month air service performance metrics are reported in the CEO report to the Board.
- At the annual budget review and mid-year budget review air service performance is reported to the Board.
- Monthly passenger and cargo statistics report is prepared monthly and posted on www.renoairport.com or by clicking [RNO Passenger and Cargo Statistics](#).

CEO Report

The monthly CEO report to the Board has updates on the performance status of the strategic objectives.

Annual Reporting

RTAA will create a formal document within 90 days of the end of each fiscal year to the Board of Trustees clarifying the performance status of each strategic objective.

Section 4 – Organization Guide

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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>
Carol Chaplin	Chair	June 2025	Reno-Sparks Convention & Visitors Authority
Richard Jay	Vice-Chair	June 2025	City of Reno
Jennifer Cunningham	Treasurer	June 2025	City of Reno
Adam Kramer	Secretary	June 2025	Washoe County
Shaun Carey	Trustee	June 2027	City of Sparks
Art Sperber	Trustee	June 2025	City of Sparks
Joel Grace	Trustee	June 2027	City of Reno
Kitty Jung	Trustee	June 2027	City of Reno
Cortney Young	Trustee	June 2027	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 2023-24 PERSONNEL COMPLEMENT

RTAA’s total approved and funded personnel complement for FY 2023-24 reflects 292 full-time equivalent (FTE) positions, a net increase of three from the positions approved in the prior budget year.

The Operations and Public Safety division added a Terminal Operations department, which includes a Manager of Terminal Operations and two part-time Customer Service Representatives. The new structure is reflected in the updated organization chart.

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RTAA’s workforce is organized in seven divisions led by chief officers reporting directly to the President/CEO (see organization chart):

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

The Chief Legal Officer is the general legal counsel for RTAA and reports directly to the CEO.

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

The Planning and Infrastructure division led by the Chief Planning and Infrastructure Officer incorporates the following departments: Planning and Infrastructure Administration, Planning and Environmental Services, Engineering and Construction, Facilities and Maintenance Administration, Airfield Maintenance, Building Maintenance, and Baggage Handling System (BHS).

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

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

The personnel complement following this narrative shows organizational chart and total budgeted staff complement. Listed below are the approved changes to the complement during the budget

**Reno-Tahoe Airport Authority
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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, DELETIONS, 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

Legal Department

Legal Secretary position has been reclassified to Associate General Counsel.

MARKETING AND PUBLIC AFFAIRS

Marketing and Public Affairs

One Marketing Coordinator has been reclassified to Public Affairs Coordinator.

The Customer Service Supervisor has been reclassified to Manager of Terminal Operations and moved to the newly created Terminal Operations Department.

COMMERCIAL BUSINESS

Airport Economic Development

Manager of Economic Development position has been reclassified to Manager of Aeronautical Properties.

Manager of Properties position has been reclassified to Manager of Commercial Properties.

One Property Specialist II has been reclassified to Aviation Business Program Manager.

Contract Specialist II position has been reclassified to Airfield Maintenance Technician I and resides in the Airfield Maintenance Department.

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PEOPLE, CULTURE, AND EQUITY

People, Culture and Equity

Senior People Business Partner position has been reclassified to Manager of People Operations.

People Business Partner position has been reclassified to People Operations Generalist.

FINANCE AND ADMINISTRATION

Purchasing and Materials Management

The Manager of Purchasing and Materials Management has been reclassified to Director of Contracts and Procurement.

Technology and Information Systems

Security Systems Technician has been reclassified to Supervisor of IT.

Systems Analyst has been reclassified to Cyber Security Analyst.

Database Administrator has been reclassified to Service Desk Administrator.

OPERATIONS AND PUBLIC SAFETY

Operations and Public Safety Administration

Operations Specialist has been reclassified to Operations & Public Safety Compliance Coordinator.

Airport Fire

The department is growing by three (3) Fire Fighter positions based on new requirements in the Reno Airport Firefighters (RAF) bargaining agreement.

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Airport Security

Security Compliance Specialist II has been reclassified to Security Compliance Supervisor.

Terminal Operations

The Terminal Operations department is new and exists in the Operations and Public Safety Division. The Customer Service Supervisor originally resided in Marketing and Public Affairs and has been reclassified to Manager of Terminal Operations.

The department grew by two (2) part-time Customer Service Representatives transferred from Marketing.

Reno-Stead Airport

Administrative Assistant III has been reclassified to Operations Specialist.

Stead Technician I/II has been reclassified to Stead Technician III.

PLANNING AND INFRASTRUCTURE

Planning and Infrastructure Administration

The department is shrinking by one position, the Director of Program Manager has been eliminated and contracted out.

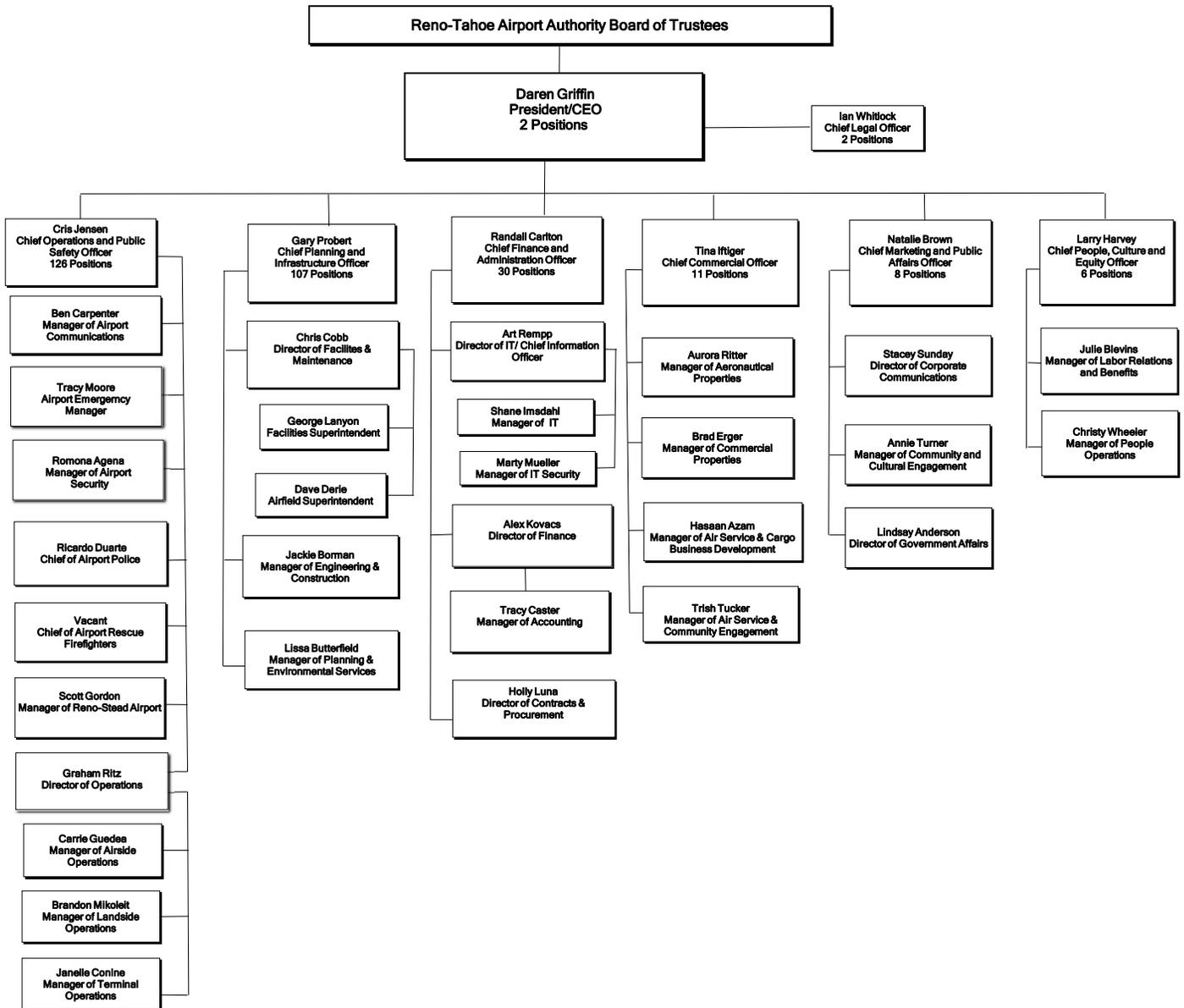
Airfield Maintenance

Airfield Landscape Technician IV has been reclassified to Airfield Technician IV.

Administrative Assistant II has been reclassified as Airfield Maintenance Specialist.

The department is growing by one (1) position; the Contracts Manager originally resided in the Economic Development department and was reclassified to Airfield Maintenance Technician.

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	<u>Budgeted and/or Authorized FY 2021-22</u>	<u>Budgeted and/or Authorized FY 2022-23</u>	<u>Budgeted and/or Authorized FY 2023-24</u>
Board of Trustees Division	<u>9.0</u>	<u>9.0</u>	<u>9.0</u>
President/CEO Division	<u>2.0</u>	<u>4.0</u>	<u>4.0</u>
Marketing and Public Affairs Division	<u>8.0</u>	<u>9.0</u>	<u>8.0</u>
Commercial Business Division	<u>12.5</u>	<u>12.0</u>	<u>11.0</u>
People, Culture & Equity Division	<u>5.0</u>	<u>6.0</u>	<u>6.0</u>
Finance & Administration Division	<u>28.0</u>	<u>30.0</u>	<u>30.0</u>
Operations & Public Safety Division	<u>111.5</u>	<u>121.0</u>	<u>126.0</u>
Planning & Infrastructure Division	<u>108.5</u>	<u>107.0</u>	<u>107.0</u>
TOTAL AIRPORT (Does not include the appointed Board of Trustees)	<u><u>275.5</u></u>	<u><u>289.0</u></u>	<u><u>292.0</u></u>

* Appointed positions
 Frozen / Unfunded positions included in position count
 prior to FY 2022-23.

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	Budgeted and/or Authorized FY 2021-22	Budgeted and/or Authorized FY 2022-23	Budgeted and/or Authorized FY 2023-24
Board of Trustees Division			
Board of Trustees *	9.0	9.0	9.0
Total Board of Trustees Division *	9.0	9.0	9.0
President/CEO Division			
President/CEO Section			
President/CEO	1.0	1.0	1.0
Executive Assistant/Board Assistant	1.0	1.0	1.0
Total President/CEO	2.0	2.0	2.0
Legal Section			
Chief Legal Officer	0.0	1.0	1.0
Legal Secretary	0.0	1.0	0.0
Associate General Counsel	0.0	0.0	1.0
Total Legal Section	0.0	2.0	2.0
Total President/CEO Division	2.0	4.0	4.0
Marketing & Public Affairs Division			
Chief Marketing and Public Affairs Officer	1.0	1.0	1.0
Director of Corporate Communications	1.0	1.0	1.0
Government Affairs Manager	0.0	1.0	0.0
Director of Government Affairs	0.0	0.0	1.0
Marketing Coordinator	1.0	2.0	1.0
Public Affairs Coordinator	0.0	0.0	1.0
Manager of Community and Cultural Engagement	0.0	1.0	1.0
Public Relations Coordinator	1.0	0.0	0.0
Customer Service Supervisor	1.0	1.0	0.0
Graphic Designer	1.0	0.0	0.0
Administrative Assistant III	1.0	1.0	1.0
Receptionist	1.0	1.0	1.0
Total Marketing and Public Affairs Section	8.0	9.0	8.0
Total Marketing & Public Affairs Division	8.0	9.0	8.0
Commercial Business Division			
Air Service Business Development Section			
Manager of Air Service & Cargo Business Development	1.0	1.0	1.0
Manager of Air Service Development & Community Engagement	1.0	1.0	1.0
Total Air Service Business Development Section	2.0	2.0	2.0
Airport Economic Development Section			
Chief Commercial Officer	1.0	1.0	1.0
Manager of Aeronautical Properties	0.0	0.0	1.0
Manager of Economic Development	1.0	1.0	0.0
Manager of Properties	1.0	1.0	0.0
Manager of Commercial Properties	0.0	0.0	1.0
Concessions Manager	0.0	1.0	1.0
Aviation Business Program Manager	0.0	0.0	1.0
Property Specialist II	3.0	2.0	1.0
Property Specialist I	1.0	1.0	1.0
Contract Manager	0.0	1.0	0.0
Contract Specialist II	1.0	0.0	0.0
Property Technician	2.5	2.0	2.0
Total Economic Development Section	10.5	10.0	9.0
Total Commercial Business Division	12.5	12.0	11.0

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	Budgeted and/or Authorized FY 2021-22	Budgeted and/or Authorized FY 2022-23	Budgeted and/or Authorized FY 2023-24
People, Culture & Equity Division			
Chief People, Culture & Equity Officer	1.0	1.0	1.0
Manager of Labor Relations & Benefits	1.0	1.0	1.0
Manager of People Operations	0.0	0.0	1.0
Senior People Business Partner	0.0	1.0	0.0
People Business Partner	2.0	2.0	1.0
People Operations Generalist	0.0	0.0	1.0
People Coordinator	1.0	1.0	1.0
Total People, Culture, & Equity Section	5.0	6.0	6.0
Total People, Culture & Equity Division	5.0	6.0	6.0
Finance & Administration Division			
Technology and Information Systems Section			
Director of IT/ Chief Information Officer	0.0	1.0	1.0
Chief Information Officer	1.0	0.0	0.0
Manager of Information Technology	1.0	1.0	1.0
Manager of IT Security	0.0	1.0	1.0
Project Manager	2.0	2.0	2.0
Supervisor of IT	0.0	0.0	1.0
Cyber Security Analyst	0.0	0.0	1.0
Security Systems Technician	1.0	1.0	0.0
Security Systems Administrator	1.0	1.0	1.0
Network Administrator II	2.0	2.0	2.0
Service Desk Administrator	0.0	0.0	1.0
Database Administrator	1.0	1.0	0.0
Systems Analyst	0.0	1.0	0.0
Network Administrator I	1.0	1.0	1.0
Total Technology and Information Systems Section	10.0	12.0	12.0
Finance Section			
Chief Finance & Administration Officer	1.0	1.0	1.0
Senior Internal Auditor	1.0	0.0	0.0
Internal Auditor	1.0	1.0	1.0
Director of Finance	0.0	1.0	1.0
Manager of Finance and Budgeting	1.0	0.0	0.0
Senior Financial Analyst	0.0	1.0	0.0
Financial Analyst	1.0	1.0	2.0
Manager of Accounting	1.0	1.0	1.0
Accountant	1.0	1.0	1.0
Payroll Administrator	1.0	1.0	1.0
Accounting Technician - AP	1.0	1.0	1.0
Accounting Technician - AR	2.0	2.0	2.0
Administrative Assistant III	1.0	1.0	1.0
Total Finance Section	12.0	12.0	12.0
Purchasing & Materials Management Section			
Director of Contracts & Procurement	0.0	0.0	1.0
Manager of Purchasing & Materials Management	1.0	1.0	0.0
Senior Buyer	1.0	1.0	1.0
Buyer	1.0	1.0	1.0
Materials Management Supervisor	1.0	1.0	1.0
Materials Control Technician	1.0	1.0	1.0
Warehouse Assistant/Driver	1.0	1.0	1.0
Total Purchasing & Materials Management Section	6.0	6.0	6.0
Total Finance & Administration Officer Division	28.0	30.0	30.0

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	Budgeted and/or Authorized FY 2021-22	Budgeted and/or Authorized FY 2022-23	Budgeted and/or Authorized FY 2023-24
Operations & Public Safety Division			
Operations and Public Safety Administration Section			
Chief Operations & Public Safety Officer	1.0	1.0	1.0
Director of Operations	0.0	1.0	1.0
Airport Emergency Manager	0.0	1.0	1.0
Operations & Public Safety Compliance Coordinator	0.0	0.0	1.0
Operations Specialist	1.0	1.0	0.0
Total Operations and Public Safety Administration	2.0	4.0	4.0
Airside Operations Section			
Manager of Airside Operations	1.0	1.0	1.0
Airport Duty Manager	7.0	7.0	7.0
Total Airside Operations Section	8.0	8.0	8.0
Landside Operations Section			
Manager of Landside Operations	1.0	1.0	1.0
Landside Supervisor	1.0	2.0	2.0
Administrative Assistant I/II	1.0	1.0	1.0
Landside Attendant	8.0	13.0	13.0
Landside Shift Leader	4.0	6.0	6.0
Total Landside Operations Section	15.0	23.0	23.0
Airport Fire Section			
Chief of Airport Rescue Firefighters	1.0	1.0	1.0
Battalion Chief	3.0	3.0	3.0
Fire Captain	3.0	6.0	6.0
Engineer	9.0	9.0	9.0
Fire Fighter	6.0	3.0	6.0
Total Airport Fire Section	22.0	22.0	25.0
Airport Police Section			
Chief of Airport Police	1.0	1.0	1.0
Police Captain	1.0	1.0	1.0
Police Sergeant	4.0	4.0	4.0
Police Officer	18.0	18.0	18.0
Police Compliance Specialist	1.0	1.0	1.0
Total Airport Police Section	25.0	25.0	25.0
Airport Communications Section			
Manager of Airport Communications	1.0	1.0	1.0
Airport Communications Supervisor	1.0	1.0	1.0
Airport Communications Specialist	11.0	11.0	11.0
Total Airport Communications Section	13.0	13.0	13.0
Airport Security Section			
Manager of Airport Security	1.0	1.0	1.0
Airport Security Supervisor	1.0	1.0	1.0
Lead Security Specialist	4.0	4.0	4.0
Airport Security Specialist	11.5	11.0	11.0
Security Compliance Supervisor	0.0	0.0	1.0
Security Compliance Specialist II	1.0	1.0	0.0
Security Compliance Specialist I	1.0	1.0	1.0
Total Airport Security Section	19.5	19.0	19.0

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	Budgeted and/or Authorized FY 2021-22	Budgeted and/or Authorized FY 2022-23	Budgeted and/or Authorized FY 2023-24
Terminal Operations			
Manager of Terminal Operations	0.0	0.0	1.0
Customer Service Representatives	0.0	0.0	1.0
Total Terminal Operations	0.0	0.0	2.0
Reno-Stead Airport Section			
Manager of Reno-Stead Airport	1.0	1.0	1.0
Operations Specialist	0.0	0.0	1.0
Administrative Assistant III	1.0	1.0	0.0
Stead Technician I/II/III	3.0	3.0	3.0
Stead Technician IV	1.0	1.0	1.0
Stead Technician V	1.0	1.0	1.0
Total Reno Stead Airport Section	7.0	7.0	7.0
Total Operations & Public Safety Division	111.5	121.0	126.0
Planning & Infrastructure Division			
Planning & Infrastructure Section			
Chief Planning & Infrastructure Officer	1.0	1.0	1.0
Director of Program Manager	0.0	1.0	0.0
Administrative Assistant III	1.0	1.0	1.0
Total Planning & Infrastructure Section	2.0	3.0	2.0
Planning and Environmental Services Section			
Manager of Planning/Environmental Service	1.0	1.0	1.0
Environmental Program Manager	1.0	1.0	1.0
Airport Planner II	1.0	2.0	2.0
Airport Planner I	1.0	0.0	0.0
Airport Noise Analyst	1.0	1.0	1.0
Total Planning and Environmental Services Section	5.0	5.0	5.0
Engineering and Construction Section			
Manager of Engineering & Construction	1.0	1.0	1.0
Senior Airport Project Manager	2.0	2.0	2.0
Capital Improvements & Grant Coordinator	1.0	1.0	1.0
Senior Facilities Project Manager	1.0	1.0	1.0
Airport Project Manager II	2.0	2.0	2.0
Total Engineering and Construction	7.0	7.0	7.0
Facilities and Maintenance Administration Section			
Director of Facilities and Maintenance	1.0	1.0	1.0
Facilities Project Manager	1.0	1.0	1.0
Total Facilities and Maintenance Administration Section	2.0	2.0	2.0

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	Budgeted and/or Authorized FY 2021-22	Budgeted and/or Authorized FY 2022-23	Budgeted and/or Authorized FY 2023-24
Airfield Maintenance Section			
Airfield Maintenance Superintendent	1.0	1.0	1.0
Airfield Maintenance Supervisor	2.0	2.0	2.0
Airfield Technician V	3.0	5.0	5.0
Airfield Equipment Mechanic IV	3.0	3.0	3.0
Airfield Landscape Technician IV	1.0	1.0	0.0
Airfield Landscape Technician III	1.0	1.0	1.0
Airfield Electrician Technician IV	2.0	2.0	2.0
Airfield Technician I, II, III	10.0	11.0	11.0
Airfield Technician IV	2.0	0.0	1.0
Airfield Automotive Technician III	2.0	1.0	1.0
Airfield Manintenance Technician	0.0	0.0	1.0
Airfield Maintenance Specialist	0.0	0.0	1.0
Administrative Assistant II	1.0	1.0	0.0
Total Airfield Maintenance Section	28.0	28.0	29.0
Building Maintenance and Services Section			
Facilities Superintendent	1.0	1.0	1.0
Assistant Facilities Superintendent	1.0	1.0	1.0
Facilities Supervisor	5.0	5.0	5.0
Facilities Maintenance Technician I, II, III	6.0	6.0	6.0
Facilities Jet Bridge Technician IV	1.0	2.0	2.0
Facilities Maintenance Technician IV	2.0	2.0	2.0
Facilities Plumber Technician IV	1.0	1.0	1.0
Facilities Maintenance Technician V	2.0	3.0	3.0
Facilities HVAC Plant Operator V	1.0	1.0	1.0
Facilities HVAC Technician IV	4.0	2.0	2.0
Facilities Electrician Technician IV	3.0	3.0	3.0
Administrative Assistant	0.5	0.0	0.0
Maintenance Scheduler/Planner	1.0	1.0	1.0
Senior Airport Facilities Custodian	2.0	2.0	2.0
Airport Facilities Custodian	34.0	32.0	32.0
Total Building Maintenance and Services Section	64.5	62.0	62.0
Total Planning & Infrastructure Division	108.5	107.0	107.0
TOTAL AIRPORT (Does not include the appointed Board of Trustees)	275.5	289.0	292.0

* Appointed positions

Section 5 – Financial and Budgetary Policies

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Section 5 – Financial and Budgetary Policies

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), 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), 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 on with notices published in local newspapers. The Act also defines certain exceptions to the required bidding process such as professional services, computer equipment, and insurance.

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RTAA is also subject to the Local Government Securities Law, which defines the process required by local Nevada governments when issuing short-term and long-term debt. In addition to these state laws, other factors affecting RTAA’s budget process are the Airline-Airport Use and Lease Agreement (AAULA) and the Revenue Bond Resolutions. RTAA does not currently have any public debt and is not subject to a revenue bond resolution.

Airline-Airport Use and Lease Agreement

The AAULA 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.

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.

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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.

Effective July 1, 2023, RTAA entered into a new ten-year AAULA. The agreement remains hybrid in nature, with net Airfield cost center operating, maintenance and capital improvement costs being 100% recouped via landing fees from the airlines, and the airlines only pay for the space they use in the terminal building. The AAULA was negotiated with the MoreRNO capital improvement plan at its core, especially the concourse redevelopment project commonly referred to as Next Gen B&C preapproved for a total cost of \$570 million. The project will reconstruct the current two concourses, adding much needed space for passengers and concessionaires, as well as five additional gates to accommodate the growing passenger airline traffic at RNO.

New AAULA rates, charges, and governance provisions are as follows:

Landing Fees

- Residual approach – the fee is set to recover 100% of the cost of operating and maintaining the Airfield cost center.
- The landing fee is calculated by (i) the total cost of the Airfield (operation and maintenance expenses, debt service, fixed asset and capital improvement expenditures, and amortization expense of capital items), less (ii) other revenues generated on the Airfield (fuel flowage, aircraft parking, etc.), divided by (iii) total airline landed weight in thousand-pound units.
- Non-signatory airlines pay a 15% premium on top of the signatory rate.

Terminal Rents

- Compensatory approach – the rental rate is meant to recover the cost of operating and maintaining the terminal building. Airlines only pay for the space they use.
- The calculation of the terminal rental rate is (i) the total cost of the Terminal Building cost center (operation and maintenance expenses, debt service, fixed asset and capital improvement expenditures, and amortization of capital assets) less (ii) in-terminal concession revenue sharing credit (50% of and 100% of in-terminal concessions), and airline reimbursements for disposal fees divided by (iii) total airline rentable square footage. The prior agreement used total rentable space in the calculation.
- There are two airline rentable space categories – conditioned (enclosed heated and cooled space) and unconditioned space.

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BHS Fees

- Residual approach – the fee is set to recover 100% of the cost of operating and maintaining the BHS cost center.
- The BHS fee is calculated by (i) the total cost of the BHS (operation and maintenance expenses, debt service, fixed asset and capital improvement expenditures, and amortization expense of capital items), less (ii) Transportation Security Administration (TSA) reimbursement, divided by (iii) total processed bags.
- Non-signatory airlines pay a 10% premium on top of the signatory rate.

Revenue Sharing

- The new AAULA, similar to expiring, provides that the RTAA's net available revenues after satisfying all financial obligations are split equally 50/50 between the signatory airlines and RTAA based on a revenue sharing formula. The calculation takes into account debt service coverage and cash reserves.
- The airlines' portion of net revenues is calculated and distributed on a per enplaned passenger basis. The prior agreement had revenue sharing applied as a credit in the calculation of the signatory terminal rental rate.

Settlement

- Annual airline rates and charges are calculated based on budgeted revenues, expenses, and airline traffic forecast. At the conclusion of each year, RTAA conducts a settlement process with signatory airlines based on the comparison of budget to actual results. The settlement can result in either reimbursement of payments received, or additional billing.

Majority in interest (MII)

- The agreement allows airlines to vote to deny cost recovery in the airline rates and charges of large capital projects in the three airline cost centers (Airfield, Terminal, and BHS).
- The airlines have 30 days after the 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 AAULA sets specific cost center specific limits:
 - The first \$1.25 million in capital projects in the Airfield is not subject to a denial vote, up to an annual aggregate of \$2.5 million. 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. 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.
 - In the Terminal Cost center, MII denial votes begin at the \$2.5 million threshold, up to an aggregate total of \$5.0 million. The MII for a Terminal Building project is

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- 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.
- In the BHS cost center, capital projects less than \$625,000 and an aggregate of \$1.25 million are not subject to a denial vote. The MII for a BHS 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.
 - These thresholds are increased annually by a percentage equal to the percentage change in the consumer price index (CPI).

Capital projects over \$500,000 must be amortized over the useful life of the asset and cannot be included in airline rates and charges in their entirety in the year placed in service.

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 (CPE). Airline CPE is equivalent to a municipal or county government's cost per capita as a means of comparing different governments' cost of operation. This is the sum of the airline's costs to operate at RNO (landing fees, terminal rents, and BHS fees) divided by the number of enplaned passengers. RNO's budgeted signatory CPE for FY 2023-24 is \$9.65, up 28.1% from the 2022-23 FY budget of \$7.53. The new rates and charges methodology is a significant driver in the CPE increase year over year, as well as the operating and maintenance (O&M) budget increases. The addition of BHS fees, not included in past CPE calculation also has an impact on the higher values. This ratio compares to the 2021 average median for all U.S. Airports of \$13.50 as reported by Moody's Investors Service.

RTAA seeks to maintain a diversified revenue stream with the goal of keeping airline rates, fees, rentals, and charges as reasonable as possible.

Liquidity and Working Capital Policy

The credit rating agencies primarily measure an airport's ability to meet its on-going obligations and provide a buffer against unanticipated risks using Days Cash on Hand (DCOH). 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

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catchment area, 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 DCOH. 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 2021 median average, as compiled by Moody’s Investor Services, is an all-time high of 751 for all airports and 807 for medium hub airports. As of June 30, 2022, RTAA’s cash and liquidity position was 469 days of cash on hand.

In addition, RTAA also monitors working capital (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’s 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 expenditures (annual operating and maintenance expenses divided by 365 days and excluding depreciation). For fiscal years ending June 30, 2021, and 2022, the net working capital ratio was 801 and 783 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 Generally Accepted Account Principles (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

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assets less revenue bonds and other indebtedness uses to fund the acquisition or construction of those assets. RTAA is beginning FY 2023-24 with no bond agreement in place.

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 Operation and Maintenance Reserve Account, which is a deposit equal to two months of the annual operation and maintenance expense budget.
2. The Renewal and Replacement Account, which maintains funds set aside by management of \$780,000 for unexpected or emergency repairs.
3. The Passenger Facility Charge (PFC) Account, which represents PFC revenues authorized for collection by the Federal Aviation Administration (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.
4. 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.

The following table provides RTAA’s fund balance or net position in millions as of June 30,2022, and June 30, 2021.

	2022	2021	Change	% Change
Net Position (In Millions)				
Invested in Capital Assets, net of debt	\$388.633	\$ 361.860	\$ 26.77	7.4%
Restricted				
Operating & Maintenance Reserve	7.533	7.724	(0.191)	-2.5%
Renewal & Replacement Reserve	0.770	0.787	(0.017)	-2.2%
Passenger Facility Charge	20.161	15.517	4.644	29.9%
Debt Service (Bond)	-	1.910	(1.910)	-100.0%
Other Reserve Purpose	0.031	0.043	(0.012)	-27.9%
Total Restricted	28.495	25.981	2.514	9.7%
Unrestricted	41.997	29.202	12.795	43.8%
Total Net Position	\$459.125	\$ 417.043	\$ 42.082	10.1%

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

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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's (GFOA) recommendation to maintain an unrestricted budgetary fund balance of no less than two months or 16.67% of operating expenditures.

With the adoption of Government Accounting Standards Board (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. A significant portion of the increase in deferred inflows from FY 2021 to FY 2022 is the implementation of GASB 87. The objective of GASB 87 is "to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments." Substantially all the property owned by RTAA is subject to non-cancelable leases and concession agreements. RTAA, as lessor, recognizes a lease receivable and the deferred inflow of resources at the commencement of the lease, and as such, the implementation of GASB 87 recognized the deferred inflow from leases of \$41.180 million.

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 calculation of the Unrestricted Net Position Reserve. Same treatment of the deferred inflows related to leases. Based on the policy, the following calculations add back the net pension liability figures for the fiscal years ended June 30, 2022, and June 30, 2021:

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(In Millions)		2022	2021	Change	% Change
Net Position - Unrestricted	\$	41.997	\$ 29.202	\$ 12.795	43.8%
Net Pension Liability		24.565	38.582	\$ (14.017)	-36.3%
Deferred Inflow of Resources - Pension Contribution after Measurement Date		(21.797)	(2.977)	\$ (18.820)	632.2%
Deferred Inflow of Resources - Leases		(41.180)	-	\$ (41.180)	
Unrestricted Net Position (Adjusted)	A	\$ 3.585	\$ 64.807	\$ (61.222)	-94.5%
Total Operating Expenses		46.340	42.612	\$ 3.728	8.7%
Percent Designated for Unrestricted		33.3%	33.3%		
Total of Unrestricted Account Reserve	B	15.431	14.190	\$ 1.241	8.7%
Unrestricted Reserve (Adjusted) as % of Policy Requirement	A/B	23.2%	456.7%		

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 2023-24 Budget RTAA has not determined the Net Pension Liability and the associated Deferred Inflow of Resources as of June 30, 2023.

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 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, Nevada Revised Statutes (NRS) 354.474 and 355.175, 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 (CFAO). The CFAO will maintain a list of approved brokers/dealers and financial institutions which are authorized to provide investment services to RTAA. Authorized brokers/dealers will be limited to

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"primary" dealers or other dealers that qualify under Security and Exchange Commission (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 CFAO for this purpose in accordance with NRS 355.172.

The CFAO, in accordance with the provisions of 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 direct loans and revenue bond debt to finance airport capital projects. When issuing public debt, the debt limit is established by guidelines outlined in the revenue bond resolutions. They also 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. At the start of FY 2023-24, RTAA does not have any public debt and as a result it does not have active bond resolutions.

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.

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.

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To provide a short-term financing facility for its capital program, as an interim bond financing plan, on July 14, 2022, RTAA Board approved a non-revolving credit agreement with Wells Fargo Bank for the issuance of airport system subordinate revenue bonds Series 2022 including Subseries A (AMT), Subseries B (Non-AMT), and Subseries C (Taxable) in the maximum aggregate principal amount of \$50 million. Drawdown amounts in each subseries will depend on the tax treatment of the capital projects it will fund. Funds can be drawn in any amount as needed and the loan can be repaid at any time before the expiration of the three-year term of the contract.

Budget Process

RTAA’s definition of a balanced budget is one in which revenues and other resources equal or exceed expenditures and other uses. As an enterprise fund, 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 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 responsibilities and initiatives 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 2023-24 Operating Budget of \$66.040 million reflects an increase of \$6.051 million or 10.0% from the FY 2022-23 approved budget.

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 People Operations, 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.

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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 applied to 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 AAULA, staff meets with signatory airline representatives to review the proposed airline traffic forecast, 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 MII provision. This provision establishes a process where a majority of the airlines may deny a proposed capital project. There were no capital projects in the FY 2023-24 Budget subject to the MII review process. The New Gen B&C project already had approval from the signatory airlines as it was incorporated in the new AAULA.

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
- Days Cash on Hand
- Department O&M Funding Matrix
- Operating Forecast

Cost Centers

**Reno Tahoe Airport Authority
Revenue Sharing
Fiscal Year 2023-24 Budget**

	<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)	\$ 14,207,453	\$ 20,272,900	\$ -	\$ -	\$ -	\$ -	\$ 34,480,353
Non Airline Revenue	1,151,625	7,879,310	2,132,186	31,042,987	8,900,558	1,075,800	52,182,466
Total Revenue	15,359,078	28,152,210	2,132,186	31,042,987	8,900,558	1,075,800	86,662,819
O&M Expense	14,463,446	27,730,434	2,093,553	11,155,350	5,768,936	2,803,431	64,015,150
Debt Service	-	-	-	-	-	-	-
Short Term Borrowing Interest	-	250,425	-	-	860,094	-	1,110,519
O&M Reserve	266,897	511,716	38,633	216,787	116,365	51,732	1,202,130
Fixed Asset	240,407	342,333	-	229,713	73,699	8,810	894,962
Capital Project	-	577,838	-	200,000	225,000	668,250	1,671,088
Amort of Capital Items	697,355	345,586	-	789,322	1,023,712	225,106	3,081,081
Special Fund	-	489,385	-	-	-	-	489,385
Stimulus Funds	(300,000)				(860,094)		(1,160,094)
							-
Total Requirement	\$ 15,368,104	\$ 30,247,717	\$ 2,132,186	\$ 12,591,172	\$ 7,207,712	\$ 3,757,330	\$ 71,304,221
Net Revenues	\$ (9,026)	\$ (2,095,507)	\$ -	\$ 18,451,815	\$ 1,692,846	\$ (2,681,530)	\$ 15,358,598
Airport Share		50.00%					\$ 7,679,299
Airline Share		50.00%					\$ 7,679,299

RENO - TAHOE AIRPORT AUTHORITY
FY 2023-24
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Summary of Sources and Uses of Funds

	Actual 2021-22	Budget 2022-23	Budget 2023-24
SOURCES OF FUNDS			
Revenue Fund			
Landing and Aircraft Fees	\$ 10,584,521	\$ 13,283,318	\$ 15,217,778
Gaming Concession Fees	1,256,202	1,199,500	1,398,243
Food and Beverage Revenue	1,504,735	2,108,900	2,221,488
Merchandise Revenue	864,976	1,119,700	1,223,500
Auto Rental Concession Fees	10,244,122	11,208,806	10,936,255
Other Concession Fees	1,546,569	1,524,900	1,535,229
Auto Parking and Ground Transportation	14,004,586	17,150,500	20,106,732
Terminal Rents	7,000,142	8,907,300	20,215,800
Other Rents	8,238,883	8,611,927	9,359,558
Reimbursed Services & Miscellaneous	3,145,231	3,081,459	3,241,636
Other Non-Operating Pledged Revenue	569,315	687,800	949,500
Total Revenue Fund	\$ 58,959,281	\$ 68,884,110	\$ 86,405,719
Non Rate Base Revenue			
Non-Rate Base Interest	98,867	186,700	255,100
Fuel Tax Revenue	294,018	256,700	298,400
Fuel Tax Interest	2,138	4,100	6,500
Federal Stimulus	13,847,857	1,120,000	1,160,094
CFC Revenue	6,350,891	10,588,500	9,573,000
PFC Interest	138,700	150,200	187,200
PFC Revenue	8,364,297	8,729,300	9,207,400
Other Revenue	2,622,177	-	-
Total Non Rate Base Revenue	31,718,945	21,035,500	20,687,694
TOTAL SOURCES OF FUNDS	\$ 90,678,227	\$ 89,919,610	\$ 107,093,413
USES OF FUNDS			
Operation and Maintenance Fund			
Personnel Services	\$ 33,564,039	\$ 38,057,907	\$ 42,186,109
Utilities	3,149,889	3,133,050	4,543,050
Purchased Services	6,995,625	8,860,351	9,202,104
Materials and Supplies	2,575,165	2,984,990	3,674,957
Administrative Expenses	2,706,628	3,647,021	4,408,930
Total Operation and Maintenance Fund	\$ 48,991,346	\$ 56,683,318	\$ 64,015,150
Bond Fund			
Interest Account	399,857	406,800	1,110,519
Principal Account	10,380,000	-	-
Total Bond Fund	\$ 10,779,857	\$ 406,800	\$ 1,110,519
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	\$ 643,649	\$ 1,167,557	\$ 1,202,130
Property, Plant & Equipment	\$ 1,393,416	\$ 1,393,416	\$ 894,962
Capital Projects			
Current Year	1,973,202	1,210,588	1,671,088
Prior year project reimbursement	3,316,941	3,755,532	3,081,081
Total Capital Projects	\$ 5,290,143	\$ 4,966,120	\$ 4,752,169
Special Fund			
35 % of projected gaming revenue to Special Fund	\$ 439,671	\$ 419,825	\$ 489,385
General Purpose Fund			
Current Year Profit Sharing Total	10,724,510	10,490,211	\$ 14,935,298
Current Year Profit Sharing Airline Share	(5,362,255)	(5,245,137)	-
Air Service Incentive	(240,135)	(400,000)	(400,000)
Total General Purpose Fund	\$ 5,122,120	\$ 4,845,074	\$ 14,535,298
Non-Rate Base Interest	98,867	186,700	255,100
Non Rate Base Expenditures			
Fuel Tax	296,156	260,800	304,900
CFC Funding	6,350,891	10,588,500	9,573,000
PFC Funding	8,502,997	8,879,500	9,394,600
CBP Staffing Funding	131,857	122,000	143,100
Other Revenue	2,637,257	-	423,100
TOTAL USES OF FUNDS	\$ 90,678,227	\$ 89,919,610	\$ 107,093,413

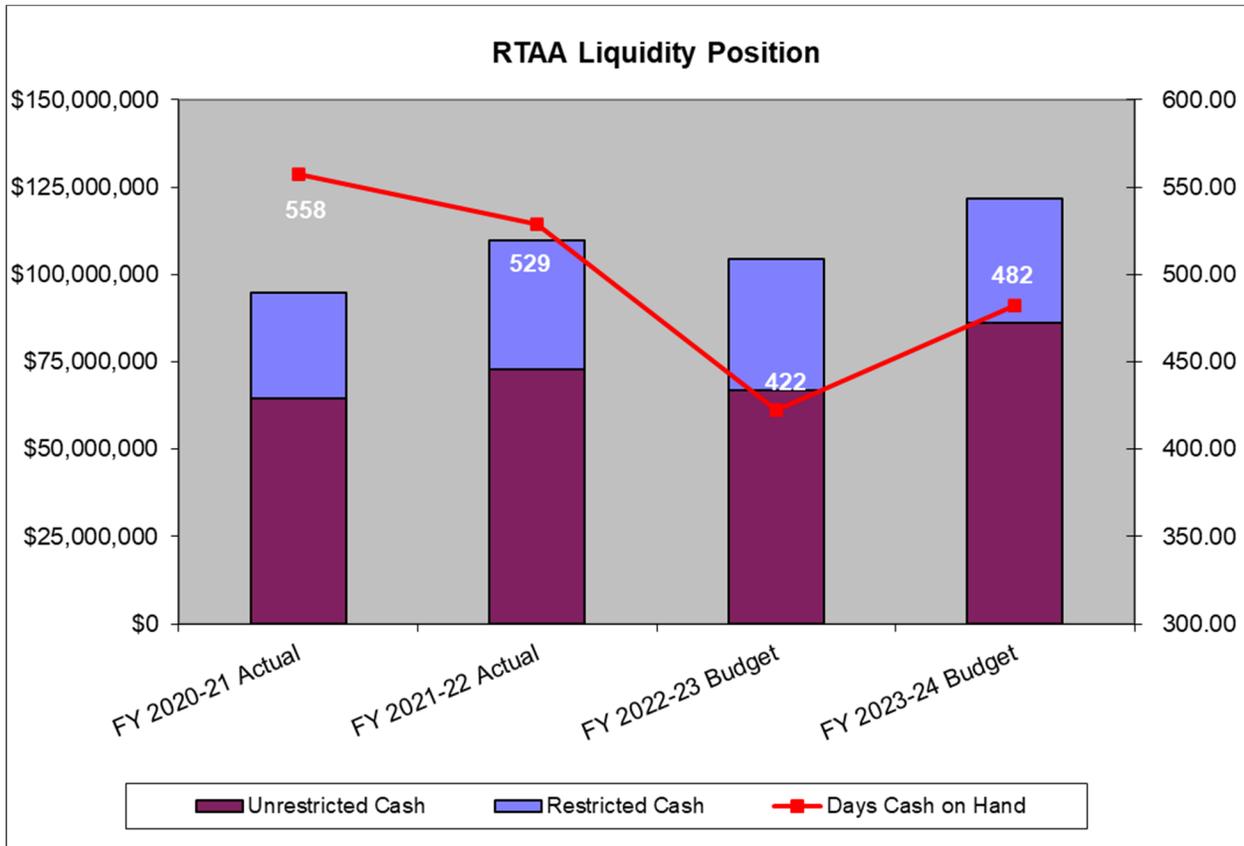
RENO-TAHOE AIRPORT AUTHORITY
PROJECTED BALANCE OF CASH AND INVESTMENT ACCOUNTS AND SUB-ACCOUNTS
ESTABLISHED BY REVENUE BOND RESOLUTIONS
FOR THE YEAR ENDING JUNE 30, 2024

	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, 2023 (Unaudited)	\$ 6,111,459	\$ -	\$ -	\$ -	\$ 9,655,328	\$ 784,591	\$ 50,087,648	\$ 24,770,500	\$ 7,500,000	\$ 98,909,525
Receipts:										
Gross pledged revenues received:									(1,110,519)	(1,110,519)
Deposits from Airport revenues									85,754,619	85,754,619
Income received from investments pledged portion								187,200	956,000	1,143,200
PFC revenue								9,207,400		9,207,400
FAA Grants and Other Contributions									40,905,777	40,905,777
Transfer among funds:										
Gaming revenue	489,385								(489,385)	-
Operation and maintenance expenses		64,511,550							(64,511,550)	-
Debt service requirements								-	26,684,747	26,684,747
Maintain reserve requirement					1,202,130				(1,202,130)	-
Capital Improvement Projects	(1,070,164)						(7,592,853)	(24,950,870)	33,754,403	140,516
Property, Plant and Equipment		- 894,962							(894,962)	-
Net Cashflow from Operations							18,502,073		(18,502,073)	-
Disbursements:										
Operation and maintenance expenses		(64,511,550)								(64,511,550)
Property, Plant and Equipment		(894,962)								(894,962)
Payment of revenue bond interest and principal										-
Capital Improvement Projects									(101,344,928)	(101,344,928)
Projected Balance at June 30, 2024	<u>\$ 5,530,679</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,857,458</u>	<u>\$ 784,591</u>	<u>\$ 60,996,868</u>	<u>\$ 9,214,230</u>	<u>\$ 7,500,000</u>	<u>\$ 94,883,825</u>
	<u>\$ (580,779)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,202,130</u>	<u>\$ -</u>	<u>\$ 10,909,220</u>	<u>\$ (15,556,270)</u>	<u>\$ -</u>	<u>\$ (4,025,700)</u>

Fund Balance Changes

- (a) Capital Projects funded by the Special Account in FY 2023-24 include the Fire Suppression Upgrade on Hangar 5 and 6, West End Hangars Utilities Connection and Hangar 6 Roof Repair.
(b) Capital Projects to be funded by Passenger Facility Charges in FY 2023-24 include the Concourse Preconstruction and Headquarters & Police Station Design.

Reno-Tahoe Airport Authority
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Reno-Tahoe Airport Authority
FY 2023-24 Budget
Department O&M Funding Matrix

FY 2023-24 O&M Budget							Funding Source			
Department	Personnel Services	Utilities	Purchased Services	Materials & Supplies	Administrative Expenses	TOTAL O&M	O&M Fund	CFC	Fuel Tax	Total Funds
Board of Trustees	\$ 127,720	\$ -	\$ 5,100	\$ 3,125	\$ 54,150	\$ 190,095	\$ 190,095	\$ -	\$ -	\$ 190,095
Internal Auditor	-	-	-	-	-	-	-	-	-	-
General Counsel	546,900	-	110,000	800	27,913	685,613	685,613	-	-	685,613
President/CEO	674,400	-	150	6,000	159,570	840,120	840,120	-	-	840,120
Air Service Business Development	472,900	-	201,525	15,750	132,905	823,080	534,080	-	289,000	823,080
Marketing and Public Affairs	1,312,400	-	233,978	43,400	833,513	2,423,291	2,373,291	-	50,000	2,423,291
Economic Development	1,300,200	77,750	713,350	5,020	89,745	2,186,065	2,186,065	-	-	2,186,065
Outside Properties Budget	186,700	209,200	864,021	4,200	19,900	1,284,021	1,284,021	-	-	1,284,021
CFC Operating Expenses	-	-	-	-	-	-	-	-	-	-
Executive Vice-President/COO	-	-	-	-	-	-	-	-	-	-
Human Resources	1,404,350	-	83,840	4,660	241,610	1,734,460	1,734,460	-	-	1,734,460
Information Systems	2,078,900	445,000	2,272,509	805,489	60,533	5,662,431	5,662,431	-	-	5,662,431
Reno Stead Airport	861,000	193,100	85,250	177,350	20,300	1,337,000	1,337,000	-	-	1,337,000
Unmanned Aircraft Systems	-	-	-	-	-	-	-	-	-	-
Accounting & Administration	1,904,100	-	264,100	12,700	49,200	2,230,100	2,230,100	-	-	2,230,100
Purchasing & Materials Management	781,600	-	6,600	7,850	19,310	815,360	815,360	-	-	815,360
Finance & Budgeting	-	-	-	-	-	-	-	-	-	-
Vice-President of Operations	865,400	-	88,999	19,120	70,729	1,044,248	1,044,248	-	-	1,044,248
Airside Operations	1,425,500	-	145,469	30,190	46,050	1,647,209	1,647,209	-	-	1,647,209
Landside Operations	2,056,617	-	551,800	77,835	515,066	3,201,318	3,201,318	-	-	3,201,318
Airport Fire	5,422,800	-	299,011	263,216	158,665	6,143,692	6,143,692	-	-	6,143,692
Airport Police	4,679,700	-	53,522	127,617	106,600	4,967,439	4,967,439	-	-	4,967,439
Airport Communications	1,521,500	-	261,205	40,300	22,400	1,845,405	1,845,405	-	-	1,845,405
Airport Security	1,961,200	-	58,360	66,300	15,450	2,101,310	2,101,310	-	-	2,101,310
Terminal Operations	295,200	-	391,021	38,500	11,900	736,621	736,621	-	-	736,621
Vice-President of Planning and Engineering	441,500	-	4,650	6,100	10,375	462,625	462,625	-	-	462,625
Planning & Env. Services	893,000	-	254,295	-	11,704	1,158,999	1,158,999	-	-	1,158,999
Engineering & Construction	1,199,300	-	46,900	2,000	27,749	1,275,949	1,275,949	-	-	1,275,949
Director of Facilities & Maint.	409,200	-	11,000	18,865	8,827	447,892	447,892	-	-	447,892
Airfield Maintenance	3,467,222	330,000	89,000	1,210,370	69,055	5,165,647	5,165,647	-	-	5,165,647
Building Maint. & Services	6,109,200	2,648,000	912,596	616,200	22,985	10,308,981	10,308,981	-	-	10,308,981
Baggage Handling System	87,600	640,000	1,293,953	72,000	-	2,093,553	2,093,553	-	-	2,093,553
Non Departmental	(300,000)	-	499,500	-	1,602,726	1,802,226	1,802,226	-	-	1,802,226
Customs and Border Protection	-	-	191,000	-	-	191,000	191,000	-	-	191,000
Fuel Tax Expenses	-	-	-	-	339,000	339,000	339,000	-	-	339,000
TOTAL	\$ 42,186,109	\$ 4,543,050	\$ 9,992,704	\$ 3,674,957	\$ 4,747,930	\$ 65,144,750	\$ 64,805,750	\$ -	\$ 339,000	\$ 65,144,750

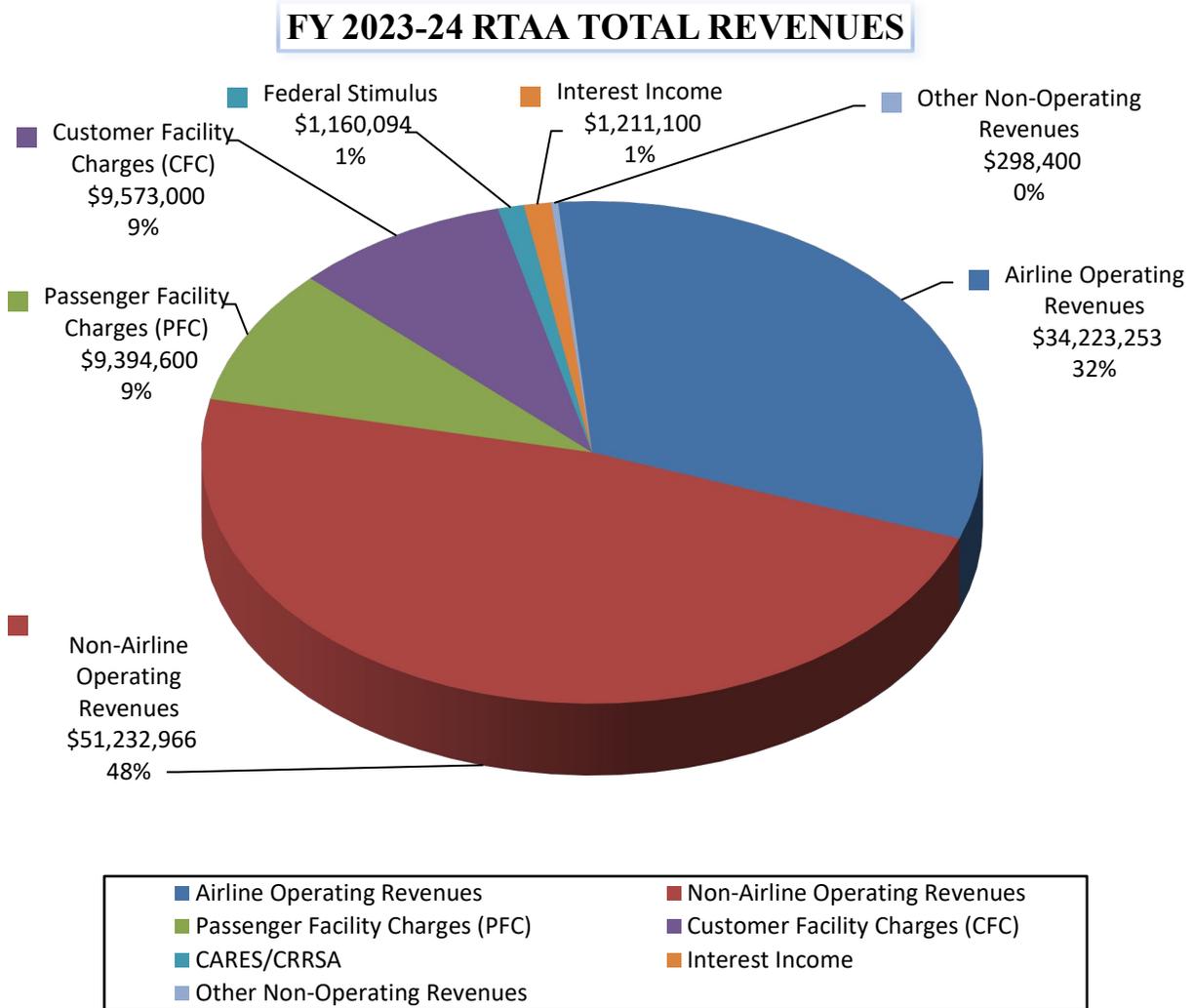
Reno-Tahoe Airport Authority
FY 2023-24 Budget
Operating Forecast

Budget Category	FY 2021-22 Actual	FY 2022-23 Budget	FY 2023-24 Budget	FY 2024-25 Forecast *	FY 2025-26 Forecast *	FY 2026-27 Forecast *
Operating Revenues						
Airline Revenues	\$ 13,682,011	\$ 18,088,532	\$ 24,009,879	\$ 26,573,069	\$ 27,942,683	\$ 30,563,587
Non-Airline Revenues	\$ 42,900,279	\$ 48,144,703	\$ 52,487,366	\$ 54,962,893	\$ 57,013,527	\$ 59,212,586
Total Operating Revenues	\$ 56,582,289	\$ 66,233,235	\$ 76,497,245	\$ 81,535,962	\$ 84,956,210	\$ 89,776,173
Operating Expenses	\$50,895,045	\$59,325,383	\$66,039,712	\$68,845,093	\$71,781,442	\$74,855,392
Revenues over Expenses	\$ 5,687,245	\$ 6,907,852	\$ 10,457,533	\$ 12,690,869	\$ 13,174,768	\$ 14,920,781

Section 6 – Revenues

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Reno-Tahoe Airport Authority (RTAA) total budgeted revenue for FY 2023-24 is \$107.093 million, representing a \$4.418 million or 4.3% increase in total revenue compared to FY 2022-23. Revenues are grouped into two categories: Operating Revenues and Non-Operating revenues. Operating Revenues are further broken out into two categories: Airline Operating Revenue and Non-Airline Operating Revenue. Airline Operating Revenue consists of landing and aircraft fees and space rentals for airline occupied premises. Non-Airline Operating revenue consists of concessions revenue, parking and ground transportation revenue, reimbursed services, and other revenues. Non-operating income includes Passenger Facility Charges (PFCs), Customer Facility Charges (CFCs), Interest and Investment Income and Federal Stimulus. Revenue budgets are forecasted by analyzing several key inputs, including passenger and air traffic forecast, revenue per enplaned passenger, and both regional and national economic data.



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The total Operating Revenue for FY 2023-24 is budgeted at \$85.456 million, a \$17.008 million or 24.8% increase above the FY 2022-23 budget. Airline revenue is budgeted at \$34.223 million, comprising 40.0% of all operating revenue, while non-airline revenue is budgeted at \$51.233 million, or 60.0% of operating revenue.

RTAA's revenues are fairly predictable under normal circumstances since they are based on long-term agreements with airline and non-airline tenants. 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.

Beginning July 1, 2023, RTAA entered into a new ten-year Airline-Airport Use and Lease Agreement (AAULA) with its seven signatory airlines: Alaska, American, Delta, Federal Express (FedEx), Southwest, United and United Parcel Service (UPS). The structure of the agreement was developed in accordance with the long-term vision of the RTAA organization and the MoreRNO capital program at the heart of the negotiation.

The new agreement introduced a 15% premium on the landing fees paid by non-signatory airlines. The landing fee calculation is per thousand-pound units based on the authorized maximum landed weight of each aircraft as established by the Federal Aviation Administration (FAA). The calculation of landing fees is expressed in thousand-pound units. The new terminal rental rate calculation defines airline rentable space as either "Conditioned" or "Unconditioned" space, a consolidation of the many categories in the prior agreement. See Section 5 – Financial and Budgetary Policies for a more detailed description of the AAULA.

The majority of non-airline operating revenues, with the exception of land and other building rents are directly impacted by passenger traffic through RNO. The FY 2023-24 enplaned passenger budget is 2.497 million, a 129,700 or 5.5% increase above the FY 2022-23 budget. The increase in passenger traffic is consistent with the strong domestic travel demand. RNO has become more balanced in recent history with both originating and destination passengers. Recent years have seen significant growth in the catchment area population driven by aggressive economic diversification. Accordingly, the local population is increasingly using RNO as the gateway of their travel, helping to drive steady passenger traffic year over year.

While passenger activity is expected to grow year over year, the landed weight forecast is expected to remain relatively flat. FY 2023-24 landed weight budget is 3.506 million 1,000-pound units, a 0.3% decrease from the FY 2022-23 budget forecast. Both passenger and cargo landed weights are forecast to marginally decrease in FY 2023-24, but for different reasons. Passenger landed weight is forecast to drop despite passenger growth due to less frequency of flights with higher load factors. Cargo airlines continue to see a moderate decline in landed weight activity, a trend that

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started at the end of the pandemic. Cargo activity peaked during the COVID-19 pandemic and has since been adjusting to the new normal nationwide. RNO's cargo activity is buoyed by the Reno area being a major operational hub for multiple major warehousing operations including Amazon and Walmart.

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 and rental car concessions, and public parking revenue. In addition, existing fixed lease payments and minimum annual guarantees (MAGs) are considered in estimating fiscal year revenue budgets by revenue source. Construction projects or other external factors that might affect tenant revenues are also factored into the revenue estimates.

Non-airline operating revenues are forecasted to be \$51.233 million, \$3.994 million or 8.5% higher than FY 2022-23. The 8.6% increase can be attributed to the increased passenger growth and generally high inflation raising concession prices.

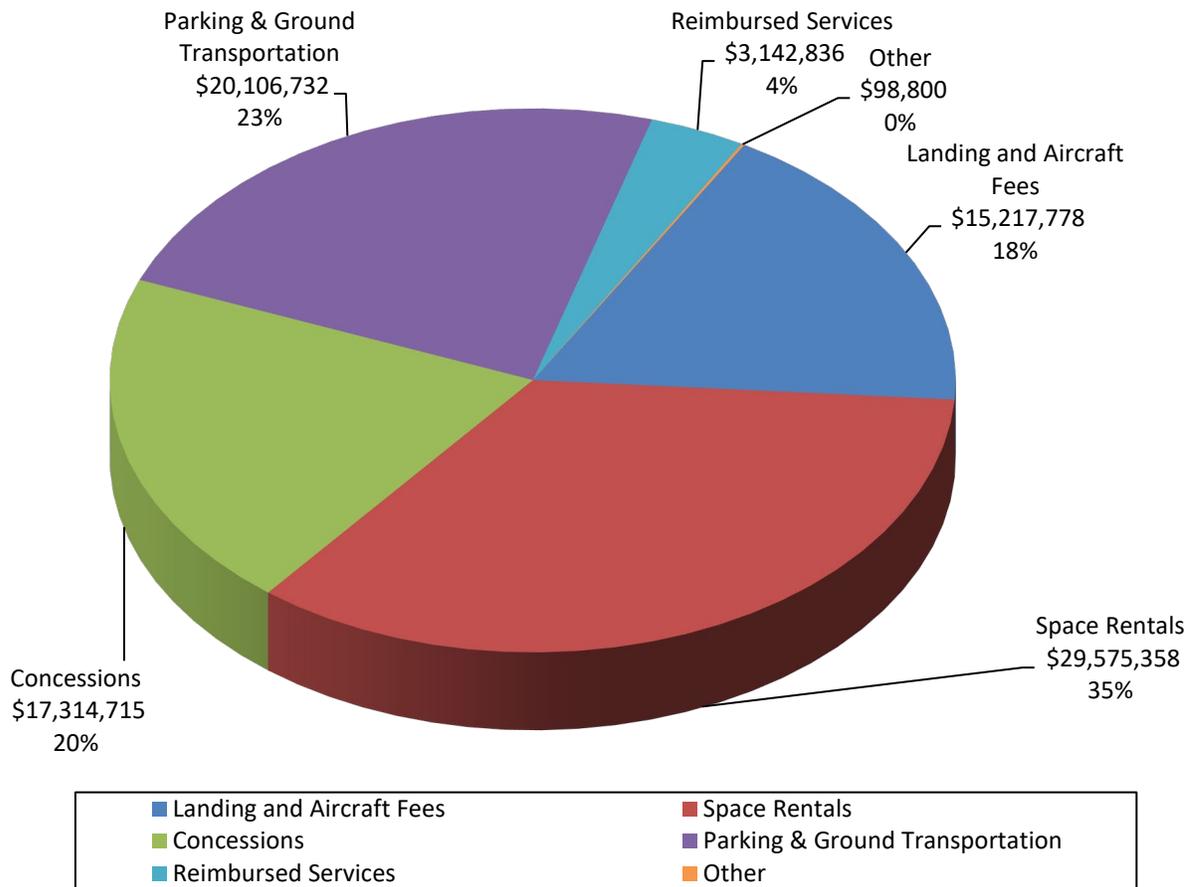
OPERATING REVENUE SUMMARY BY TYPE

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 2023-24 RTAA OPERATING REVENUES

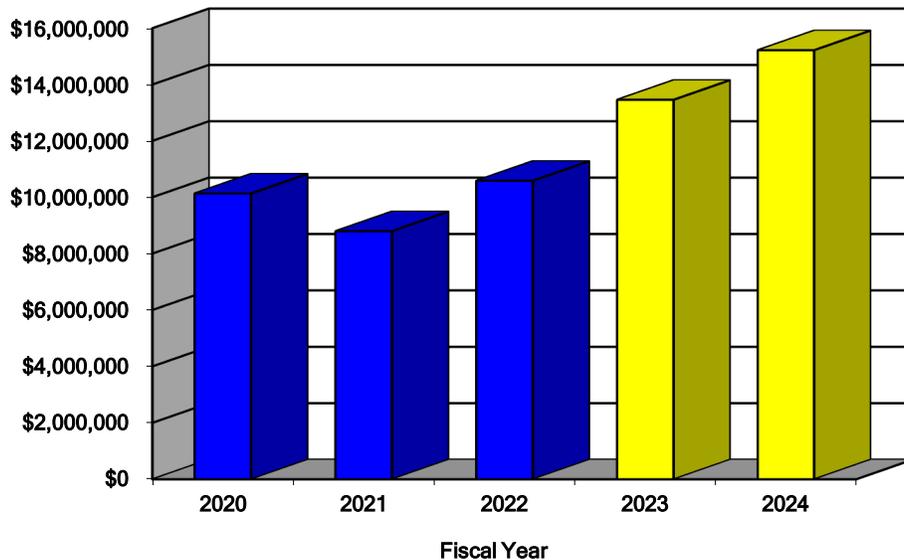


The following bar charts for each major operating revenue source presented in this section depict actual revenues for fiscal years 2019-20 through 2021-22 followed by budgeted revenues for fiscal years 2022-23 and 2023-24.

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LANDING AND AIRCRAFT FEES

RTAA recovers almost 100% of its airfield operating and maintenance costs through landing and aircraft fees. Landing and aircraft fees are budgeted to be \$15.218 million, \$1.759 million or 13.1% greater than FY 2022-23. The increase is due to higher cost of operating and maintain the Airfield and the inclusion of amortization into the rate base. RTAA has committed to contributing \$300,000 of federal stimulus funds as a credit in the Airfield cost center to reduce the landing fee rate.



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, capital improvements expenditures, and amortization) less Airfield non-airline revenues by (ii) the total landed weight of aircraft arrivals.

The budgeted FY 2023-24 landing fee rate for signatory airlines is \$3.99 per thousand pounds of landed weight. This is a significant increase of 44 cents or 12.9% over the FY 2022-23 landing fee rate. The reason for the significant jump is the cost recovery of the Airfield related expenses. Non-signatory airlines pay a 15% premium on the signatory rate, meaning non-signatory airlines will pay \$4.59 per 1,000 pounds. To illustrate the landing fee, a 737-700 flown by Southwest Airlines, a signatory airline, with a landed weight of 128,000 lbs. will cost \$510.72 per landing. Alternatively, the same plane flown by Allegiant Air, and non-signatory airline, would cost \$587.52 per landing.

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CALCULATION OF FY 2023-24 LANDING FEE RATE

	FY 2021-22 Actual	FY 2022-23		FY 2023-24 Budget
		Budget	Forecast	
O&M Expenses	\$11,438,765	\$13,581,990	\$13,204,981	\$14,463,446
O&M Reserve	151,120	457,788	457,788	266,897
Fixed Assets	242,216	547,111	544,339	240,407
Capital Projects	174,333	143,379	75,000	-
Amortization of Capital Items	-	-	-	697,355
Total Requirement	\$12,006,434	\$14,730,269	\$14,282,107	\$15,668,104
Less: Non-Signatory Landing Fees	-	-	-	(1,672,489)
Aircraft Fees - Reno	(1,180,171)	(1,122,711)	(1,114,163)	(1,151,625)
Federal Stimulus	(1,456,000)	(1,120,000)	(1,120,000)	(300,000)
Total Net Requirement	A \$ 9,369,723	\$12,487,558	\$12,047,944	\$12,543,990
Total Landed Weight (000s)	B 3,077,335	3,514,945	3,174,615	3,506,091
Signatory Landing Fee Rate	A/B = C \$ 3.04	\$ 3.55	\$ 3.80	\$ 3.99
Signatory Landed Weight (000s)	D 2,820,437	3,128,997	2,857,046	3,141,595
Signatory Landing Fee Revenue	C * D \$ 8,574,130	\$11,107,938	\$10,856,776	\$12,534,964
Non-Signatory Premium	1.00	1.00	1.00	1.15
Non-Signatory Landing Fee Rate	\$ 3.04	\$ 3.55	\$ 3.80	\$ 4.59

The main factors impacting the net requirement in the Airfield cost center and calculation of the landing fee in the FY 2023-24 budget are as follows:

- The operation and maintenance costs allocated to the Airfield cost center are estimated to increase \$881,500 or 6.4% to \$14.463 million. This increase is due to both the overall increase in direct costs and the allocation of the indirect operating budget assigned to the Airfield cost center.

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Direct Airfield costs reflect higher salaries and benefits for existing employees and the addition of three firefighters in the FY 2023-24 Budget. In addition, inflation has caused cost increases of utilities, services, fuel, and materials and supplies.

Indirect or administrative cost allocations are assigned based on budgeted costs identified in the six direct cost centers (Airfield, Terminal, BHS, Ground Transportation, Other, and Reno-Stead Airport). The allocation of indirect and administrative costs to the Airfield cost center for FY 2023-24 are 23.1%

- Fixed assets and capital project cost recovery of \$240,400 represents a decrease of \$450,100 or 65.2% from the FY 2022-23 budget. The FY 2023-24 Budget reflects funding for some vehicle and equipment purchases. A detailed presentation of the FY 2023-24 fixed assets and capital program is in Section 8 – Capital Budget.
- Amortization of capital items is a new item added in the landing fee calculation per the new AAULA. This is cost recovery of previously completed capital investments. The FY 2023-24 allocation is \$697,400.
- RTAA allocated \$300,000 from its share of federal stimulus funds to pay for a portion of the cost of operating and maintaining the Airfield. This has a positive impact on the landing fee rate as it decreases the net requirement recovered from the airlines operating at RNO.

Due to the administrative challenge of identifying and charging a landing fee to private aircraft 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 2023-24 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 \$293,000, an increase of 4.7% from the FY 2022-23 Budget.

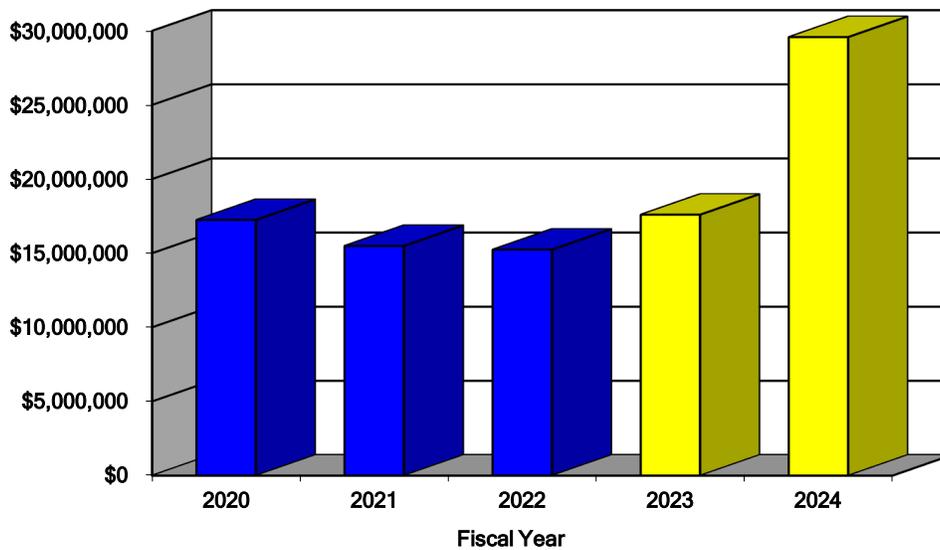
Fuel farm system revenue of \$639,300 is paid by a consortium of signatory airlines for the use of RTAA owned fueling facilities, equipment, and associated land. Revenue was established based on a determination of fair market value as established by independent appraisals in July 2011. At five-year intervals 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 2023-24 budget is a represents no change in revenue from the prior fiscal year.

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Landing fees and fuel flowage fees of \$58,700 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.

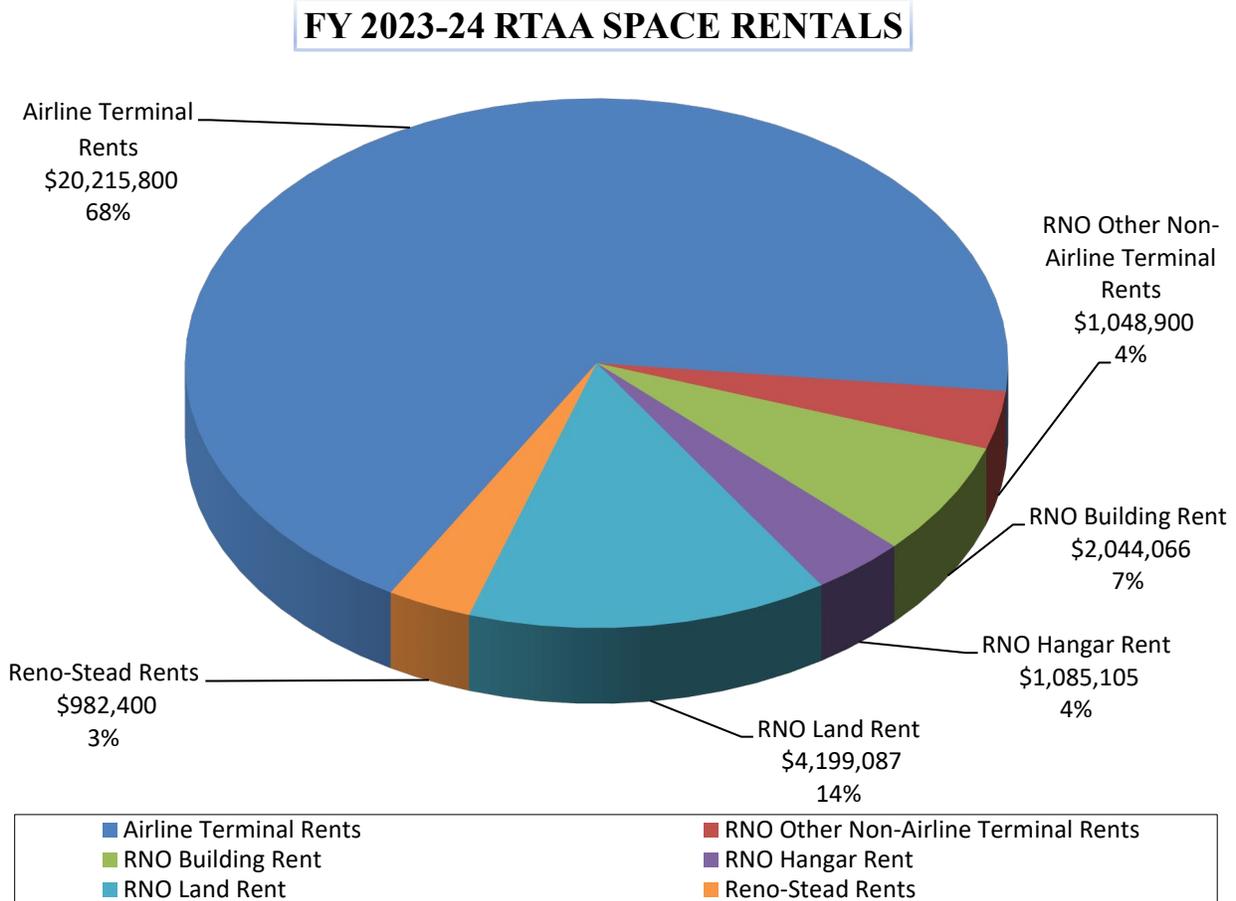
SPACE RENTALS

Space rental revenues are budgeted to grow significantly in FY 2023-24 to \$29.575 million, an increase of \$11.980 million or 68.1% from the FY 2022-23 budget. The primary trigger of higher revenues is in the airline terminal rents category due to the changes in the methodology of calculating airline rental rates. Under the new AAULA, terminal conditioned space is leased at \$142.44 per square foot per annum (PSFPA), and unconditioned space is leased at \$71.22 PSFPA. The average signatory rental rate in FY 2022-23 was \$54.40 PSFPA. See Section 5 – Financial and Budgetary Policies for a more detailed description of the AAULA.



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The following chart outlines the adopted FY 2023-24 budget by category of Space Rents:



The terminal rental rate calculation is based on the recovery of costs to maintain and operate the terminal building. Under the new AAULA, total net requirement is divided to airline rentable space in the terminal building, a substantial change from the total rentable square footage used in the prior agreement. The calculation for the terminal rental rate is (i) the total cost of the Terminal as a whole (operation and maintenance expenses, debt service, fixed asset and capital improvement expenditures, and amortization of capital projects), less (ii) revenue credit of 50% of gaming concessions, and 100% of in-terminal concessions and airline reimbursements for disposal fees, divided by (iii) total airline rentable square footage. The prior agreement included 50% of the RTAA’s net revenues as a credit in the calculation of terminal rental rates for signatory airlines. Although RTAA continues to share a portion of its net revenues with the signatory airlines, the new agreement calls for a distribution based on enplaned passengers at RNO.

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Some of the other factors impacting the terminal rental rate are the operating cost increases discussed in detail in Section 7 – Expenditures, and the introduction of amortization of capital items in the total requirement of the Terminal Building.

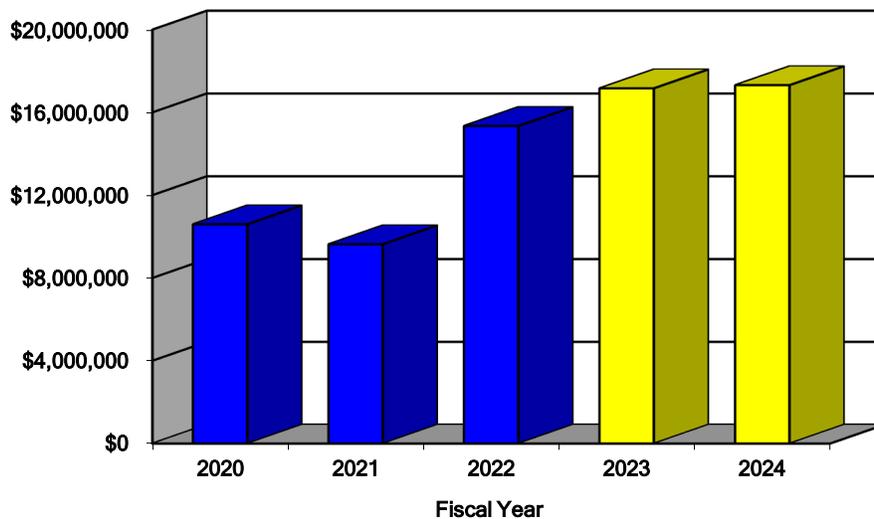
CALCULATION OF FY 2023-24 TERMINAL RENTAL RATE

GROSS TERMINAL RENTAL RATE	FY 2022-23			FY 2023-24 Budget
	FY 2021-22 Actual	Budget	Forecast	
O&M Expenses	\$20,760,869	\$23,625,591	\$24,260,219	\$27,730,434
Debt Service	-	406,800	-	-
Other Debt Service	-	-	-	250,425
O&M Reserve	269,318	476,149	476,149	511,716
Fixed Assets	116,469	403,569	537,537	342,333
Capital Projects	622,400	590,199	300,000	577,838
Amortization of Capital Items	-	-	-	345,586
Total Requirement	\$21,769,056	\$25,502,307	\$25,573,905	\$29,758,332
Less: Gaming Concession (50%)	-	-	-	(699,100)
Less: In-Terminal Concessions	-	-	-	(4,421,517)
Less: Airline Reimbursements (Disposal Fee)	(309,118)	(306,200)	(319,700)	(344,350)
Total Net Requirement	\$21,459,938	\$25,196,107	\$25,254,205	\$24,293,365
Square Footage	262,114	262,114	262,114	170,553
Average Terminal Rental Rate (Gross)	\$ 81.87	\$ 96.13	\$ 96.35	\$ 142.44
Signatory Airline Terminal Leased Space	126,256	125,678	122,756	123,177
Signatory Airline Share of Net Requirement	10,336,600	12,081,400	11,827,500	17,545,300
Less: Revenue Sharing (Current Year)	(5,362,300)	(5,245,100)	(5,686,600)	-
Adjusted Signatory Airline Net Requirement	4,974,300	6,836,300	6,140,900	17,545,300
Signatory Airline Terminal Leased Space	126,256	125,678	122,756	123,177
Signatory Airline Average Rental Rate (Net)	\$ 39.40	\$ 54.40	\$ 50.03	\$ 142.44

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CONCESSION REVENUE

Concession revenues of \$17.315 million forecasted for FY 2023-24 are increasing \$152,900 or 0.9% from the 2022-23 budget and decreasing \$42,400 or 0.2% from the updated forecast. Concession revenues consist of gaming, food and beverage, specialty retail/travel essentials, advertising, car rental, and other concession revenues. The relative stability in concession revenue year over year is consistent with the growth in passenger traffic offset by sticky inflation affecting consumer discretionary spending. The unemployment rate has returned to historical normalcy in Washoe County following the COVID-19 pandemic, at 4.1% as May of 2023, and all restaurants and concessionaires have returned to pre-pandemic operations. The graph below reflects actual results for the past three fiscal years and the budget forecasts for FY 2022-23 and FY 2023-24.

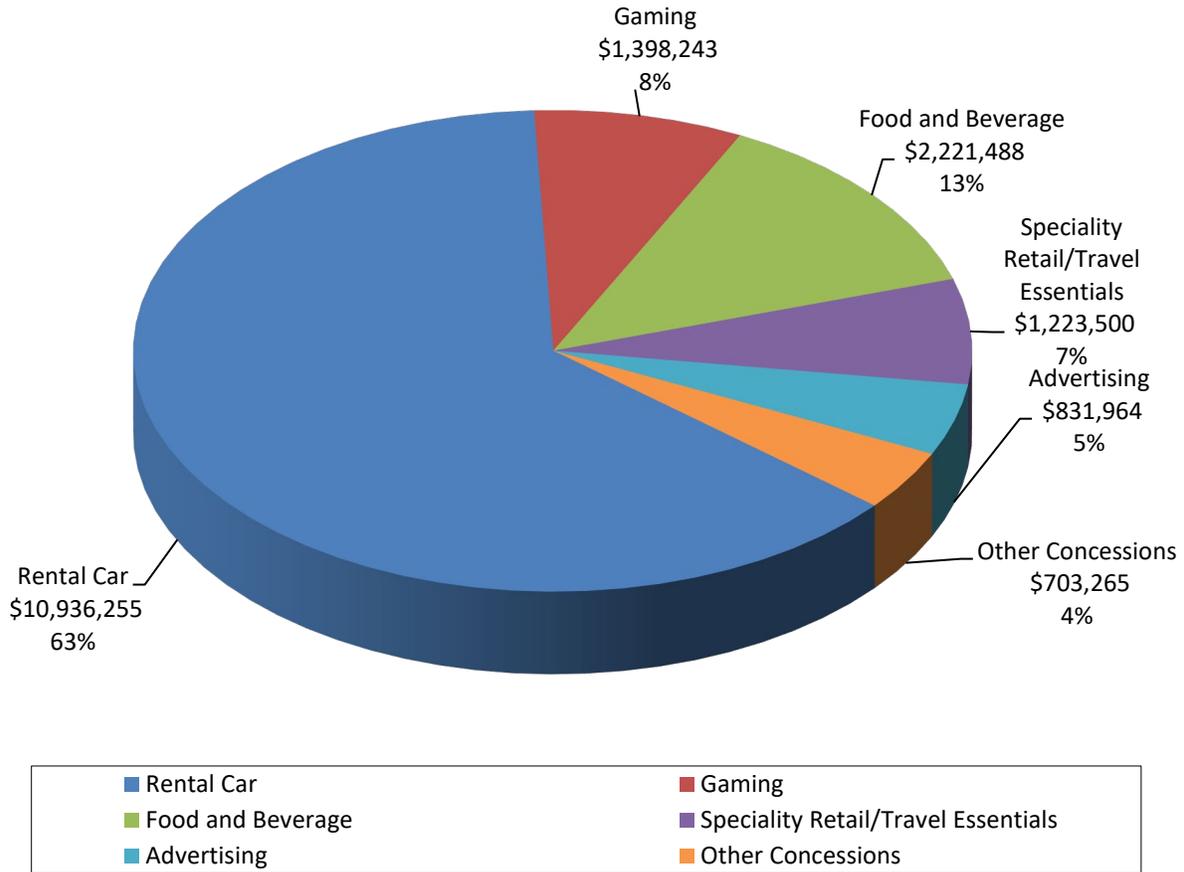


The largest contributors to Concession revenues are the rental car companies operating at RNO. The concession agreements with these firms are responsible for \$10.936 million in forecasted revenue for FY 2023-24, or more than 63% of total concession revenue. The next largest categories are Food and Beverage, Gaming, Merchandising, and Advertising. Combined, these five categories make up roughly 96% of forecasted concession revenues.

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 generally based on the greater of a MAG or percentage of gross revenues being paid.

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FY 2023-24 RTAA CONCESSION REVENUE



The following graphs and narratives provide additional information regarding the largest contributors to concession revenue. The graphs also include actual results for the past three fiscal years, and budget forecasts for FY 2022-23 and FY 2023-24.

Car Rental – Revenue from rental car companies is budgeted at \$10.936 million for FY 2023-24, \$272,600 or 2.4% less than FY 2022-23 budget, and \$380,400 or 3.4% less than the revised FY 2022-23 forecast. The forecasted reduction year over year despite increased passenger traffic is due to softening demand in the car rental market. As inflation has persisted throughout the year, passengers have sought more cost-effective means of transportation throughout the region, as reflected in the increased ground transportation fees. Auto Rental Revenues represent approximately 21.3% 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

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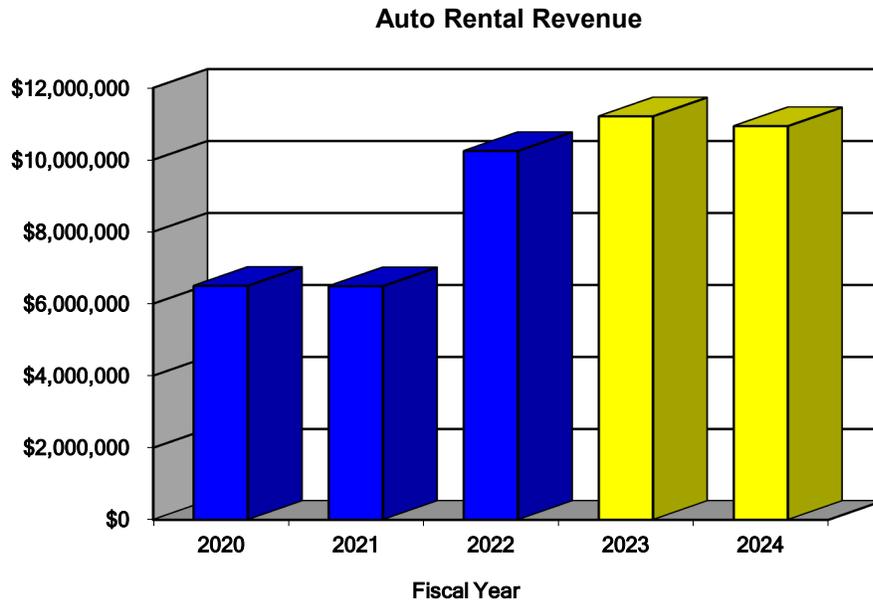
Thrifty, (3) Enterprise, (4) Hertz, and (5) Vanguard Car Rental doing business as Alamo and National. All these brands have check-in counters located within the Terminal Building.

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 ceased operations in FY 2022-23 due to staffing shortages but continues to lease check-in counterspace in the Terminal building and pay a minimum annual guarantee.

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. With the 5-year extension coming to an end, we begin FY 2023-24 with the agreements in holdover status. This holdover is under the same terms and conditions as the original agreement. We will continue to maintain this holdover status until the terms of the CONRAC are settled, at which point we will put the Rental Car agreements out for bid. Rental car revenue estimates are based on the concession agreement terms establishing the payment of either 10% of gross receipts or a MAG whichever is greater. MAG increases are based on the prior year actual results.

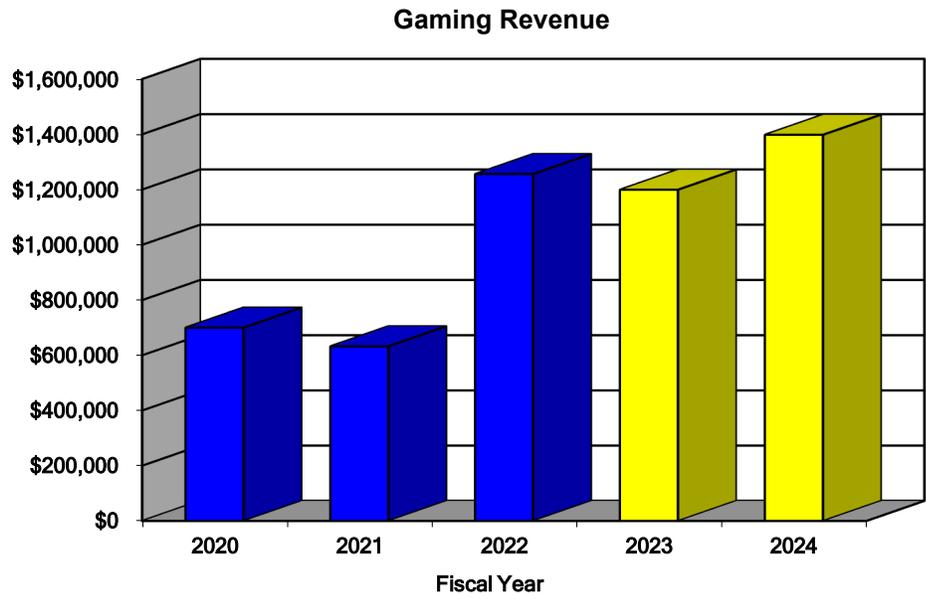
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Gaming – Gaming revenues are forecasted to be \$1.398 million in FY 2023-24, \$198,700 or 16.6% greater than FY 2022-23 budget, and \$102,800 or 7.9% greater than the revised forecast. The uptick in gaming revenue is primarily the result of increased passenger traffic at RNO.

This revenue stream is unique and almost exclusive to Nevada Airports. The Gaming concession was awarded to International Game Technology (IGT) effective December 1, 2015, under a new five-year agreement, which expired 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 \$125,000 and \$300,000 per month, and 75% of net win greater than \$300,001 per month.

**Reno-Tahoe Airport Authority
 FY 2023-24
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 Section 6 – Revenues**



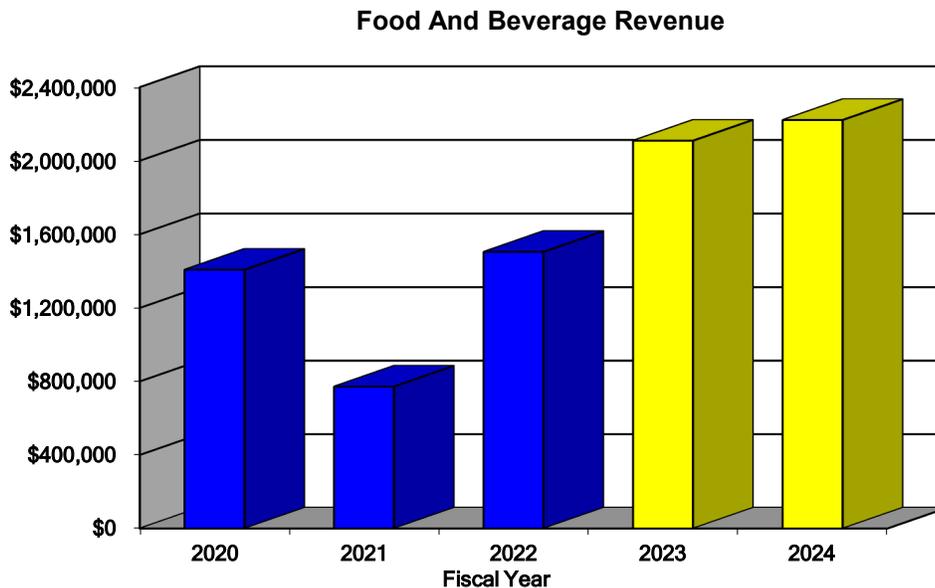
Food and Beverage - Creative Host Services, Inc. (CHS) was awarded a non-exclusive food and beverage concessions effective October 2001. Effective June 19, 2008, Creative Host Services, Inc. changed its name to SSP America, Inc. (SSP). The concession agreement calls for SSP to pay RTAA a percentage of gross revenues ranging from 8% to 16.5% depending on product type or a MAG, which is 85% of the previous year’s payments. However, if enplaned passengers drop by more than 25% in any month below the same month of the prior fiscal year, MAG requirements are waived.

In 2017, RTAA entered into an agreement with Manchester Airports Group (MAG) US Lounge Management, LLC to open a common use airport lounge at RNO. Operating as The Escape Lounge, the ten (10) year agreement will generate revenues of 7% of gross receipts, or a minimum annual guarantee of \$62,400, whichever is greater.

RTAA also has agreements in place with McDonald’s through 2026 and Taste Inc. D.B.A Vino Volo and Verdi Market through 2030, both located in the terminal connector, Subway through 2028 located in Terminal C, and local Reno restaurant Mari Chuy’s, located in pre-security. Similar to SSP America and The Escape Lounge revenues are generated on a percentage of gross receipts, or a MAG, whichever is greater.

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The Food and Beverage revenue forecast for FY 2023-24 is \$2.221 million, \$112,600 or 5.3% greater than the FY 2022-23 budget, and \$152,600 or 7.4% greater than the revised FY 2022-23 forecast. The increase in forecasted revenue is due to increased passenger traffic, higher menu item costs, as well as increased MAGs due to higher earnings in the previous Fiscal Year.

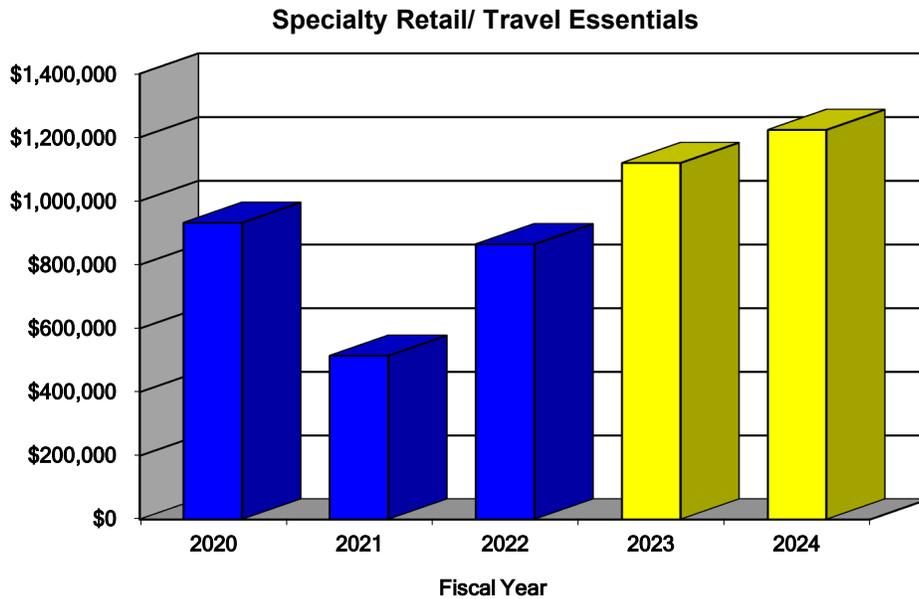


Specialty Retail / Travel Essentials – Retail revenue for FY 2023-24 is projected to be \$1.224 million, \$103,800 or 9.3% higher than the FY 2022-23 budget, and \$21,100 or 1.8% than the revised forecast. The reason for the increase in forecasted revenue is due to the increased passenger traffic through RNO and higher revenues per enplaned passenger. Similar to Food and Beverage, Retail shops are subject to the greater of MAG, or varying percentage of gross revenue.

The primary, non-exclusive agreement for specialty retail and travel essentials is held by The Paradies Shops. In 2015, Lagardère Travel Retail acquired Paradies and merged Paradies and LS Travel Retail North America to create Paradies Lagardère (Paradies), an airport concessions market leader. The agreement between RTAA and Paradies provides for the greater of a share of all sales, ranging from 12% to 23%, depending on product type, or a minimum annual guarantee of 85% of the previous year’s payments. The weighted average of sales Paradies typically pays to RTAA is approximately 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 area. Paradies also has four travel essentials 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 area.

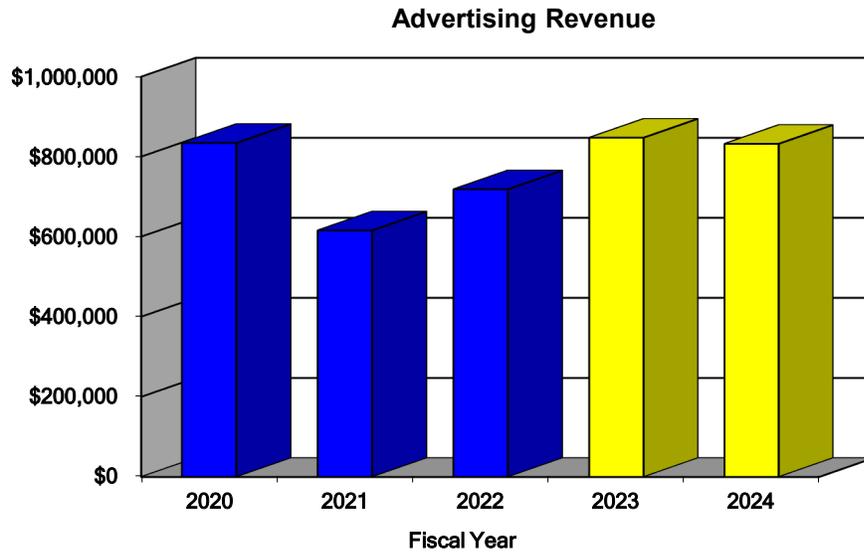
Reno-Tahoe Airport Authority
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Advertising – Advertising revenue is projected to be \$832,000 in FY 2023-24, \$15,400 or 1.8% less than the FY 2022-23 Budget, and \$26,300 or 3.3% greater than the revised budget.

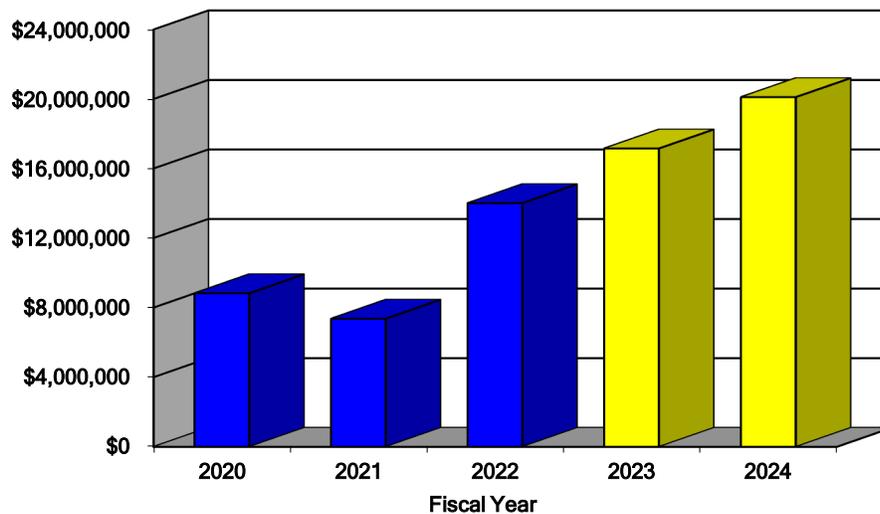
Effective February 1, 2022, RTAA began to a non-exclusive advertising deal with Lamar Airport advertising. Lamar Airport Advertising is a wholly owned subsidiary of Lamar Advertising company; a publicly traded media company with more than 120 years of experience in Out of Home marketing. Pursuant to the agreement, RTAA will receive 55% of total revenue produced by Lamar Airport Advertising or be paid a Minimum Annual Guarantee of 85% of the prior year’s revenue. The annual MAG is subject to enplaned passengers exceeding 75% of the same month in the prior FY.

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PARKING AND GROUND TRANSPORTATION

Auto Parking and Ground Transportation revenues are forecast to be \$20.107 million in FY 2023-24, \$2.956 million or 17.2% greater than FY 2022-23 budget. Parking and Ground Transportation revenues make up 19.0% of total revenue in FY 2023-24, and 39.2% of the total non-airline operating revenue budget.



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Parking revenues in FY 2023-24 are budgeted to be \$19.129 million, \$2.669 million or 16.2% greater than the FY 2022-23 budget. Parking revenue increases are consistent with the shifting dynamic of our passengers, as well as increasing our short-term parking max-per-day rate from \$26 to \$36 per day. As the Reno Tahoe catchment area has grown over the past years, a higher percentage of our passengers are originating at RNO. The Reno-Sparks economy has diversified greatly since the 2008-09 recession, attracting tech companies like Tesla and Panasonic, and distribution hubs for major companies such as Amazon.

Ground transportation revenues are budgeted to be \$977,700 in FY 2023-24, \$287,100 or 41.6% greater than FY 2022-23 budget. Beginning July 1, 2023, RTAA is implementing a \$1.00 per drop off charge to ground transportation companies and maintaining the established \$2.00 pickup fee. In addition to the increased fees, we anticipate an increase in bus, shuttle, limousine, taxi, and transportation network companies' (TNCs) activity. FY 2022-23 saw an increase in ground transportation transactions of roughly 6% over FY 2021-22. The forecasted increase in ground transportation revenue is likely connected to the moderate decrease in auto rental revenue. As inflation has remained sticky, destination passengers have chosen to reduce costs where they can and are selecting to use alternative transportation methods.

REIMBURSED SERVICES

Reimbursed services are made up of reimbursements from airlines, tenants, and the Transportation Security Administration (TSA) for services provided by RTAA in their daily operations, including maintenance of the Baggage Handling System (BHS), rubbish disposal, utilities, ID badges, law enforcement, and canine explosive detection. Reimbursed services are budgeted to be \$3.143 million in FY 2023-24, \$170,100 or 5.7% greater than the FY 2022-23 budget. The majority of this revenue is attributable to the increased BHS reimbursements due to increased operation and maintenance costs.

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. BHS revenue is budgeted to be \$2.132 million in FY 2023-24, \$276,200 or 14.8% greater than FY 2022-23. The calculation for the BHS reimbursement budget is as follows:

Reno-Tahoe Airport Authority
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Section 6 – Revenues

CALCULATION OF FY 2023-24 BAGGAGE HANDLING SYSTEM FEE

	FY 2021-22 Actual	FY 2022-23		FY 2023-24 Budget
		Budget	Forecast	
Operating Requirement				
O&M Expenses	\$1,830,224	\$1,819,293	\$2,000,643	\$2,093,553
O&M Reserve	22,232	36,666	36,666	38,633
Less: TSA Reimbursement	(37,116)	(30,500)	(37,700)	(45,240)
Non-Signatory Airline BHS	(118,060)	(217,200)	(154,800)	(194,300)
Total Baggage System Charge Revenue	\$1,697,279	\$1,608,259	\$1,844,809	\$1,892,646
Total Number of Bags Processed - Signatory	1,265,961	1,295,043	1,291,459	1,371,948
Signatory Rate per Bag Processed	\$ 1.34	\$ 1.24	\$ 1.43	\$ 1.38
Non-Signatory Rate per Bag Processed	\$ 1.47	\$ 1.37	\$ 1.37	\$ 1.52

While we continue to forecast 0.62 bags per enplaned passenger in FY 2023-24, the same as FY 2022-23, there is an increase in costs of \$0.14 per bag or 11.3%. The increase is due to the higher costs of maintenance, utilities, and supplies.

Other Reimbursed Services – Other reimbursed services are budgeted to decrease \$106,200 or 9.5% in FY 2023-24 to \$1.011 million. The key reason for this reduction is the elimination of Customer Facility Charge (CFC) administrative fees to RTAA in FY 2023-24.

NON-OPERATING REVENUES

Non-operating revenues are made up of aviation gas tax, customer facility charges (CFCs), passenger facility charges (PFCs), the gain or loss on the sale of fixed assets, the interest earned on cash, the cost of debt service and the gain or loss on investment value, as well as federal stimulus funds. For FY 2023-24, the budget for total non-operating income is \$20.477 million, \$1.392 million or 7.3% greater than FY 2022-23.

CFC revenues in FY 2023-24 are budgeted at \$9.573 million, \$1.016 million or 9.6% less than the FY 2022-23 budget. The decrease is due to lower rental car transactions per enplaned passenger than in prior fiscal years. CFCs are charges associated with each day a car is rented from an auto rental company. The funds are set aside for the development, maintenance, and operation of rental car (RAC) facilities. Currently, the CFC rate is \$6.50, however on June 23, 2023, the board

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approved an increase of the CFC rate to \$9.00 effective September 1, 2023. The budget does not reflect the rate increase.

PFC revenues are budgeted at \$9.207 million in FY 2023-24, \$478,100 or 5.5% greater than in FY 2022-23. The revenue increase is in direct correlation with the higher passenger traffic forecasted at RNO. PFCs are fees attached to each passenger's ticket, and due to the originating airport. Currently, the PFC is \$4.50, with \$4.39 received by RTAA following a \$0.11 administration fee retained by airlines. 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 airport. PFC revenues must be segregated from all other airport revenues.

Investment Interest for FY 2023-24 is budgeted at \$1.398 million, an increase of \$367,200 or 18.6% compared to the FY 2022-23 Budget. This increase is due to higher cash balances available for investment, and the expectation of higher yield.

Non-Operating Revenue also includes aviation fuel tax revenues estimated to be \$298,400 in FY 2023-24. 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.

Reno-Tahoe Airport Authority
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Summary of Budgeted Revenues

	FY 2021-22 Actual	FY 2022-23 Budget	FY 2023-24 Budget	Percentage Change
Landing Fees - Reno-Tahoe				
Signatory Airlines-Scheduled Carriers	\$ 6,688,305	\$ 8,892,661	\$ 10,089,398	
Signatory Airlines - Freight Carriers	1,885,824	2,215,277	2,445,566	
Non Signatory Airlines - Scheduled Carriers	607,545	1,225,723	1,455,120	
Charters, FBO's	208,519	0	0	
Non Signatory Airlines - Charters	71,276	0	0	
Non-Signatory Airlines - Air Freight Carriers	133,682	144,394	217,369	
Air Service Incentive- Landing Fees	(240,135)	(200,000)	(200,000)	
	<u>9,355,017</u>	<u>12,278,055</u>	<u>14,007,453</u>	14%
Aircraft Fees - Reno-Tahoe				
Fuel Flowage	297,356	279,900	293,000	
Aircraft Parking	205,276	184,200	209,400	
Aviation Gas Tax Refunds	-	-	-	
Fuel Farm Use Fee and Ground Rent- RFFC	631,106	639,311	639,311	
Fuel Farm Use Fee - Jet West	19,252	19,300	9,915	
	<u>1,152,990</u>	<u>1,122,711</u>	<u>1,151,625</u>	3%
Aircraft Fees - Reno-Stead				
Fuel Flowage	38,174	30,500	30,500	
Landing Fees	38,340	27,800	28,200	
	<u>76,514</u>	<u>58,300</u>	<u>58,700</u>	1%
TOTAL Aircraft Fees	<u>\$ 10,584,521</u>	<u>\$ 13,459,066</u>	<u>\$ 15,217,778</u>	13%
Concession Revenue				
Gaming Revenue	\$ 1,256,202	\$ 1,199,500	\$ 1,398,243	
Food and Beverage Revenue	1,504,735	2,108,900	2,221,488	
Retail Revenue				
Confection	-	-	-	
Duty Free Shop	-	-	-	
Speciality Retail/Travel Essentials	864,976	1,119,700	1,223,500	
	<u>864,976</u>	<u>1,119,700</u>	<u>1,223,500</u>	9%
Other Concession Revenue				
FBO's and Ground Handling				
Fixed Base Operators - Reno-Tahoe	27,720	-	-	
Security Services	61,276	60,100	64,300	
Ground Handling/Support Services	503,021	452,900	459,700	
	<u>592,018</u>	<u>513,000</u>	<u>524,000</u>	2%
Stead Concession Revenue				
RARA Concession Revenue	-	-	-	
Fixed Base Operators - Reno-Stead	33,387	20,000	34,400	
Other Concession Revenue	362	300	300	
	<u>33,749</u>	<u>20,300</u>	<u>34,700</u>	71%
Advertising Revenue	718,382	847,400	831,964	
Miscellaneous Concession Revenue				
Other Concessions	29,036	15,400	37,200	
Luggage Carts	36,072	28,800	49,937	
ATM	137,312	100,000	57,428	
	<u>202,420</u>	<u>144,200</u>	<u>144,565</u>	0%
Total Other Concession Revenue	<u>1,546,569</u>	<u>1,524,900</u>	<u>1,535,229</u>	1%
Total Concession Revenue Excluding Auto Rental and Gaming	<u>3,916,280</u>	<u>4,753,500</u>	<u>4,980,217</u>	5%
On Airport Auto Rental	10,244,122	11,125,854	10,861,349	
Off Airport Auto Rental	-	82,952	74,906	
	<u>10,244,122</u>	<u>11,208,806</u>	<u>10,936,255</u>	-2%

TOTAL Concession Fees	\$ 15,416,604	\$ 17,161,806	\$ 17,314,715	1%
Auto Parking and Ground Transportation				
Auto Parking/Traffic Control				
Public Parking Lot	13,309,825	16,085,100	18,726,464	
Off-Airport Parking	30,964	21,900	24,969	
Employee Parking	340,263	343,200	370,100	
Parking Fines	7,610	9,700	7,500	
	<u>13,688,662</u>	<u>16,459,900</u>	<u>19,129,032</u>	16%
Ground Transportation				
Taxi Loop	72,452	128,000	154,800	
Transportation Network Companies	127,222	246,500	475,000	
Limousines	14,156	31,100	23,700	
Buses/Courtesy Shuttles	84,960	233,400	274,200	
Permit Fees	17,135	51,600	50,000	
	<u>315,924</u>	<u>690,600</u>	<u>977,700</u>	42%
TOTAL Auto Parking and Ground Transportation	\$ 14,004,586	\$ 17,150,500	\$ 20,106,732	17%
Space Rentals				
Terminal Rents, Signatory Airlines				
Ticket Counter	\$223,600	\$308,400	\$773,400	
Queuing	-	-	-	
Hold Room	1,153,500	1,591,100	3,757,800	
Back Office	364,100	502,200	1,306,900	
Bag Claim	906,800	1,250,900	3,310,400	
Bag Service Office	106,600	147,100	389,200	
Bag Makeup	908,400	1,252,900	3,315,800	
Baggage System	611,600	843,500	2,232,400	
Operations Space	457,400	606,100	1,575,100	
Common Use Drives	220,300	303,800	804,100	
Outside Storage	21,900	30,200	80,000	
Gate Use Charge/ Non-Signatory Use Fees	2,025,942	2,295,100	2,870,700	
Air Service Incentive- Terminal Rent	-	(200,000)	(200,000)	
	<u>7,000,142</u>	<u>8,931,300</u>	<u>\$20,215,800</u>	126%
Terminal Rents, Other				
Concessionaires	-	-	-	
Government Agencies	369,379	375,300	382,800	
Car Rental Counters & Offices	284,207	240,400	434,600	
Welcome Center	-	-	-	
Other Terminal Rents	172,719	228,100	231,500	
	<u>826,304</u>	<u>843,800</u>	<u>1,048,900</u>	24%
Reno/Tahoe Non-Terminal Rents				
Building Rental	1,657,779	1,677,610	1,508,755	
Building Rental - Auto Rental	469,446	477,100	535,311	
Hangar Rental	1,006,502	1,038,100	1,085,105	
Land Rental	2,185,481	2,329,018	2,955,736	
Land Rental - Auto Rental	1,124,259	1,259,300	1,243,351	
Sewer Use Fee	-	-	-	
	<u>6,443,468</u>	<u>6,781,127</u>	<u>7,328,258</u>	8%
Reno Stead Rents				
Building Rental	8,735	7,300	7,400	
Hangar Rental	384,785	331,000	287,000	
Airfield Rental	55,463	56,300	54,700	
Land Rental	482,636	600,100	585,400	
Unmanned Aircraft System (UAS) Testing	-	-	-	
Sewer Use Fee	12,384	12,000	12,200	
Wash Rack	250	300	300	
Mini Warehouse Rent	15,337	15,500	15,700	
Other Rental	9,521	16,900	19,700	
	<u>969,111</u>	<u>1,039,400</u>	<u>982,400</u>	-5%
TOTAL Space Rentals	\$ 15,239,025	\$ 17,595,627	\$ 29,575,358	68%
Reimbursed Services				
Security Services	651,483	616,300	654,200	
Utilities	216,531	203,000	238,150	
Maintenance	1,468	5,500	5,600	
Disposal Fees	92,588	103,200	106,200	
Passenger Aides	-	-	-	

Other	55,924	6,500	6,500	
Rental Car CFC Admin Costs	129,610	182,300	-	
BHS Reimbursement - Signatory Airline	1,697,279	1,608,259	1,892,646	
BHS Reimbursement - Non-Signatory Airline	118,060	217,200	194,300	
BHS - TSA Reimbursement	37,116	30,500	45,240	
TOTAL Reimbursed Services	<u>3,000,058</u>	<u>2,972,759</u>	<u>3,142,836</u>	6%
Miscellaneous Revenue				
Miscellaneous Revenue	117,165	108,700	98,800	
Damage Claim Reimbursement	28,009	-	-	
	<u>145,174</u>	<u>108,700</u>	<u>98,800</u>	-9%
TOTAL OPERATING REVENUE	<u>\$ 58,389,967</u>	<u>\$ 68,448,458</u>	<u>\$ 85,456,219</u>	25%
Non-Operating Revenue				
Investment Interest	554,234	642,900	949,500	
Investment Interest, CFC (Pre Master Plan)	-	-	-	
Investment Interest, Fuel Tax Fund	2,138	6,000	6,500	
Gain (Loss) on Sale of Fixed Assets	15,080	-	-	
Aviation Gas Tax	294,018	256,700	298,400	
CFC Revenue (Pre Master Plan)	-	-	-	
Miscellaneous	-	-	-	
TOTAL Non-Operating Revenue	<u>865,470</u>	<u>905,600</u>	<u>1,254,400</u>	39%
TOTAL Pledged Revenue	<u>\$ 59,255,437</u>	<u>\$ 69,354,058</u>	<u>\$ 86,710,619</u>	25%
Non-Pledged Revenue				
Insurance Claim Reimbursement	-	-	-	
Investment Interest, Construction-Subordinate	-	(28,600)	-	
Investment Interest, Construction- 2018 Bond	-	-	-	
Investment Interest, Pre-Bond	-	-	-	
Investment Interest, Other Restricted	-	-	-	
Investment Interest, Flood Grant	-	-	-	
Investment Interest, Acquisition Fund	3	-	-	
Investment Interest, Flood Proceeds	-	-	-	
Investment Interest, Consent Decree	-	3,400	4,200	
Investment Interest, CFC (Post Master Plan)	98,864	213,400	250,900	
Investment Interest, PFC	138,700	165,400	187,200	
CFC Revenue (Post Master Plan)	6,350,891	10,588,500	9,573,000	
PFC Revenue	8,364,297	8,729,300	9,207,400	
Gain (Loss) on Investments Value	2,622,177	-	-	
Gain (Loss) on Debt Defeasance	-	-	-	
Miscellaneous	-	-	-	
TOTAL Non-Pledged Revenue	<u>\$ 17,574,933</u>	<u>\$ 19,671,400</u>	<u>\$ 19,222,700</u>	-2%
TOTAL REVENUES	<u>\$ 76,830,370</u>	<u>\$ 89,025,458</u>	<u>\$ 105,933,319</u>	19%

Reno-Tahoe Airport Authority
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ANNUAL BUDGET
Non-Airline Revenues

Non-Airline Operating Revenues	2021-22 Actual	2022-23 Budget	2022-23 Projected	2023-24 Budget	% Change 2024 Budget to	
					23 Budget	23 Projected
Auto Parking	\$ 13,688,662	\$ 16,459,900	\$ 16,580,901	19,129,032	16.2%	15.4%
Ground Transportation	315,924	690,600	714,200	977,700	41.6%	36.9%
Auto Rental	10,244,122	11,208,806	11,316,635	10,936,255	-2.4%	-3.4%
Non-Terminal Rents (RNO)	6,443,468	6,781,127	6,881,188	7,328,258	8.1%	6.5%
Reimbursed Services	3,000,058	2,972,759	3,176,909	3,142,836	5.7%	-1.1%
Food & Beverage	1,504,735	2,108,900	2,068,842	2,221,488	5.3%	7.4%
Gaming Concession	1,256,202	1,199,500	1,296,400	1,398,243	16.6%	7.9%
Merchandising Revenue	864,976	1,119,700	1,202,393	1,223,500	9.3%	1.8%
Aircraft Fees	1,229,504	1,181,011	1,190,637	1,210,325	2.5%	1.7%
Reno Stead Rents	969,111	1,039,400	1,119,044	982,400	-5.5%	-12.2%
Other Terminal Rents	826,304	843,800	852,800	1,048,900	24.3%	23.0%
Advertising	718,382	847,400	805,641	831,964	-1.8%	3.3%
Other Concessions	828,187	677,500	667,172	703,265	3.8%	5.4%
Miscellaneous	145,174	108,700	159,400	98,800	-9.1%	-38.0%
Total Non-Airline Revenues	\$ 42,034,808	\$ 47,239,103	\$ 48,032,161	\$ 51,232,966	8.5%	6.7%

Section 7 – Expenditures

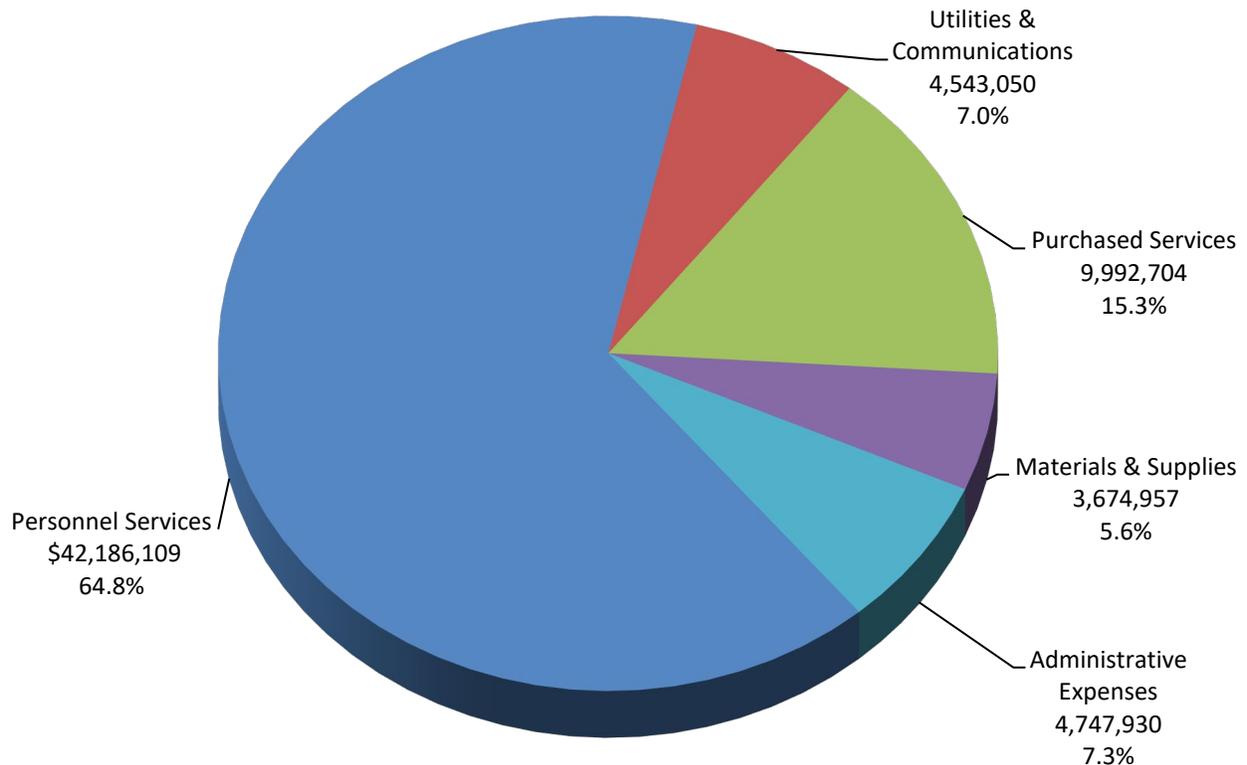
Reno-Tahoe Airport Authority
FY 2023-24
ANNUAL BUDGET
Section 7 – Expenditures

This section describes the Reno-Tahoe Airport Authority’s (RTAA) Fiscal Year (FY) 2023-24 Operating and Maintenance (O&M) Budget by expense category with an analysis of changes from the FY 2022-23 budget. Categories include Personnel Services, Utilities and Communications, Purchased Services, Materials and Supplies, and Administrative Expenses.

The adopted FY 2023-24 O&M budget of \$65.145 million is \$7.213 million or 12.5% greater than the prior FY as the organization continues to expand operations and navigate the increased operating costs due to inflation. Expenditures in all major categories for FY 2023-24 have increased. A detailed discussion of each category follows in this section.

The FY 2023-24 O&M budget by expense category is depicted in the chart below. Personnel Services, RTAA’s largest expense category representing 64.8% of total O&M budget, is related to its team of 292 employees.

FY 2023-24 O&M BUDGET



Reno-Tahoe Airport Authority
FY 2023-24
ANNUAL BUDGET
Section 7 – Expenditures

Account Group	2021-22	2022-23	2023-24	Budget
	Actual	Budget	Budget	Change
Personnel Services	\$ 30,348,607	\$ 38,057,907	\$ 42,186,109	10.8%
Utilities & Communications	3,156,581	3,133,050	\$ 4,543,050	45.0%
Purchased Services	7,405,170	9,765,000	\$ 9,992,704	2.3%
Materials & Supplies	2,575,145	2,984,990	\$ 3,674,957	23.1%
Administrative Expenses	2,854,518	3,991,021	\$ 4,747,930	19.0%
Total Operating Expenses	\$ 46,340,020	\$ 57,931,967	\$ 65,144,750	12.5%

The RTAA operation is comprised of seven divisions led by chief officers reporting directly to the President/CEO: Chief Legal Officer, Chief Operations and Safety Officer, Chief Planning and Infrastructure Officer, Chief Finance and Administration Officer, Chief Commercial Officer, Chief Marketing and Public Affairs Officer, and Chief People, Culture and Equity Officer. Additional information regarding the divisions above can be found in Section 4 – Organization Guide.

Personnel Services

The Personnel Services budget of \$42.186 million includes the cost of salaries, wages, and benefits for RTAA’s employees. The approved budget includes funding for a team of 292 full-time equivalent (FTE) positions. In comparison to the prior FY budget, expenses for personnel services are approximately \$4.128 million or 10.8% higher. The increase is due to projected salary increases per the collective bargaining agreements, three (3) additional Firefighter positions, and an increase in Public Employees Retirement System (PERS) contributions.

	2021-22	2022-23	2023-24	Budget
	Actual	Budget	Budget	Change
Salaries and Wages	\$ 21,724,019	\$ 24,121,113	\$ 26,317,902	9.1%
Overtime	1,645,304	1,508,404	1,968,052	30.5%
Employee Benefits	4,220,053	4,887,490	4,896,555	0.2%
Retirement Contribution	2,759,231	7,540,900	9,003,600	19.4%
Total	\$ 30,348,607	\$ 38,057,907	\$ 42,186,109	10.8%

The Salaries and Wages category increased by approximately \$2.197 million or 9.1% compared to the prior FY primarily due to the following:

- Management and Civil Service employees are eligible for a merit increase of 3% to 5% in base salary on July 1, 2023. The approved budget includes a 5% increase in salaries and a lump sum

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performance-based incentive. The budget increase compared to the previous year is approximately \$1.019 million.

- RTAA implemented new bargaining agreements with the Airport Authority Police Officers Protective Association (AAPOPA), Reno Airport Firefighters (RAF), and Reno Airport Battalion Chiefs (RABC) in FY 2022-23. The new agreements include Consumer Price Index (CPI) increases, step increases, educational/certification incentive pay, specialty pay, and longevity pay. The budget increase compared to previous year is approximately \$424,600.
- Three new Fire Fighter positions. The annual cost of salaries and wages associated with these positions is approximately \$223,900.
- The current bargaining agreement with The International Brotherhood of Teamsters (Teamsters) effective July 1, 2021, through June 30, 2026, reflects a CPI increase not to exceed 2.75% and a step increase. The budget increase compared to prior FY is approximately \$431,100.
- One new Airfield Maintenance Technician. The annual cost of salaries and wages for this position is approximately \$52,800.
- The existing bargaining agreement with Airport Authority Police Supervisors Protective Association (AAPSPA) expired on June 30, 2023. RTAA and AAPSPA are currently in negotiations to establish a new bargaining agreement. Until an agreement is reached, the expired agreement remains in effect. The approved budget includes a placeholder for salary increases of approximately \$46,900.
- An assumption for vacancy savings of \$300,000 is included in the FY 2023-24 budget.

Overtime budget has increased by approximately \$459,600 or 30.5% compared to prior FY. Additional budget was allocated to Airport Fire to conform with the required minimum overtime outlined in the RABC bargaining agreement, resulting in an increase of \$143,000. In addition, overtime has increased for Airport Police, Landside Operations, and Building Maintenance departments to address operational requirements and training, resulting in an increase of \$126,400. Standby and Shift differential have increased by \$132,900 for Airport Police and Building Maintenance and Services.

Employee Benefits have increased by \$9,100 or 0.2% compared to the prior FY. This category includes expenses for group insurance premiums to provide healthcare, dental, vision, life insurance, and long-term disability benefits for employees, and premiums for Workers' Compensation insurance. Group healthcare insurance plans and Workers Compensation are brokered on behalf of RTAA to obtain the most competitive pricing and terms. RTAA executed a

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one-year group insurance contract with Aetna in the amount of \$2.999 million for calendar year 2023. In addition, RTAA forecasted an 11.9% increase for the second half of FY 2023-24, still generating a decrease of \$34,600 in Group insurance for FY 2023-24 compared to prior FY 2022-23. The workers compensation insurance contract with Starr Aviation for a total of \$177,200, resulted in a cost decrease of \$43,600 compared to FY 2022-23.

Retirement benefits are provided by contract with 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, 2023, are 33.5% for regular employees, an increase of 3.75% from the prior rate. For Airport Police and Airport Fire the new contribution rate increased to 50.0% or 6.0% greater than prior rate of 44.0%. As a result of these rate increases and higher salaries and wages approved for FY 2023-24, retirement contributions to PERS are projected to increase by approximately \$1.463 million or 19.4% compared to the prior FY.

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. The FY 2023-24 budget of \$4.543 million is an increase of \$1.410 million or 45.0% compared to the prior FY.

	2021-22	2022-23	2023-24	Budget
	Actual	Budget	Budget	Change
Electricity	\$ 1,733,617	\$ 1,754,450	\$ 2,750,750	56.8%
Natural Gas	344,841	395,400	700,500	77.2%
Water	219,517	178,400	193,600	8.5%
Other Utilities	858,606	804,800	898,200	11.6%
Total	\$ 3,156,581	\$ 3,133,050	\$ 4,543,050	45.0%

The increase is primarily due to anticipated rate increases for electricity and natural gas and an increase of consumption due to higher passenger traffic and the expansion of the ticketing hall, resulting in a \$1.301 million increase compared to FY 2022-23. Water, sewer, trash disposal, and recyclable disposal are anticipated to increase by \$90,000 compared to the prior FY primarily due to an increase in rates and passenger traffic. Communication expenses are increasing slightly by \$20,000 compared to FY 2022-23.

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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 2023-24 Budget is \$9.993 million, an increase of approximately \$227,700 or 2.3% from the FY 2022-23 Budget. Approximately \$592,600 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 costs of rental car facilities owned by RTAA.

	2021-22	2022-23	2023-24	Budget
	Actual	Budget	Budget	Change
Legal Services	\$ 472,995	\$ 240,000	\$ 130,000	-45.8%
Data Processing	888,460	1,206,880	1,381,262	14.4%
Other Professional Services	1,521,387	2,601,500	2,308,322	-11.3%
Contracted Services	3,575,548	4,185,297	4,470,209	6.8%
Other Repair/Maintenance Svcs	404,076	477,820	463,200	-3.1%
Other Purchased Services	542,704	1,053,503	1,239,711	17.7%
Total	\$ 7,405,170	\$ 9,765,000	\$ 9,992,704	2.3%

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

- The decrease in Legal Services of \$110,000 is due to bringing legal services in-house.
- The \$174,400 increase in Data Processing is due to the new Digital Transformation Plan (DTP). The DTP is a five-year modernization plan for technology across RNO and RTS airports. The modernization projects planned for this FY include enhancing the current telecommunications/network infrastructure standards and policies, develop a network and cloud infrastructure strategy plan, support fees for the Airport Management System and Airport Operational Database (AODB), and assessment of the Badging office system for (Identification) ID Management improvements.
- The budget allocated to Other Professional Services is decreasing by \$293,200 in FY 2023-24 primarily due to the completion of the Airport Police and RTAA headquarter relocation study, arc flash study, mechanical systems assessment, electrical systems assessment, and fire line systems assessment, all budgeted in the prior year. The decreases are partially offset by an increase due to annual support and maintenance for common use equipment, RNO Airport Layout Plan (ALP), and a consultant for concessions. The Common Use Passenger Processing System (CUPPS) allows flexible usage of ticket counters and gates by giving existing or new

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airlines the ability to easily operate at any of the planned twenty-one ticket counter, eleven gates, and four self-service kiosks, where RTAA has installed common use equipment. CUPPS is a mission critical system that requires support 365 days per year resulting in an increase of the Other Professional Services budget.

- The increase in Contracted Services of \$284,900 is primarily due to the higher renewal cost of contracts in FY 2023-24:
 - Annual county communication systems contribution of \$80,200.
 - Fire prevention and building inspection services with the City of Reno of \$80,000.
 - Tele Fiber installation services of \$75,000.
 - Landside Studies of \$45,000.
 - Terminal cleaning support at RNO of \$29,700.
 - Baggage Handling System (BHS) repair services of \$24,500.
 - Charter porter services of \$16,500.

These cost increases are partially offset by a reduction of approximately \$75,200 to the rental car facility property management and repair contract.

- The decrease of \$14,600 in Other Repair/Maintenance Services category is primarily due to the completion of roof repairs at RTS, water leak repairs for rental car facilities, and BHS repairs and maintenance in the prior FY totaling to approximately \$75,000. These expenses are partially offset by approximately \$60,500 due to the increase in costs of products and services due to inflation, new roof repair projects in the terminal building, and equipment testing/repair for the Airport Fire department budgeted in FY 2023-24.
- The increase in Other Purchased Services of \$186,200 is primarily due to an increase of \$104,500 in Software as a Service (SaaS). RTAA added two new accounts to track property damage and city emergency response costs, increasing the FY 2023-24 budget by \$52,500 compared to prior FY 2022-23. The increase of approximately \$17,300 is due to a new communication system for Marketing and a labor compliance system for Engineering. Additionally, an increase of \$13,800 is primarily due to higher costs associated with equipment rental for overflow parking, freight expenses, and permits/fees.

Materials and Supplies

The Materials and Supplies category accounts for the costs of items needed by RTAA personnel to maintain both airports. The FY 2023-24 Budget estimates a total funding need of \$3.675 million for this category, an increase of \$690,000, or 23.1% above the FY 2022-23 Budget.

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	2021-22	2022-23	2023-24	Budget
	Actual	Budget	Budget	Change
Operating Supplies	\$ 740,504	\$ 828,256	\$ 900,255	8.7%
Fuel	250,860	196,500	357,000	81.7%
Repair and Maintenance Supplies	627,519	825,600	1,000,650	21.2%
Small Tool and Minor Equipment	524,683	596,647	686,861	15.1%
Software	431,579	537,987	730,191	35.7%
Total	\$ 2,575,145	\$ 2,984,990	\$ 3,674,957	23.1%

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

- The increase in Operating Supplies of \$72,000 is primarily due to an increase of \$20,800 budgeted for turnouts for three new firefighters in FY 2023-24. Additionally, increased budget allocations were made for ice control, janitorial supplies, medical supplies, herbicides, and oil/lubricants.
- The increase in Fuel of \$160,500 is primarily due to an increase in fuel cost due to inflation and additional vehicles added to the fleet in the prior FY.
- The increase in Repair and Maintenance Supplies of \$175,100 is primarily due to \$54,000 for vehicle/machinery repair and maintenance, \$40,000 for runway lighting signs, and \$40,000 for roof and jet bridge repair and maintenance. An additional \$37,700 is allocated for heating and air conditioning, plumbing supplies, and other repairs and maintenance supplies.
- The \$90,200 increase in Small Tools and Minor Equipment is primarily due to \$114,800 budgeted for communication equipment part of a three-year radio replacement program started in FY 2023-24 as RTAA prepares to transition to a new regional communication system. The budget increase is partially offset by a decrease of \$31,700 in furniture and accessories, and safety equipment in the FY 2023-24 adopted budget.
- The \$192,200 increase in Software is primarily due to an increase in renewal costs of software as a service (SaaS) contracts, additional software purchases to support various departments, license fees for security, cloud-based services, police system, and video surveillance system.

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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 \$756,900 or 19.0% from the FY 2022-23 Budget.

	2021-22	2022-23	2023-24	Budget
	Actual	Budget	Budget	Change
Educational & Professional Fees	\$ 422,395	\$ 773,131	\$ 818,359	5.8%
Travel & Reimbursed Expense	169,263	360,562	453,337	25.7%
Recruitment	12,930	11,000	66,500	504.5%
Air Service Development	393,500	454,400	335,400	-26.2%
Economic Development	-	50,000	50,000	0.0%
Conference Sponsorship	125,123	-	-	0.0%
Community Outreach	90,212	112,670	132,550	17.6%
Publications / Advertising	120,744	455,358	763,858	67.7%
Airport Insurance	1,138,588	1,388,000	1,601,776	15.4%
Credit Card Fees	381,743	385,900	526,150	36.3%
Fines and Settlements	20	-	-	0.0%
Total	\$ 2,854,518	\$ 3,991,021	\$ 4,747,930	19.0%

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 \$45,200 primarily due to allocating additional resources to professional development in FY 2023-24:
 - Increase in training of \$32,300.
 - Increase in organizational training of \$17,200.
 - Increase in conference registration of \$16,500.
 - Increase in membership fees of \$5,000.
 - Increase in meeting expense of \$4,800.

These increases are slightly offset by the \$30,600 decrease in books and subscriptions and tuition reimbursement.

- The Travel and Reimbursement Expense budget increased by \$92,800 primarily due to \$97,800 related to conferences and professional development for Airport Fire, Operations and

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Public Safety Administration, Marketing and Public Affairs, Air Service Development, and Legal. This is slightly offset by a decrease of \$5,000 in relocation expense.

- The recruitment budget has increased by \$55,500 primarily due to a third-party executive recruitment service budgeted in FY 2023-24.
- The Air Service Development budget is decreasing by \$119,000 or 26.2%, primarily due to the reallocation of air service’s inaugurals to special events, and the air service advertising campaign to advertising and promotion, which resides in the Marketing department.
- The Community Outreach budget is increasing by \$19,900 or 17.6% compared to the prior FY. The increase is primarily due to air races and community outreach committee meetings.
- The budget allocated to Publications and Advertising is increasing by \$308,500 primarily due to \$250,800 for the MoreRNO marketing campaign created to inform and guide the public during the MoreRNO capital program and air service campaign. Additionally, \$47,000 has been allocated to special events such as Operation Santa Clause, air service inaugural events, and appreciation events taking place in FY 2023-24.
- The Airport Insurance budget associated with airport property and liability insurance premiums is increasing by \$213,800 or 15.4% from the prior FY due to a \$261,700 cost increase for buildings and contents, and \$5,000 for vehicle liability. The budget increase is partially offset by the insurance cost decrease of \$53,900 for airport liability and bonds for employees/officers.
- The budget for Credit Card Fees is increasing by \$140,300 or 36.3% from the FY 2022-23 Budget. This comes as a result of forecast increased credit card transaction volume due to the increase in parking operations and passenger traffic in FY 2023-24.

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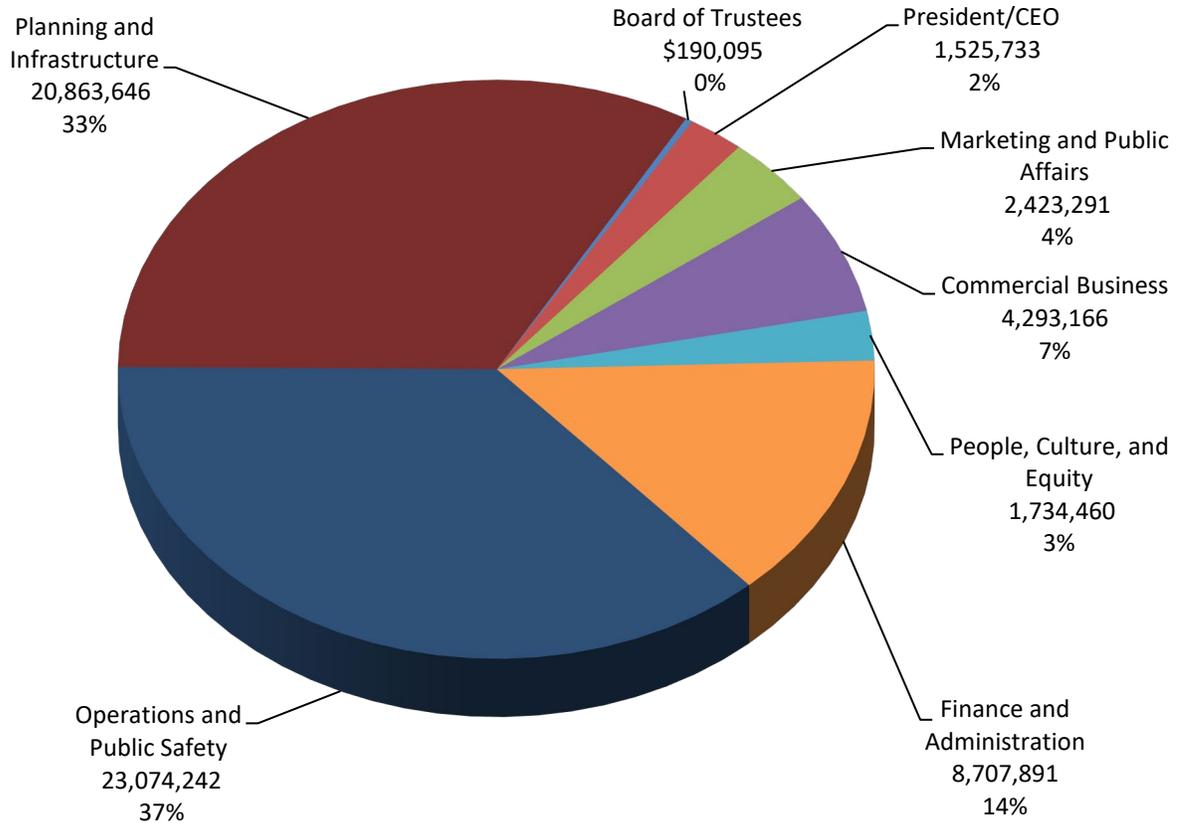
Summary of Changes Between Proposed and Adopted Budget

Account Group	Amount	Description
Personnel Services	\$ (52,000)	Workers Compensation final quote was received after the proposed budget, resulting in a decrease from the original budget.
	\$ (50,000)	Decrease temporary employees expense for Airside Operations.
Purchased Services		
	36,000	Additional expenses allocated to legal services to address potential regulatory and public record matters.
	10,000	Additional expenses allocated to contract services for Owner-Controlled Insurance program.
Administrative Expenses		
	10,776	Liability and property insurance original budget was inadequate, final quote received after proposed budget.
Total	\$ (45,224)	

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Budgeted Expenses by Organizational Unit

FY 2023-24 O&M BUDGET



Division	
Board of Trustees	\$ 190,095
President/CEO	1,525,733
Marketing and Public Affairs	2,423,291
Commercial Business	4,293,166
People, Culture, and Equity	1,734,460
Finance and Administration	8,707,891
Operations and Public Safety	23,074,242
Planning and Infrastructure	20,863,646
Nondepartmental Expenses	2,332,226
Total	\$ 65,144,750

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Summary of Budgeted Expenditures

Account Group	2021-22 Actual	2022-23 Budget	2023-24 Budget	Budget Change
Personnel Services	\$ 30,348,607	\$ 38,057,907	\$ 42,186,109	10.8%
Utilities & Communications	3,156,581	3,133,050	4,543,050	45.0%
Purchased Services	7,405,170	9,765,000	9,992,704	2.3%
Materials & Supplies	2,575,145	2,984,990	3,674,957	23.1%
Administrative Expenses	2,854,518	3,991,021	4,747,930	19.0%
Total Operating Expenses	\$ 46,340,021	\$ 57,931,967	\$ 65,144,750	12.5%
Property, Plant and Equipment	919,442	1,393,416	894,962	-35.8%
Total	\$ 47,259,463	\$ 59,325,383	\$ 66,039,712	11.9%

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Resources Applied by Organizational Unit

	2021-22 ACTUAL	2022-23 BUDGET	2023-24 BUDGET	BUDGET CHANGE
Board of Trustees Division				
Board of Trustees	\$ 131,194	\$ 176,520	\$ 190,095	7.7%
TOTAL	131,194	176,520	190,095	7.7%
President/CEO Division				
President/CEO	859,105	812,400	840,120	3.4%
Legal	474,547	738,120	685,613	-7.1%
TOTAL	1,333,652	1,550,520	1,525,733	-1.6%
Marketing and Public Affairs Division				
Marketing and Public Affairs	1,663,833	2,205,944	2,423,291	9.9%
TOTAL	1,663,833	2,205,944	2,423,291	9.9%
Commercial Business Division				
Air Service Development	750,027	775,380	823,080	6.2%
Airport Economic Development	1,420,862	1,828,015	2,186,065	19.6%
Outside Properties	1,136,990	1,372,817	1,284,021	-6.5%
TOTAL	3,307,879	3,976,212	4,293,166	8.0%
People, Culture and Equity Division				
People, Culture and Equity	1,285,447	1,596,215	1,734,460	8.7%
TOTAL	1,285,447	1,596,215	1,734,460	8.7%
Finance and Administration Division				
Finance	1,849,248	2,150,700	2,230,100	3.7%
Purchasing and Materials Management	783,864	753,435	815,360	8.2%
Technology and Information Systems	3,956,739	5,278,898	5,662,431	7.3%
TOTAL	6,589,852	8,183,033	8,707,891	6.4%
Operations and Public Safety Division				
Operations and Public Safety Administration	467,208	879,110	1,044,248	18.8%
Airside Operations	1,451,532	1,492,075	1,647,209	10.4%
Landside Operations	2,599,595	2,920,433	3,201,318	9.6%
Airport Fire	4,021,753	5,100,638	6,143,692	20.4%
Airport Police	4,250,791	4,162,191	4,967,439	19.3%
Airport Communications	1,427,929	1,578,171	1,845,405	16.9%
Airport Security	1,815,148	1,941,350	2,101,310	8.2%
Terminal Operations	-	-	736,621	n.a.
Reno-Stead Airport	1,041,381	1,162,620	1,337,000	15.0%
TOTAL	17,075,337	19,236,588	23,024,242	19.7%
Planning and Infrastructure Division				
Planning and Infrastructure	395,841	725,316	462,625	-36.2%
Planning and Environmental Services	1,057,350	1,191,740	1,158,999	-2.7%
Engineering and Construction	1,366,783	1,730,436	1,275,949	-26.3%
Facilities and Maintenance Administration	551,723	498,940	447,892	-10.2%
Airfield Maintenance	4,056,943	4,370,516	5,165,647	18.2%
Building Maintenance and Services	7,659,429	8,618,195	10,308,981	19.6%
Baggage Handling System	1,830,224	1,819,293	2,093,553	15.1%
TOTAL	16,918,292	18,954,435	20,913,646	10.3%
Nondepartmental Operation and Maintenance Expenses				
Non Departmental	1,641,292	2,052,500	2,332,226	13.6%
TOTAL	1,641,292	2,052,500	2,332,226	13.6%
Total Operations and Maintenance Expense	49,946,777	57,931,967	65,144,750	12.5%
Property, Plant & Equipment	919,442	1,393,416	894,962	-35.8%
TOTAL	\$ 50,866,219	\$ 59,325,383	\$ 66,039,712	11.3%

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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.

Department Expenditures:

	<u>2021-22</u> <u>ACTUAL</u>	<u>2022-23</u> <u>BUDGET</u>	<u>2023-24</u> <u>BUDGET</u>	<u>BUDGET</u> <u>CHANGE</u>
Personnel Services	\$109,754	\$120,420	\$127,720	6.1%
Purchased Services	4,695	1,100	5,100	363.6%
Materials & Supplies	140	1,500	3,125	108.3%
Administrative Expenses	<u>16,605</u>	<u>53,500</u>	<u>54,150</u>	<u>1.2%</u>
 Total Section Expenses	 <u><u>\$131,194</u></u>	 <u><u>\$176,520</u></u>	 <u><u>\$190,095</u></u>	 <u><u>7.7%</u></u>

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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 RNO and the 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.

Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$562,447	646,600	\$674,400	4.3%
Purchased Services	150,031	150	150	0.0%
Materials & Supplies	7,983	6,150	6,000	-2.4%
Administrative Expenses	138,645	159,500	159,570	0.0%
Total Section Expenses	\$859,105	\$812,400	\$840,120	3.4%

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Legal

Mission Statement: Provide strategic direction and legal assistance to airport staff, leadership, and Board of Trustees as it relates to the Authority’s legal functions and services. In addition, this department is responsible for providing complex management support to the President/CEO and Board of Trustees and works in close coordination with other members of the Executive Leadership Team in order to achieve the alignment of the division’s operations in support of the RTAA’s strategic priorities.

Key Duties and Responsibilities:

- Manages, coordinates, and oversees all legal activities of the airport.
- Assists the President/CEO in the formulation of policy, with a focus on matters concerning legal affairs.
- Assists the Commercial Division in lease and contract negotiations between RTAA and the airlines, the FAA, and other entities having business relationships with the RTAA airports.
- Assists in negotiation for the purchase of real estate to be acquired by the Authority and prepares and reviews all appropriate legal documents to close the transaction.
- Provides consultation to Authority staff and Board on general legal questions that arise in the daily administrative operation of the airports.
- Provides assistance in the solution of large and complex complaints, investigations, and other discrepancies or problems through effective operational policy interpretation.
- Provides strategic direction and oversight of the Authority’s grant funding, ensuring appropriate management of projects in compliance with various grant requirements.
- Serves as the primary point of contact with outside counsel representing the Authority in various matters, retaining, and supervising such counsel as necessary in consultation with the Chief Executive Officer.

Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$0	\$280,000	\$546,900	95.3%
Purchased Services	473,672	440,720	110,000	-75.0%
Materials & Supplies	0	0	800	0.0%
Administrative Expenses	875	17,400	27,913	60.4%
Total Section Expenses	\$474,547	\$738,120	\$685,613	-7.1%

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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 brand and customer service through media, government/community relations, advertising, and digital platforms.

Key Duties and Responsibilities:

- Provide internal/external messaging through various platforms.
- Maintain and enhance community outreach.
- Enhance service by timely answering Ask the Airport and social media questions.
- Work with RTAA staff, airlines, tenants, and community partners to create targeted communication programs.
- Prepare for emergency and crisis response.
- Utilize social media as a branding, public relations, and customer service tool.
- Promote the initiatives of RTAA through strategic relationships and collaboration with federal, state, and local government officials.
- Use in-house graphic skills to enhance presentations, website, social media, invitations, promotions, and advertisements.
- Remain informed on media issues, record news stories and share media reports.
- Work with air service to develop marketing and advertising programs.
- Facilitate the RTAA public art program.
- Maintain and update the RTAA’s website.
- Communicate airport construction impacts to customers and community.
- Coordinate community outreach presentations in the catchment area.
- Continue RNO’s music events in the terminal.

Marketing and Public Affairs Initiatives:

FY 2022-23 Initiatives

1. Communicate MoreRNO.

Strategic Initiative: Customer Experience

Long-Term Goal: 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 this will only increase throughout construction. The RTAA’s focus is to help improve the

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experience, even if it's only for an hour or two. Working with an outside agency, staff will manage and create a public information campaign on multiple media platforms to help guide customers through their travel journey during the MoreRNO construction program.

Performance Measure: Complete first year of campaign by June 30, 2023, send pertinent communications to email subscribers regarding MoreRNO (at least two by June 30, 2023), launch dedicated webpage with MoreRNO information by start of lobby construction on September 12, 2022.

Progress: 100% completed. In mid-October 2022, an innovative and highly visual groundbreaking was held for the ticket lobby while announcing the MoreRNO plan to build two new RNO concourses. The Board approved a \$350,000 public information campaign launched to alert travelers to arrive to the airport early due to construction. MoreRNO information was communicated through five-plus eBlasts, on-site signage, social media, the website, and TV.

2. Manage and develop a Government Relations program.

Strategic Initiative: Facilities for the Future

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

Description: Develop and Manage a government affairs program focused on obtaining funding for airport projects as well as maintaining local, state, federal and agency support for RNO projects. Direct the efforts of federal and state lobbyists.

Performance Measure: To Acquire a federal ear mark in excess of \$1million to help fund construction of the Loop Road. Develop a government relations plan for the 2023 Nevada State Legislative Session. Develop a government affairs plan for federal lobbying efforts. Develop a local government affairs plan for the County, City of Reno, and City of Sparks.

Progress: 100% completed. An overall government affairs plan has been developed by staff and reviewed and approved by the Chief Marketing & Public Affairs Officer and the President/CEO. On December 23, 2022, RTAA's Community Project Funding request for \$3.6 million was approved through the Congressional Budget Approval and will be appropriated to support the loop road construction project. This request was championed by Congressman Amodei and supported by the entire federal delegation from Nevada including Senators Cortez Masto and Rosen. On January 12, 2023, the RTAA Board of Trustees adopted a legislative platform for the 2023 Nevada Legislative Session which will give direction to staff and contract lobbyists on how to advocate for the best interests of RTAA during the session. Relationships between all three local governments have been established and fostered, with invitations to the RTAA President/CEO to present to Sparks City Council and

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Washoe County Commission. Collaborative communication is underway with new members of the Reno City Council and staff, particularly around the stormwater utility fee being proposed by the City of Reno.

3. Complete a Strategic Plan that creates a public art program.

Strategic Initiative: Customer Experience

Long Term Goal: Positive Travel Experience

Description: Develop a public art strategic plan for the RTAA that invites local art displays and celebrates the region’s diversity.

Performance Measure: Present a completed \$40,000 RTAA Art Strategic Plan in Fall of 2022. The plan will establish a community art advisory committee by September 2022 and will complete a Request for Qualifications (RFQ) to acquire 3 art proposals for the first phase of MoreRNO.

Progress: 100% completed. In August 2022, 12 community art leaders were named to the RTAA’s first Art Advisory Committee (AAC). The AAC brings together local and regional art organizations to serve as the primary advisory body to the RTAA Board of Trustees for public and performing arts programming at RNO and RTS. The Art Master Plan was adopted by the board on April 13, 2023, and is a summary of best practices that will guide the program. The RFQ solicitation was posted in late October 2022 for a public art installation within the Ticketing Hall Expansion project. Submissions exceeded expectations, as 74 were received and 62 qualified. The project timeline spans June 2023 - Spring 2024.

4. Inform and educate the public regarding parking conditions at RNO.

Strategic Initiative: Customer Experience

Long Term Goal: Positive Travel Experience

Description: Communicate parking information via media, website, email, and social media to help guide customers through the various parking options pending the development of more lot space.

Performance Measure: Complete advertising campaign for parking awareness by June 30, 2023, increase website visits to the parking availability tool, and support messaging to increase the free waiting lot usage.

Progress: The MoreRNO construction advertising campaign, launched April 2022, to help

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passengers navigate construction and guide customers through parking and construction challenges. The campaign has earned more than 20 million impressions, through digital advertising on Google, social media, and other digital and streaming services, and is driving viewers to learn more on our website. Much of this campaign focused on reminding passengers to get here early and look for signage, especially if they were parking at RNO. It was shown to the Board and is part of our Agency of Record contract with KPS3. The new RNO website, launched August 2, 2022, is improving customer experience by making parking messaging more accessible to customers. The real-time parking availability feature is located on the front page with 720,492 views from July 1- Dec 31, and more than 18,000 conversions (clicks) to the parking page. In addition to front page visits, the parking page ranks as the fourth most visited page on the website with more than 57,847 views. We are receiving less parking questions/inquiries on our Contact Us form on the site and on social media than before the website launch. In addition, from Nov 1 – Dec 31, RTAA ran the Free Waiting Lot “Wait and Win” multimedia campaign and giveaway to help raise awareness of the Free Waiting Lot and gather data on lot usage and customer service feedback. We earned more than 15,000 impressions on the campaign through printed flyers, email newsletter and social media.

5. Inform and educate the public through social media.

Strategic Initiative: Customer Experience

Long Term Goal: Passenger Empowerment

Description: Social media has become vital to RTAA to reach an increasing number of customers. This initiative is to provide interesting content and timely information regarding airport operations and air service.

Performance Measures:

- ✓ Increase engagement rate on Facebook by 5%
- ✓ Increase followers on Instagram by 400
- ✓ Increase engagement on Twitter by 3%
- ✓ Achieve 2% engagement on LinkedIn
- ✓ Respond to legitimate (not spam, etc.) customer inquiries or complaints within one business day

Progress: 100% completed. Social media engagement and followers have all increased. Facebook engagement increased by 168%, Instagram followers have increased by 759, Twitter engagement increased by 22%, and LinkedIn engagement is at 9.56%. The Marketing team responded to legitimate customer service inquiries or complaints within one business day.

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FY 2023-24 New Initiatives

1. Public Awareness Campaign for Air Service & Construction Navigation.

Strategic Initiative: Customer Experience

Long-Term Goal: Empowering passengers to engage with the airport

Description: Develop a strategic advertising campaign to support air service marketing and construction awareness/parking. This will be accomplished through a combination of organic marketing and working with our agency of record to increase these numbers from the previous fiscal year:

Performance Measure:

- ✓ Increase engagement rate on Facebook by 5%
- ✓ Increase engagement on Twitter by 3%
- ✓ Respond within one business day to customers
- ✓ Increase parking tool views by 5%
- ✓ Increase flight mapping tool usage by 5%

2. Groundbreakings and Grand Openings.

Strategic Initiative: Customer Experience

Long-Term Goal: Empowering passengers to engage with the airport

Description: Hold a grand opening event to announce the public opening of the newly improved ticket lobby and organize a groundbreaking celebration for the start of the Consolidated Rental Car Facility (ConRAC) construction.

Performance Measure: Host public events celebrating the completion of the ticket lobby, the ConRAC groundbreaking (if it still happens this year) and get at least three media partners to cover the events.

3. Community Engagement.

Strategic Initiative: Air Service and Cargo

Long-Term Goal: Increasing airline regional awareness

Description: Invite air service and business development clients to be RTAA's guests at a

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flight-line chalet at the Reno Air Races. Host them for lunch and conversations.

Performance Measure: Host a chalet that averages more than 30 guests per day by June 30, 2024.

4. Additional governmental support and funding for MoreRNO Master Plan Projects.

Strategic Initiative: Financial Stewardship

Long-Term Goal: Pursuing grant funding opportunities

Description: Identify available funding sources primarily through the Bipartisan Infrastructure Law (BIL), but also sources that may be available at the state and local level for at least \$12M.

Performance Measure: Apply for federal, state, and local grants that can support the financing of the MoreRNO master plan funding for the terminal replacement, Police Station and RNO Headquarters facility, air cargo improvements and other components that may be eligible under current and future laws.

5. Implement the RTAA Public Art Program.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Incorporating the Art Master Plan

Description: Implement a newly developed public art program that brings art into each publicly funded RTAA project while enhancing the travel experience at RNO.

Performance Measure: Hire an employee or out-source to support the art program. Execute and unveil the Ticket Lobby Art Exhibit with a celebratory event, and execute at least five events, including displays, performances, or art RFQs and installations.

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Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>CHANGE</u>
Personnel Services	\$1,052,526	1,313,400	\$1,312,400	-0.1%
Purchased Services	182,276	198,116	233,978	18.1%
Materials & Supplies	61,425	54,240	43,400	-20.0%
Administrative Expenses	<u>367,606</u>	<u>640,188</u>	<u>833,513</u>	<u>30.2%</u>
 Total Section Expenses	 <u>\$1,663,833</u>	 <u>\$2,205,944</u>	 <u>\$2,423,291</u>	 <u>9.9%</u>

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Commercial Business Development Division

Mission Statement: The mission of the Commercial Business Development division 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 to achieve the strategic objectives of RTAA.

The division is responsible for 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. It is also responsible for the vertical integration of the airline relationships from the local to the corporate level. The team performs a variety of duties involved in economic, land and business development, strategic planning, lease negotiations and lease agreement administration. Additionally, the division 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.

Air Service Business Development

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

Key Duties and Responsibilities:

- Increase RNO Air Service Development (ASD) by retention of existing airlines and destinations, expansion of seasonal and less-than-daily flights, and attraction of new airlines and destinations.
- Research, develop and present RNO business case presentations to airline decision makers, both passenger and cargo carriers.
- Develop air service marketing and advertising programs, in conjunction with the Marketing and Public Relations team, to promote air service to the RNO catchment area.
- Partner with the Regional Air Service Corporation (RASC), Reno-Sparks Convention and Visitor’s Authority (RSCVA), Economic Development Authority of Western Nevada (EDAWN) and other stakeholders that contribute to the air service development of RNO.
- Participate 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 and Air Service Development conferences.

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- Build on relationships with airlines and freight forwarders through a variety of methods.
- Report monthly airport passenger and cargo activity, and schedules to regional stakeholders.
- Research and monitor the current route health of existing flights at RNO.
- Proactively seek ad hoc opportunities to increase air service at RNO.

Air Service Business Development Initiatives:

FY 2022-23 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 2022-23:

- ✓ Retain Airlines: 12
- ✓ Retain Destinations: 23 non-stop
- ✓ Achieve annual passenger revenue: \$ 9.953 million
- ✓ Achieve annual landed weight - passengers: 2,843,839 (000) lbs.
- ✓ Achieve annual cargo revenue: \$ 2.348 million
- ✓ Achieve annual landed weight - cargo: 671,105 (000) lbs.
- ✓ Retain Cargo Carriers: 3

Progress: Partially achieved. As of June 2023, RNO was served by 11 airlines, 22 non-stop destinations, and retained all three cargo airlines. Despite the loss of Frontier Airlines and aha!, two new airlines started non-stop flights from RNO. Spirit Airlines started twice daily non-stop flights between RNO and Las Vegas in August 2022. Sun Country Airlines started non-stop flights between RNO and Minneapolis in September 2022. Additionally, Delta Air Lines started non-stop flights between RNO and Minneapolis, shortly after Sun Country made the announcement. As of June 30, 2023, passenger landed weight registered at 2,461,979 (000) lbs. and cargo landed weight registered at 637,708 (000) lbs. The FY 2022-23 annual passenger landing fee revenue was \$9.755 million and annual cargo landing fee revenue was \$ 2.348 million.

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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 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. Enhance relationships with existing and potential new airline partners. Lead air service catchment area marketing and business community engagement to increase businesses and local awareness of existing air service and route health. In addition to the regular commercial service, ASD will work with the community partners to expand and attract domestic and international charters at RNO.

Performance Measure:

- ✓ Develop and achieve ASD Strategic plan
- ✓ Retain airlines representing major global alliances that provide easy one-stop access to major international airports
- ✓ Retain existing year-round service to all the major hub airports
- ✓ Expand seasonal and less-than-daily service
- ✓ Attract domestic unserved primary target markets
- ✓ Identify and make efforts to Attract international destinations with Customs and Border Protection (CBP) pre-clearance stations

Progress: 100% achieved. The RNO Air Service strategy is to retain existing airlines and destinations, expand seasonal and less-than-daily flights, and attract new airlines and destinations. With constant changes in the aviation industry and airline strategies, RNO strategic plan was updated several times during FY 2022-23. Staff continues to monitor industry trends and pivot as needed. During this period, RNO retained all three major global alliances that provide easy one-stop access to major international airports. In addition, RNO retained legacy airlines with non-stop year-round flights to hub airports, providing one-stop access to virtually anywhere in the U.S. by utilizing their hub-and-spoke model. Moreover, RNO added two new ultra-low-cost airlines, Spirit and Sun Country, and increased frequency on several routes during FY 2022-2023. Staff held numerous one-on-one airline meetings with domestic and international airline network planning teams with a focus on attracting primary unserved markets.

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Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$410,696	423,400	\$472,900	11.7%
Purchased Services	144,361	221,505	201,525	-9.0%
Materials & Supplies	111	16,250	15,750	-3.1%
Administrative Expenses	194,859	114,225	132,905	16.4%
Total Section Expenses	<u>\$750,027</u>	<u>\$775,380</u>	<u>\$823,080</u>	<u>6.2%</u>

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Airport Economic Development

Mission Statement:

The Airport Economic Development (AED) Department strives 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 and in-terminal concessions, including food and beverage, retail, gaming, advertising, luggage carts, Automated Teller Machine (ATM)s, and other services. AED also oversees approximately 200 general aviation tenants and manages real property assets at both RNO and RTS.

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

Key Duties and Responsibilities:

- Manage leases and contracts for both RNO and RTS.
- Manage the Tenant Improvement process and manage customer relations for all tenants at RNO and RTS, including government agencies such as the Federal Aviation Administration (FAA), Transportation Security Administration (TSA), and the Nevada Air National Guard (NANG).
- 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.

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Airport Economic Development Initiatives:

FY 2022-23 Initiatives

1. Facilitate and Conclude RFP for Cargo Development at RNO

Strategic Initiative: Financial Diversification and Growth

Long-Term Goal: Facility Infrastructure Enhancements

Description: Facilitate and conclude RFP for Cargo development at RNO (new facilities and airside & landside improvements).

Performance Measure: Execute at least one Memorandum of Understanding (MOU) with a selected respondent, if identified through RFP process by June 30, 2023.

Progress: 100% completed. The RFP process was concluded in June, and a development partner has been identified. A Development Option Agreement was utilized in place of the MOU and was fully executed on June 15, 2023.

2. Create a Land Acquisition Strategy Plan.

Strategic Initiative: Financial Diversification and Growth

Long-Term Goal: Land Development at both Airports

Description: Create a comprehensive land acquisition strategy for identified surrounding land/property to include exhibit of properties and estimated timing and costs.

Performance Measure: Strategy Plan complete and vetted by June 30, 2023.

Progress: 100% completed. RTAA staff completed the Land Acquisition Strategy Plan in October 2023, and it was reviewed and accepted by applicable members of the Executive Team in November 2023. Staff worked with a local broker to create an exhibit of estimated timing and costs for surrounding land/property identified as potential acquisition interest. The exhibit was created but funds for acquisitions have not been readily available or identified.

3. Market and proactively rent RNO outside commercial properties.

Strategic Initiative: Financial Diversification and Growth

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Long-Term Goal: Land Development at both Airports

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

Performance Measure: Achieve 85% or better occupancy in FY 2022-23.

Progress: 100% achieved. RTAA Staff achieved an average of 93% occupancy rate through FY 2022-23, with substantial wait lists on some property types.

4. 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 2022-23.

Progress: 100% achieved. RTAA staff achieved 100% occupancy rate for RNO GA Box and T-Hangars with an extensive waiting list as of June 30, 2023.

5. 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 69% 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 \$10.89.

Progress: 100% achieved. Preliminary results for non-airline revenues (terminal concessions, rental car concessions, other rents, and miscellaneous revenue) per enplaned passenger

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registered at \$11.59 excluding American Rescue plan Act (ARPA) credits. This is primarily due to an increase in revenue from ground handler services, gaming concessions and building rents.

6. Negotiate and execute a new Airline-Airport Use and Lease Agreement with Signatory Airlines.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Develop a Plan of Finance and Negotiate Business Agreements

Description: The AAULA with Signatory Airlines guide how the RTAA allocates costs, utilizes revenue, and proceeds with capital expenditures. The current AAULA expires on June 30, 2023. New AAULA that reflects the RTAA’s plans for facilities for the future will be the foundation for all future growth and expansion. Key terms will include pre-approval by the Signatory Airlines for terminal and concourse remodeling and expansion and implementation of common use facilities for airlines.

Performance Measure: Execute the AAULA with all Signatory Airlines by June 30, 2023.

Progress: 100% completed. RTAA staff presented the ten-year AAULA to the Board in April 2023 for all signatory airlines. The AAULA was approved and executed and will be effective July 1, 2023, with Alaska Airlines, American Airlines, Delta Airlines, Federal Express, Southwest Airlines, United Airlines, and United Parcel Service.

FY 2023-24 New Initiatives

1. Cargo Facilities Development Plan.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Constructing and modifying the RNO Airfield

Description: In collaboration with the identified development partner create a comprehensive development plan for new cargo facilities to include information on design for buildings, de-icing facilities, aprons/ramps, connectors and estimated timing and costs. National Environmental Policy ACT (NEPA) process strategy and existing tenant relocation strategy also to be included.

Performance Measure: Complete Development Plan and vet it by June 30, 2024.

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

Strategic Initiative: Financial Stewardship

Long-Term Goal: Engaging commercial business opportunities at RNO to optimize revenue and optimize passenger experience.

Description: Non-airline revenues comprised of rental car and terminal concessions, rents collected from tenants, and hangar and land leases generate 68.5% 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 \$10.68.

3. Construction of the Enabling Projects for the ConRAC and Ground Transportation Center (GTC).

Strategic Initiative: Facilities for the Future and Customer Experience

Long-Term Goal: Relieving congestion in parking lots and rental car facilities

Description: Break ground and begin construction on the enabling projects that will allow for the future ConRAC and GTC. This will include a new facility with access to landside and airside for existing and future aeronautical tenants. Included in this new facility will be a secure storage area for RTAA Facilities and Maintenance and a main distribution frame (MDF) room to accommodate the future Technology and Information Systems (TIS) infrastructure needs of the airport when the concourse project begins. A new landside snow removal building is also included in the enabling projects to allow the snow team efficient access to their equipment and the areas that need to be serviced. The taxi staging area will be co-located with the transportation network companies staging area to consolidate into a single staging location.

Performance Measure: Upon Board approval of Phase III construction of the ConRAC and GTC facility, begin construction of enabling projects in FY 2023-24 and prepare plan to relocate aeronautical tenants to new facilities by June 2024.

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Department Expenditures:

AIRPORT ECONOMIC DEVELOPMENT

	<u>2021-22 ACTUAL</u>	<u>2022-23 BUDGET</u>	<u>2023-24 BUDGET</u>	<u>BUDGET CHANGE</u>
Personnel Services	\$1,261,115	1,302,700	\$1,300,200	-0.2%
Utilities & Communications	70,628	55,700	77,750	39.6%
Purchased Services	51,294	377,150	713,350	89.1%
Materials & Supplies	8,583	9,220	5,020	-45.6%
Administrative Expenses	29,242	83,245	89,745	7.8%
Total Expenses Before Fixed Assets	1,420,862	1,828,015	2,186,065	19.6%
Property, Plant, and Equipment	56,500	0	0	0.0%
Total Section Expenses	<u>\$1,477,362</u>	<u>\$1,828,015</u>	<u>\$2,186,065</u>	<u>19.6%</u>

OUTSIDE PROPERTIES

	<u>2021-22 ACTUAL</u>	<u>2022-23 BUDGET</u>	<u>2023-24 BUDGET</u>	<u>BUDGET CHANGE</u>
Personnel Services	\$184,104	177,700	\$186,700	5.1%
Utilities & Communications	209,519	174,350	209,200	20.0%
Purchased Services	717,120	998,847	864,021	-13.5%
Materials & Supplies	6,447	5,020	4,200	-16.3%
Administrative Expenses	19,799	16,900	19,900	17.8%
Total Expenses Before Fixed Assets	1,136,990	1,372,817	1,284,021	-6.5%
Property, Plant, and Equipment	6,614	0	0	0.0%
Total Section Expenses	<u>\$1,143,604</u>	<u>\$1,372,817</u>	<u>\$1,284,021</u>	<u>-6.5%</u>

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People, Culture, and Equity

Mission Statement: Support the people and culture of the organization in meaningful ways.

Key Duties and Responsibilities:

- **Employee Events & Engagement:** Oversee the RTAA Culture Club. Provide on-going support to further promote Teamwork for Results, Honesty and Integrity, Respect and Recognition, Inspire and Innovate, Versatility, Enthusiasm for Excellence (THRIVE) values throughout the organization. Expand on existing employee celebrations and achievements and coordinate employee surveys.
- **Recruiting:** Plan and conduct recruiting activities. Maintain a workforce planning program. Utilize succession planning to develop management and hard-to-fill positions. Measure and evaluate key people-related metrics.
- **Onboarding:** Welcome and orient new employees into our workforce and provide managers with a framework for onboarding their new employees.
- **Performance Management:** Solicit feedback of our management and employee users. Provide ongoing performance management training and support managerial efforts to aid in the completion of employee evaluations in a timely manner.
- **Labor Relations:** Provide collective bargaining training to supervisors. Assist in the resolution of routine grievances, disputes and contract interpretation issues, and coordinate contract negotiations.
- **Learning & Development:** Provide appropriate training and development solutions. Plan, schedule, conduct and evaluate training programs and resources, and offer continual training on technology systems.
- **Employee Relations & Coaching:** Partner with management and employees on various employee relations issues, and conduct employee exit interviews, as needed, and share feedback with the organization.
- **Benefits:** Administer employee benefit programs, such as health insurance, PERS, deferred compensation, tuition reimbursement, and worker's compensation.
- **Compensation & Rewards:** Administer employee recognition and incentive awards. Conduct job evaluation studies and make recommendations on job classification changes. Conduct and participate in salary and best practices surveys and conduct a regular compensation

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survey. Revise and update the annual incentive plan for Civil Service Plan (CSP) and Management, as needed.

People, Culture, and Equity Initiatives:

FY 2022-23 Initiatives

1. Recruitment Process Review

Strategic Initiative: People

Long-Term Goal: Employee Satisfaction

Description: Continual analysis of our systems and processes. Work to create efficiencies, reduce time to hire, expand recruitment sources and view each process with a Diversity, Equity, and Inclusion (DEI) lens to attract a more diverse applicant pool. 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 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: While using our above process and system improvements, create measurements to check in with employees at time of hire and shortly after to get feedback on experience and areas for improvement. Enhance communication efforts at multiple points in the recruiting process. Compare feedback quarterly to assess success and identify areas to improve.

Progress: 100% completed. Rolled out a new applicant tracking system (ATS) and migrated all recruiting efforts over to the new platform BreezyHR. Analysis of processes and systems has been done and efforts have been made to streamline the recruiting process. DEI and Equal Employment Opportunity (EEO) data are being tracked and monitored quarterly to ensure compliance and diversity.

2. Performance Management

Strategic Initiative: People

Long-Term Goal: RTAA Leadership Program/Employee Engagement

Description: Implement a new performance management system. Provide training to all

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management and employees based upon their level of access. Perform surveys or feedback gathering sessions with management and employees to get feedback on what they like and what they would like changed. Use a DEI lens to ensure our new process is equitable and fair.

Performance Measure: The new performance management system will be implemented in a phased approach throughout the organization, with the first phase completed by October 31, 2023. By June 30, 2023, selection of a performance management system will be completed through analysis of Performance Management software and current system functionality along with user feedback discussions that will allow us to develop a new, more engaged process.

Progress: 100% complete. An RTAA wide survey was completed, and good feedback was obtained. Focus groups concluded early 2023 and the current system was redesigned and launched as of June 30, 2023.

3. Diversity, Equity, and Inclusion

Strategic Initiative: People

Long-Term Goal: Employee Satisfaction/Workforce Diversity

Description: Maintain and update the RTAA Diversity Plan, adding DEI goals into our recruiting strategy, performance management and training and development. Strengthen our focus on workforce diversity and inclusion to further enrich our workplace and leverage our high-caliber workforce in producing creative and effective solutions that move our organization into the future. Provide continuous education such as a class in unconscious bias and other outreach opportunities to our employees and community.

Performance Measure: Continue to implement strategies outlined in the RTAA Diversity Plan and track progress towards identified goals through data analytics. Review and report progress through June 30, 2023.

Progress: 33% complete. RTAA Diversity Plan for FY 2023-24 included DEI training and awareness. Various factors lead to the delay of all phase of the training and only one-third of the organization completed the training as of June 30, 2023. The other two-thirds will complete training by June 2024.

4. Management Leadership

Strategic Initiative: People

Long-Term Goal: RTAA Leadership Program

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Description: The RTAA Leadership Academy offers a training curriculum with three tracks: leadership skills development, organizational competencies, and technical abilities. After an extensive collaborative process to define needed competencies, classes and modules will be offered by a blend of internal subject matter experts, industry leaders and associations, and external trainers and consultants.

Performance Measure: This initiative will be administered in a phased approach. Upon completion of the blueprint and structure for the program, participants will be participating in a portion of the curriculum tracks by June 30, 2023.

Progress: 50% completed. RTAA revised the program/process (blueprint and structure) and was approved in late spring. RTAA staff developed a list of classes and content and the RTAA Leadership Academy is under way. Enrollment and delivery will begin in Fall of 2024, as various factors resulted in succession planning efforts being delayed.

FY 2023-24 New Initiatives

1. DEI Training

Strategic Initiative: People

Long-Term Goal: Enhancing workforce planning

Description: Update the RTAA Diversity Plan adding DEI goals into our recruiting strategy, performance management, training, and development. Strengthen our focus on workforce diversity and inclusion to further enrich our workplace and leverage our high-caliber workforce in producing creative and effective solutions that move our organization into the future. Provide continuous education such as a class in unconscious bias and other outreach opportunities to our employees and community.

Performance Measure: All RTAA employees will be provided with DEI training and awareness sessions by June 30, 2024. A thorough analysis of the results of the 2023 DEI module in the Employee Culture Survey will be compared to the 2024 results.

2. Compensation & Incentive Pay Analysis

Strategic Initiative: People

Long-Term Goal: Enhancing workforce planning

Description: Market price for each position at the RTAA. Review salary and pay grades and adjust as necessary. Implement a compensation policy around all requested pay analysis and

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organizational redesigns.

In conjunction with Finance, consider alternatives to the existing CSP & Management incentive pay program. Consider both financial award metrics, and the sunseting of the existing gainshare program.

Performance Measure: Present market pricing and salary/pay grade analysis to executive team for approval and communicate a new structure to RTAA by June 2024. In addition, approve and implement a new Bonus/Incentive Plan for CSP & Management and communicate new plan and expectations in FY 2023-24.

3. Employee Culture

Strategic Initiative: People

Long-Term Goal: Continuing to build a strong culture

Description: Identify the gaps between the RTAA’s current organizational culture and the desired culture using an employee survey tool to establish a current baseline. Work with the survey provider to identify the current culture, define the changes required to create the desired culture and build momentum to implement those changes throughout the entire organization.

Performance Measure: Based on the results of the employee culture survey, create an action plan designed to improve the organizational culture and implement at least two strategies from this action plan by June 30, 2024.

4. Management Leadership

Strategic Initiative: People

Long-Term Goal: Encouraging and investing in employee development

Description: The classes and modules RTAA Leadership Academy offers a training curriculum with three tracks: leadership skills development, organizational competencies, and technical abilities. After an extensive collaborative process to define needed competencies, classes and modules will be offered by a blend of internal subject matter experts (SMEs), industry leaders and associations, and external trainers and consultants.

Performance Measure: Develop 50% of curriculum and identify SMEs by January 2024. Developed all content by June 30, 2024.

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Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$1,042,331	1,274,880	\$1,404,350	10.2%
Purchased Services	142,940	125,230	83,840	-33.1%
Materials & Supplies	1,921	10,310	4,660	-54.8%
Administrative Expenses	98,255	185,795	241,610	30.0%
Total Section Expenses	\$1,285,447	\$1,596,215	\$1,734,460	8.7%

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Finance and Administration Division

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

Finance

Mission Statement: To provide financial analysis, accounting, and budgeting services with a focus on effective resource utilization, asset protection, long-term strategic planning, and financial stability. The department is responsible for (1) budgeting and forecasting revenue and expense outcomes, (2) revenue billing and processing, (3) payroll and other bill processing, (4) calculating airline rates, fees, and charges, (5) funding capital improvement project needs, (6) prudent investment management, (7) protecting the organization from internal and external intellectual threats, and (8) providing risk management services through coordination with insurance brokers and securing adequate insurance coverage at reasonable costs.

Key Duties and Responsibilities:

- Coordinate RTAA’s annual operating budget including the forecast of revenues to assist in the establishment of expenditure targets.
- Process accounts payable biweekly including issuing checks and wire transfers to ensure vendors are paid timely and accurately.
- Process payroll biweekly, ensure compliance with all Internal Revenue System (IRS) wage and reporting regulations.
- Prepare accounts receivable invoices and process payments received, manage the aged accounts receivable ledger in collaboration with the Commercial Business Team.
- Record and track fixed asset and capital project expenditures, including construction in progress and recognition of depreciation.
- Record and report all FAA Airport Improvement Program (AIP) grants, CFC and Passenger Facility Charge (PFC) activity.
- Administer TSA grants associated with the canine explosive detection teams and law enforcement officer coverage of the security checkpoints.
- Prepare financial and statistical analysis reports for the Executive Team and Finance and Business Development Committee meetings.
- Calculate airline rates and charges, perform the mid-year review and year-end settlement analysis.

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- 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 PFC program including development of new applications and quarterly reporting.
- Administer RTAA’s investments in accordance with the investment policy focusing on safety, liquidity, and yield.
- Administer and manage RTAA debt pursuant to bond resolutions.
- 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.
- Coordinate work with independent auditors to compile the annual financial statements.
- Set training and staff development goals, encourage staff to take advantage of all appropriate training opportunities.
- Continue to aggressively apply for federal grants and maximize the use of PFCs to fund capital improvement projects.
- Provide financial support to RTAA staff, ad-hoc and standing committees.
- Obtain the Governmental Finance Officer Association’s (GFOA) “Distinguished Budget Presentation” and “Excellence in Financial Reporting” awards.
- Perform risk-based analysis of the organization to determine high priority audit engagements to be included in the Annual Audit Plan.
- Conduct value added performance and fraud risk assessment audits of internal departments and concessionaires focusing on internal controls, accurate reporting, and reducing financial, reputational, and procedural risk.

Finance Initiatives:

FY 2022-23 Initiatives

1. Obtain FAA approval of PFC application #16.

Strategic Initiative: Facilities of the Future

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

Description: Finalize the application for the concourse design project, conduct the public review process and submit official application to FAA.

Performance Measure: Obtain approval from FAA by December 31, 2022.

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Progress: 100% completed. The FAA approved PFC application #16 in April 2023 for the concourse redevelopment project design.

2. Develop a new dashboard report.

Strategic Initiative: Sustainability

Long-Term Goal: Operational Efficiency

Description: Develop a dashboard summarizing monthly operational and financial information.

Performance Measure: Complete the report by June 30, 2023.

Progress: Partially completed. The dashboard development process continues in FY 2023-24 and is expected to be completed by June 30, 2024.

Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$1,610,636	1,795,600	\$1,904,100	6.0%
Purchased Services	204,398	291,300	264,100	-9.3%
Materials & Supplies	12,319	13,200	12,700	-3.8%
Administrative Expenses	21,896	50,600	49,200	-2.8%
Total Section Expenses	\$1,849,248	\$2,150,700	\$2,230,100	3.7%

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Purchasing and Materials Management

Mission Statement: To ensure that all goods and services required to operate RNO and 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 and regulations.

Key Duties and Responsibilities:

- Purchase goods and services needed for day-to-day operation in a timely, cost-effective manner in compliance with applicable laws and regulations.
- Comply with the requirements for competitive bidding contained in Nevada Revised Statute (NRS) 332 and 338 and the Airport Improvement Project Handbook when preparing solicitations.
- Order and receive stock inventory to support RTAA operations, and review items in warehouse inventory to establish appropriate items and stock levels.
- Inventory stored property and assist Departments/Divisions in identifying property for continued storage, addition to stock, or disposal.
- 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.
- Ensure proper licensing and recording of all RTAA driver-operated vehicles and designated equipment with the Department of Motor Vehicles.
- 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 managing solicitations [Request for Expression of Interest (REOI), Invitation to Bid (ITB), RFP, and RFQ].
- Coordinate and administer RTAA's use of the Nevada Government eMarketplace (NGEM) web-based solicitation system including issuing new solicitations and encouraging vendor registration.
- Coordinate and administer RTAA's expense Contracts; maintain contract templates through coordination with legal counsel.
- Provide continuous training for all RTAA employees on purchasing modules in the Enterprise Resource Planning (ERP) system including Purchasing Card (pCard), purchase requisitions and contracts, as well as on the proper procurement policies of goods and services.
- 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.

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Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>CHANGE</u>
Personnel Services	\$758,333	\$713,200	\$781,600	9.6%
Purchased Services	2,653	9,300	6,600	-29.0%
Materials & Supplies	9,396	12,255	7,850	-35.9%
Administrative Expenses	<u>13,483</u>	<u>18,680</u>	<u>19,310</u>	<u>3.4%</u>
 Total Expenses Before Fixed Assets	 783,864	 753,435	 815,360	 8.2%
 Property, Plant, and Equipment	 10,848	 10,000	 22,684	 126.8%
 Total Section Expenses	 <u><u>\$794,712</u></u>	 <u><u>\$763,435</u></u>	 <u><u>\$838,044</u></u>	 <u><u>9.8%</u></u>

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Technology and Information Systems

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
 - ✓ 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, CUPPS, and Closed-Circuit Televisions (CCTV) including project management for upgrades.
- Comply with Purchasing Card Industry (PCI) security and privacy standards, as well as NRS 597.970 Electronic Data Privacy requirements.
- Implement and audit policies and procedures designed to further protect the RTAA's systems and data.

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Technology and Information Systems Initiatives:

FY 2022-23 Initiatives

1. Replace Enterprise Asset Management (EAM) System.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Technology Integration

Description: This initiative provides for the replacement of RTAA’s EAM System. This will involve an extensive needs analysis and evaluation of the existing system, business processes, and historical data. A suitable replacement will then be selected, implemented, and supported. The project is anticipated to last 18-24 months, complete project installation and data migration by June 30, 2024.

Performance Measure: Complete analysis, design, and product selection by June 30, 2023.

Progress: 100% completed. Project team met and selected JFC Associates, to upgrade the current EAM system (Maximo). Phase I upgrade is complete as of June 30, 2023. Phase II will begin in FY 2023-24.

2. Replace Data Communications Network Infrastructure.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Technology Integration

Description: This project consists of the acquisition, configuration and installation of data communications networking hardware and software at all RTAA facilities. Equipment will be interconnected with existing and newly installed fiber optic cabling. The upgraded system will provide enhanced speed, security, and fault tolerance.

Performance Measure: Replace 100% of equipment by June 30, 2023.

Progress: 90% completed. RTAA staff ordered all hardware in July 2022, final equipment was received in May 2023. Implementation planning with the vendor began in November 2022 and replacement of equipment is anticipated to be completed in August 2023.

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3. Implement Enterprise Data Warehouse and Business Intelligence.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Technology Integration

Description: This initiative involves researching and implementing a data warehousing solution with business intelligence tools. This will involve conducting a needs analysis, product research, selection, implementation, database interfacing, report writing, and data validation. This will be a 12–18-month initiative, complete implementation by December 31, 2023.

Performance Measure: Complete research and product selection by June 30, 2023.

Progress: 100% completed. RTAA staff researched and selected EASE as the vendor. Implementation is in process for a 24-month period to develop the dashboards and metrics desired by RTAA.

FY 2023-24 New Initiatives

1. Video Surveillance Camera Replacement

Strategic Initiative: Safety and Security

Long-Term Goal: Considering Design and Technology as Opportunities

Description: Replace (20) legacy video surveillance cameras of various makes and models, as well as updating the supporting cable infrastructure. Cameras will be replaced with modern Axis or equivalent Internet Protocol (IP) cameras of various models depending on operational need. All supporting cable infrastructure will be installed per developed standards.

Performance Measure: Replace approximately 20 cameras and cabling infrastructure by June 2024.

2. Internet Firewall Replacement

Strategic Initiative: Safety and Security

Long-Term Goal: Considering Design and Technology as Opportunities

Description: Replace the SonicWall with a more robust firewall solution for enhanced cyber protection, improved bandwidth, and functionality. This will enhance security and allow for improved operations such as hosted Voice Over Internet Protocol (VOIP) telephone service and

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other technologies.

Performance Measure: Install new firewall and have full functionality by June 30, 2024.

3. Passenger Flow Monitoring System

Strategic Initiative: Customer Service

Long-Term Goal: Embracing Technology and Industry Process Changes

Description: The initiative consists of the purchase of hardware and software to provide passenger flow and wait times monitoring throughout the TSA check-point area and potentially other limited areas of the concourse. This will be a pilot project to determine further extending the technology to include curbside, ticketing hall, and baggage areas.

Performance Measure: Purchase hardware and software to monitor passenger wait times in TSA checkpoint by June 30, 2024.

4. Surveillance Video Storage Replacement

Strategic Initiative: Safety and Security

Long-Term Goal: Considering Design and Technology as Opportunities

Description: Continue to upgrade the video security surveillance video storage system which is an integral part of airport security. Management and support of the video surveillance system is necessary to maintain safety and security of the airport and improvements to this system help to accomplish that mission.

Performance Measure: Install new hardware and have full functionality by June 30, 2024.

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Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$1,675,185	2,031,700	\$2,078,900	2.3%
Utilities & Communications	430,910	425,000	445,000	4.7%
Purchased Services	1,254,873	2,129,111	2,272,509	6.7%
Materials & Supplies	581,127	637,787	805,489	26.3%
Administrative Expenses	14,643	55,300	60,533	9.5%
Total Expenses Before Fixed Assets	3,956,739	5,278,898	5,662,431	7.3%
Property, Plant, and Equipment	193,346	350,000	130,000	-62.9%
Total Section Expenses	<u>\$4,150,085</u>	<u>\$5,628,898</u>	<u>\$5,792,431</u>	<u>2.9%</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 appealing travel experience of the flying public. The operations and public safety division will effectively mitigate, prepare, respond, and recover from an all-hazards approach. This is accomplished by planning, training, and exercising our personnel to minimize the loss of lives and property. To ensure that RNO and RTS comply with all Federal, State, and local regulations to include Federal Aviation Regulations (FAR) Part 139 and Transportation Security Regulations (TSR) 1542. To manage and coordinate all airside and landside operations and functions. To plan, develop, and operate the RTS.

The Operations and Public Safety Team is a dedicated group of individuals responsible for the life safety of the RNO/RTS staff, the traveling public, and tenant employees. 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 events, the Operations and Public Safety team coordinates the daily operations activities of landside and airside of the RNO and RTS locations. This includes a working relationship with the airlines, concessionaries, and tenant business partners. Some of these functions include gate utilization, passenger challenges, airfield operations, construction coordination, winter weather operations and wildlife hazard mitigation. The Operations and Public Safety team coordinates and communicates with local, state, and federal agencies and supports numerous special events to include the Reno Championship Air Races

Operations and Public Safety Administration

Mission Statement: Ensure leadership and direction in managing, coordinating, and integrating all aspects of RTS, Airport Fire, Airside Operations, Landside Operations, Airport Police, Airport Communications, Airport Security, Terminal Operations and Emergency Management in compliance with regulations for an efficient, safe, and seamless experience for all users.

Key Duties and Responsibilities:

- Provide direction, establish, and maintain a cohesive working relationship. This is to ensure interoperability for all operations departments: Airport Fire, Airside Operations, Airport Communications, Landside Operations, Airport Police, Airport Security, Terminal Operations, and Emergency Management.
- Ensure RNO is continually in compliance with 14 Code of Federal Regulations (CFR) 139 Certification of Airports and 14 CFR 1542 Airport Security.
- Successfully complete a Part 1542 annual security exercise.

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- 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.
- Ensure the safe, secure, and effective operation of the airport during non-business hours.
- Sustain and increase net revenue for ground parking and transportation.
- Provide timely communication to RTAA staff and tenants about situations that may negatively impact airport operations.
- Sustain decision-grade information/situation reporting.
- Train for and expand emergency response capabilities.
- Ensure operational readiness of the Airport Fire 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 Airport Police department including participation in the 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 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.
- Plan and prepare the RTAA Operations Staff for a Safety Management System as recommend by the FAA.
- Publish and train staff on the Airport Emergency Plan (AEP).
- Effectively orient and train new organizational leaders on Operational Division missions, constraints, restrictions, and opportunities.
- Provide superior management to staff, tenants, aviation users and the general public throughout the airport.

Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$400,765	\$767,300	\$865,400	12.8%
Purchased Services	55,396	65,050	88,999	36.8%
Materials & Supplies	766	5,950	19,120	221.3%
Administrative Expenses	10,281	40,810	70,729	73.3%
Total Section Expenses	\$467,208	\$879,110	\$1,044,248	18.8%

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Airside Operations

Mission Statement: Ensure a safe and efficient means of integrated transportation for the public within the 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 AEP and other airport Standard Operating Procedures (SOP's).
- Provide staff training on the revised AEP.
- Work alongside Airport Fire, Facilities and Maintenance Administration, Airport Police, and Airport Security for all routine and emergency calls.
- Successfully complete Airside Operations duties as part of the 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 United States Department of Agriculture (USDA).
- Develop and administer airfield driving regulations and airport rules and regulations.
- 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 the goal of achieving training compliance per Part 139 Specifications.

Airside Operations Initiatives:

FY 2022-23 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

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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 (4) discrepancies noted by the FAA.

Progress: 100% completed. Inspection was completed in September 2022 with two Letter of Investigation (LOI's) issued for discrepancies. Corrective actions taken for each finding and official Closeout Letter from FAA was issued on May 12, 2023.

2. Complete Wildlife Hazard Management - Firearm training.

Strategic Initiative: Safety and Security

Long-Term Goal: FAA Part 139 Compliance

Description: USDA will conduct recurrent and initial as needed for Firearm Training of all Airport Duty Managers (ADM's). This recurrent training will authorize all ADM's to discharge firearms on airfield for wildlife control.

Performance Measure: Conduct Training by June 30, 2023.

Progress: 100% completed. All ADMs completed training in April 2023.

FY 2023-24 New Initiatives

1. Review and Update Annual WHMP.

Strategic Initiative: Safety and Security

Long-Term Goal: Extending security and safety plans and training beyond what is legally required

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. Ensure that WHMP is reviewed every (12) twelve consecutive calendar months (CCM) for 2023 prior to RNO annual FAA Part 139 Inspection. This was one of the findings noted in the 2022 inspection, to be measured by receipt of the official FAA Letter of Approval.

Performance Measure: Review the WHMP every twelve CCM for 2023.

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Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$1,345,944	\$1,349,500	\$1,425,500	5.6%
Purchased Services	79,832	71,000	145,469	104.9%
Materials & Supplies	23,022	21,525	30,190	40.3%
Administrative Expenses	2,734	50,050	46,050	-8.0%
Total Expenses Before Fixed Assets	1,451,532	1,492,075	1,647,209	10.4%
Property, Plant, and Equipment	0	49,912	182,157	265.0%
Total Section Expenses	<u>\$1,451,532</u>	<u>\$1,541,987</u>	<u>\$1,829,366</u>	<u>18.6%</u>

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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 (GT) 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 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 (TNC) such as Uber and Lyft and adjust operating guidelines and technology.
- Operating a 24/7 shuttle service to airline and tenant employees that park in the remote employee lot.

Landside Operations Initiatives:

FY 2022-23 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 \$ 15,600,000 during FY 2022-23.

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Progress: 100% achieved. Revenue for public parking and ground transportation registered at \$18,236,664, as of June 30, 2023.

Department Expenditures:

	<u>2021-22</u> <u>ACTUAL</u>	<u>2022-23</u> <u>BUDGET</u>	<u>2023-24</u> <u>BUDGET</u>	<u>BUDGET</u> <u>CHANGE</u>
Personnel Services	\$1,321,279	\$1,952,232	\$2,056,617	5.3%
Purchased Services	872,210	494,500	551,800	11.6%
Materials & Supplies	40,301	92,185	77,835	-15.6%
Administrative Expenses	<u>365,804</u>	<u>381,516</u>	<u>515,066</u>	<u>35.0%</u>
 Total Expenses Before Fixed Assets	 2,599,595	 2,920,433	 3,201,318	 9.6%
 Property, Plant, and Equipment	 0	 48,650	 134,611	 176.7%
 Total Section Expenses	 <u><u>\$2,599,595</u></u>	 <u><u>\$2,969,083</u></u>	 <u><u>\$3,335,929</u></u>	 <u><u>12.4%</u></u>

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Airport Fire

Mission Statement: Provide the highest possible level of service in fire suppression, rescue, prevention, and emergency medical care. We provide these lifesaving services promptly and safely, to any person who reside, work, or visit RTAA properties and surrounding jurisdictions. 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 Airport Fire 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 RTS.
- Provide aircraft refueling vehicle inspection training for all Airport Fire department 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 and Battalion Chiefs 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 and OSHA safety training and familiarize with new AEP procedures.
- Train with local mutual aid agencies focusing on equipment capabilities, communications, incident command procedures and Airport Fire firefighting techniques.

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Airport Fire Initiatives:

FY 2022-23 Initiatives

1. Conduct an FAA Part 139 triennial full-scale exercise.

Strategic Initiative: Safety and Security

Long-Term Goal: FAA Part 139 Compliance

Description: FAA Part 139, Certification of Airports requires a Triennial Full-Scale exercise to maintain a Commercial Operating Certificate.

Performance Measure: Complete tabletop exercise with at least 25 participating agencies.

Progress: 100% completed. The 2023 FAA Part 139 Triannual Full-Scale exercise was completed on May 24, 2023, with Fifty (50) participating outside agencies.

FY 2023-24 New Initiatives

1. Place new Rosenbauer Panther 1500 in service at RNO.

Strategic Initiative: Safety and Security

Long-Term Goal: Extending security and safety plans and training beyond what is legally required.

Description: FAA Part 139, Certification of Airports requires a minimum of rescue and firefighting equipment and agents. The Rosenbauer Panther 1500 is a Crash Rescue Fire apparatus with a 1500-gallon water tank capacity, and dry chemical extinguishing agent. This apparatus will be in service to maintain index per Part 139.

Performance Measure: To obtain the Rosenbauer Panther 1500 in good working order from the manufacturer and provide training to all Airport Fire personnel.

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Department Expenditures:

	2021-22 ACTUAL	2022-23 BUDGET	2023-24 BUDGET	BUDGET CHANGE
Personnel Services	\$3,718,906	\$4,539,668	\$5,422,800	19.5%
Purchased Services	10,001	155,195	299,011	92.7%
Materials & Supplies	198,299	256,118	263,216	2.8%
Administrative Expenses	94,547	149,657	158,665	6.0%
Total Expenses Before Fixed Assets	4,021,753	5,100,638	6,143,692	20.4%
Property, Plant, and Equipment	288,086	140,682	146,558	4.2%
Total Section Expenses	<u>\$4,309,839</u>	<u>\$5,241,320</u>	<u>\$6,290,250</u>	<u>20.0%</u>

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Airport Police

Mission Statement: The mission of the Airport Police department (APD) is to provide a safe secure environment for all persons traveling and working at the RTAA. The Airport Police department is a state certified and nationally accredited agency whose sworn members provide comprehensive law enforcement and security services for the RTAA and routinely assist other federal, state, and local agencies. The officers exercise all the same powers of arrest as any other local or state police agency in enforcing laws and regulations on airport property. The APD members are tasked with taking direct enforcement actions in support of the regulations and initiatives as described in FAR Part 139 and TSR 1542.

Key Duties and Responsibilities:

The airport police take an active role in all aspects of law enforcement, security, and safety in the following areas:

- Provide enforcement for the Airport Security Program (ASP).
- Enforcement of state and federal aviation regulations as indicated in FAR Part 139, TSR 1542, RNO regulations and rules, and all criminal areas of the NRS.
- Conduct proactive patrols on foot and in patrol vehicles looking for potential hazards and possible criminal activity and providing service to the traveling community.
- Conduct criminal and non-criminal investigations including security incidents, property damage reports, aircraft disturbances, vehicular, felony and misdemeanor crimes.
- Conduct interviews and interrogations.
- Make probable cause arrests, with the use of physical force as necessary.
- Write criminal, security incident, and emergency incident reports.
- Interact with local/state/federal agencies and partner in intelligence gathering, crime prevention, and response to large scale emergencies.
- Assist with public safety escorts and Very Important Person (VIP) detail escorts in restricted areas.
- Cooperate with Federal law enforcement task forces and Department of Homeland Security (DHS) and TSA initiatives.
- Coordinate services with the city and district attorney's offices to serve court orders, obtain and execute arrest warrants and bring cases to successful prosecution.
- 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.).
- Participate and comply in the TSA National Explosive Detection Canine Team Program.

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- Maintain certification with national standards in affiliation with the CALEA.
- Provide law enforcement support for Customs and Border Patrol during arriving international flights.

Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$4,116,517	\$4,000,045	\$4,679,700	17.0%
Purchased Services	13,527	25,761	53,522	107.8%
Materials & Supplies	78,759	73,115	127,617	74.5%
Administrative Expenses	41,988	63,270	106,600	68.5%
Total Expenses Before Fixed Assets	4,250,791	4,162,191	4,967,439	19.3%
Property, Plant, and Equipment	214,161	0	213,174	%
Total Section Expenses	\$4,464,952	\$4,162,191	\$5,180,613	24.5%

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Airport Communications

Mission Statement: Coordinate the communications and notification needs of the RTAA related to operations, security, and maintenance; provide effective customer service and support to staff, tenants, customers, and supporting entities; prepare to act decisively to protect life and property by receiving and documenting information and making appropriate notifications regarding 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 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 department station, and Nevada Air National Guard.
- Notify the Airport Police and Airport Fire department dispatch center in order that these agencies be dispatched to emergencies and other requests for assistance.
- Dispatch Airport Security to reports of breaches and violations.
- Notify ADMs of Operations-related incidents and issues.
- 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, National Transportation Safety Board (NTSB), and USDA.
- Activate a Public Alerts and Warning System and overhead paging system for emergencies.
- Coordinate activities of Security, Operations, and Maintenance personnel during emergencies and major events.
- Ensure the EOC is continuously prepared to activate at a moment’s notice for an emergency.
- Activate emergency alert notifications, recall essential personnel, and open the EOC.
- Provide staffing for the Incident Communications position in the EOC and 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.
- Maintain training and proficiency certification on AirCom software and hardware.

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Airport Communications Initiatives:

FY 2022-23 Initiatives

1. Focus on improving airport security, customer service and operations responsibilities.

Strategic Initiative: Safety and Security

Long-Term Goal: Emergency-Response Preparedness

Description: Airport Communications will continue to train at the level of a public safety emergency communications center, focus will shift to improving professional relationships, procedures, and processes in regard to Airport Police, Airport Security, Airside Operations, and other RTAA departments to whom it provides dispatch and coordination services. Airport Communications will work closely with all internal customers to determine what is the most effective way to provide the best service possible. Will interview departments to streamline services and coordinate all responses.

Performance Measure: Meet with RTAA departments involved and make changes to our SOP's based on departments feedback by June 30, 2023.

Progress: 100% completed. The Manager of Airport Communications met with the following departments: Airport Police, Airport Fire, Airside Operations, Airport Security, Airfield Maintenance, Director of Airport Operations, Airport Emergency Manager, and the City of Reno dispatch. SOPs were discussed and changes were made, however, the SOP document is dynamic and will continue to be refined.

2. Coordination of the impact of the Washoe County Radio Communications System upgrade.

Strategic Initiative: Safety and Security

Long-Term Goal: Emergency-Response Preparedness

Description: Washoe County Radio Communications System will upgrade its system by FY 2023-24 as part of a statewide radio system improvement plan. All RTAA radios will be affected in some way through replacement, upgrades, or re-programming. Airport Communications will coordinate with Washoe County on the implementation of a communications upgrade work plan. Preparations for this rollout will include upgrading our existing radio inventory that can be upgraded, ordering the proper number of new radios, and ensuring that our radios are properly allocated throughout RTAA staff.

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Performance Measure: The following goals have been established to monitor and report the progress of this initiative in FY 2022-23:

- ✓ Obtain all requisite budget numbers by June 30, 2023.
- ✓ Have 100% of upgradable radios to be reprogrammed or scheduled to be reprogrammed by transition time.
- ✓ Have 100% of new radios on order or earmarked with Washoe County for order.

Progress: 100% completed. The county has pushed back the completion of this project to December of 2025. RTAA started the coordination with the county regarding the replacement of new radios. RTAA is replacing approximately 10% of radios in FY 2023-24, 40% in FY 2024-25 and 50% in FY 2025-26. Airport Communications coordinated with all departments who need radios and created a road map. Each department in need of new radios budgeted accordingly in FY 2023-24.

FY 2023-24 New Initiatives

1. POST Training for Airport Communications Specialists – Dispatcher Basic Training

Strategic Initiative: Safety and Security

Long-Term Goal: Extending security and safety plans and training beyond what is legally required

Description: This is a basic training course for law enforcement dispatchers. Now that Airport Communications is highly focused on working with Airport Police to provide the finest dispatching service possible, it is imperative that we train to the standards as other Public Safety Answering Points (PSAPs). This training class requires each Airport Communications Specialist to take a 160-hour training course, tailored to Nevada Law Enforcement procedures and standards. Our goal is to have seven out of eleven specialists complete training by June 30, 2024.

Performance Measure: Complete POST training for seven out of eleven Airport Communication Specialists by June 30, 2024.

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Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$1,256,512	\$1,364,300	\$1,521,500	11.5%
Purchased Services	139,614	157,621	261,205	65.7%
Materials & Supplies	14,978	32,800	40,300	22.9%
Administrative Expenses	16,826	23,450	22,400	-4.5%
Total Section Expenses	\$1,427,929	\$1,578,171	\$1,845,405	16.9%

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Airport Security

Mission Statement: Provide airport security services to ensure RNO provides a secure facility in accordance with U.S. Code of Federal Regulations, Part 1542, and other TSA security directives.

Key Duties and Responsibilities:

- Write, maintain, and ensure compliance with the TSA approved ASP.
- 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 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.

Airport Security Initiatives:

FY 2022-23 Initiatives

1. Pass TSA 1542 Inspections

Strategic Initiative: Safety and Security

Long-Term Goal: TSA Part 1542 Compliance

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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 1542 Airport Security Inspection with no Letters of Investigation (LOI).

Progress: 100% completed. TSA conducted multiple inspections on RNO in various areas of security throughout FY 2022-23. No findings or LOI’s were issued.

Department Expenditures:

	2021-22 ACTUAL	2022-23 BUDGET	2023-24 BUDGET	BUDGET CHANGE
Personnel Services	\$1,740,909	\$1,820,800	\$1,961,200	7.7%
Purchased Services	21,045	42,200	58,360	38.3%
Materials & Supplies	49,877	62,750	66,300	5.7%
Administrative Expenses	3,318	15,600	15,450	-1.0%
Total Expenses Before Fixed Assets	1,815,148	1,941,350	2,101,310	8.2%
Property, Plant, and Equipment	16,781	0	16,000	%
Total Section Expenses	<u>\$1,831,929</u>	<u>\$1,941,350</u>	<u>\$2,117,310</u>	<u>9.1%</u>

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Terminal Operations

Mission Statement: It is the mission of the Terminal Operations division to ensure a safe, secure, and smooth travel experience for all customers. This division is a dedicated group of individuals that assist in the safety of the traveling public and tenant employees at RNO. This responsibility is met through planning, training, and equipping of the RNO staff for specific terminal situations.

In addition to responding to emergency situations, the Terminal Operations team coordinates daily routine operational activities within the terminal that includes reporting anything that can be hazardous to passengers, engaging with airlines, concessionaires, tenants; business partners and the public on areas such as passenger issues, construction coordination, and any terminal impacts.

Key Duties and Responsibilities:

- Provide customer service to the traveling public and airport tenants.
- Assist with all international airline arrival flights at the Federal Inspection Service (FIS) building.
- Assist with maintaining a secure, and effective operation of the terminal.
- Communicate to any RTAA staff and/or tenants on a timely basis about situations that may negatively impact safe, secure, efficient terminal operations.
- Publish and train staff on the AEP.
- Attend necessary meetings both within and outside RTAA to provide input and gather information on terminal.
- Manage terminal facilities and notify the appropriate parties to remedy discrepancies.
- Manage passenger-related flight information through terminal monitors.

Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$0	\$0	\$295,200	100%
Purchased Services	0	0	391,021	100%
Materials & Supplies	0	0	38,500	100%
Administrative Expenses	0	0	11,900	100%
Total Section Expenses	\$0	\$0	\$736,621	100%

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Reno – Stead Airport

Mission Statement: 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 RTS 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 AED to increase revenue opportunities at RTS.
- Provide required 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 RTS.

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- Sustain readiness to execute the AEP.
- 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.

Reno – Stead Airport Initiatives:

FY 2022-23 Initiatives

1. Accommodate aeronautical requests for airfield use at RTS.

Strategic Initiative: General Aviation

Long-Term Goal: GA User Needs and Market Demand

Description: 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 2022-23.

Progress: 100% completed. RTS staff accommodated 19 of 20 aeronautical requests, as of June 30, 2023.

2. 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, 2023.

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Progress: 100% completed. RTS staff hosted (11) eleven Food Bank of Northern Nevada distribution points, (3) three Stead User Association meetings, (2) two Young Eagle events, (2) two Experimental Aircraft Association (EAA) events, (1) Commemorative Air Force event, and numerous group meetings in the Stead Community Room.

3. Reduce Wildland Fire Fuel sources and maintain Firebreak network on RTS property.

Strategic Initiative: Safety and Security

Long-Term Goal: Risk Management and Business Continuity

Description: Proactively engage with the county and state to actively utilize available programs to prevent and reduce the threat of wildland fire fuel sources on RTS property. Continue to maintain the firebreak network already in place on property.

Performance Measure: Zero wildland fire outbreaks on Stead Airport property for FY 2022-23.

Progress: 100 % achieved. During FY 2022-23 RTS property did not experience any wildland fire outbreaks. RTS staff is now participating in the Nevada Division of Forestry Wildland Fire Protection Program.

FY 2023-24 New Initiatives

1. Support General Aviation Groups and Aviation Educational Activities.

Strategic Initiative: General Aviation

Long-Term Goal: Balancing the needs of the diverse types of users and operational categories at RTS

Description: General Aviation (GA) includes all civil and military operations other than scheduled passenger and cargo airline operations. To foster and encourage GA services, safety, education, 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 groups and aviation education and safety at RTS.

Performance Measure: RTS will accommodate 85% of all aeronautical requests for ramp, terminal space use by GA groups, safety seminars, and aviation educational events during FY 2023-24.

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2. Promote and Safely Maintain Stead UAS Test Range.

Strategic Initiative: General Aviation

Long-Term Goal: Balancing the needs of the diverse types of users and operational categories at RTS

Description: Proactively engage with the UAS community and the State of Nevada/UNR test site office to position Stead as a valued community partner by facilitating safe operating procedures and safely increase the use of RTS test site activities.

Performance Measure: Develop agreement with UNR to promote RTS UAS test range and safety procedures by June 30, 2024.

3. Hangar Site Development.

Strategic Initiative: General Aviation

Long-Term Goal: Balancing the needs of the diverse types of users and operational categories at RTS

Description: RTS is not meeting the local market demand for GA hangar space and as a result has a large waiting list of aircraft owners wanting to hangar their aircraft at RTS.

Performance Measure: Support and progress in the establishment of utility services (electric/gas) for accommodating hangar development in the west end “O - Block” area by completing a capacity study for build out usage by June 2023.

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Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>CHANGE</u>
Personnel Services	\$730,668	752,700	\$861,000	14.4%
Utilities & Communications	134,065	146,000	193,100	32.3%
Purchased Services	66,976	99,370	85,250	-14.2%
Materials & Supplies	106,016	150,800	177,350	17.6%
Administrative Expenses	<u>3,656</u>	<u>13,750</u>	<u>20,300</u>	<u>47.6%</u>
 Total Expenses Before Fixed Assets	 1,041,381	 1,162,620	 1,337,000	 15.0%
 Property, Plant, and Equipment	 35,715	 0	 0	 0.0%
 Total Section Expenses	 <u>\$1,077,095</u>	 <u>\$1,162,620</u>	 <u>\$1,337,000</u>	 <u>15.0%</u>

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Planning and Infrastructure Division

Mission Statement: Oversee Facilities and Maintenance Administration, Airfield Maintenance, Building Maintenance, Planning & Environmental Services and the Engineering & Construction departments for the planning, design, construction, and maintenance of all existing RTAA owned facilities and development of new capital projects at RNO and RTS. Oversee the MoreRNO Program and the Executive Program Management (EPM) program. 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 MoreRNO Program.
- Oversee and provide support to the Building and Airfield Maintenance Departments.
- Oversee and provide support to the Airfield Maintenance Department.
- Oversee and provide support to the Planning and Environmental Department.
- Oversee and provide support to the Engineering and Construction Department.
- Oversee the EPM program.
- Oversee the full life cycle of all RTAA owned buildings and assets from planning, design, construction, and maintenance.
- 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 AIP, PFC, Supplemental, and other grant programs available.
- 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.
- Approve the submittal of the annual Airport Capital Improvement Program (ACIP) for RNO and RTS.
- Liaison for the Disadvantage Business Enterprise (DBE) program.

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Planning and Infrastructure Initiatives:

FY 2022-23 Initiatives

1. Program Manager Office (PMO)

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: The Director of the PMO will oversee the More RNO program consisting of all the passenger facing projects. The projects include Ticketing Hall Expansion, Loop Road Reconstruction, ConRAC Construction, RTAA Headquarters and Public Safety Center, Landside Identified projects, Concourse B & C Reconstruction & Expansion, and Terminal Mezzanine Remodel. Other projects may fold under the PMO that are outside the MoreRNO projects. The requirement for this position depends on the alternative selected for the Concourse Renovation project.

Performance Measure: Hire the Director for the Program Manager Office by June 30, 2023.

Progress: 100% complete. The title of the PMO has changed to EPM and was contracted out. Red Brick Consulting was selected as the EPM and approved at the April 13, 2023, Board Meeting.

FY 2023-24 New Initiatives

1. EPM Integration

Strategic Initiative: Facilities for the Future

Long-Term Goal: Modernizing the RNO Terminal Building

Description: The EPM will be a contracted services consultant and is intended to begin consulting services in April 2023. The goal is to integrate the EPM into all the departments involving their services. Create a roadmap for the EPM for the projects during FY 2023-24 and look at the projects in FY 2024-25.

Performance Measure: Develop the roadmap with the EPM for the support services for Design, Construction, Project Controls, and Logistics for the MoreRNO program.

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Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$384,377	\$581,404	\$441,500	-24.1%
Purchased Services	4,007	130,650	4,650	-96.4%
Materials & Supplies	2,481	5,750	6,100	6.1%
Administrative Expenses	4,976	7,512	10,375	38.1%
Total Section Expenses	\$395,841	\$725,316	\$462,625	-36.2%

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Planning and Environmental Services

Mission Statement: Develop, maintain, and update the programs for the future orderly development of RNO and 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.
- Implement Airport Master Plan projects for RNO and RTS.
- Operate and maintain an enterprise Geographic Information System (GIS).
- Coordinate with FAA on various capital improvement projects.
- Prepare and submit to the FAA the annual ACIP, Obstruction Evaluations/ Airport Airspace Analyses for RTAA-led projects, and ALP updates for RNO & RTS.
- Assist with conversion of under-utilized vacant land into revenue producing uses and the disposal of land not needed for airport purposes.
- Coordinate with outside agencies and internal stakeholders regarding aviation development planning, land development planning, and land use planning.
- Review development proposals and regulation and code changes from neighboring jurisdictions, which could impact the safe and efficient operations at both airports, due to potential noise, height, and safety issues.

Environmental

- Coordinate environmental planning programs including the Environmental Management System.
- Facilitate airport and tenant compliance with NEPA, as required by the FAA, for on-airport projects.
- Oversee environmental compliance and regulatory programs including the annual stormwater pollution prevention inspections of airport and tenant facilities, annual updates of water rights recognition, annual regulated garbage compliance agreement and quarterly inspections pursuant to USDA, Animal and Plant Health Inspection Services (APHIS), and CBP.
- Oversee the RTS Solvent Site consent decree remediation program.
- Identify and monitor underground and aboveground storage tanks for RTAA and tenants with tanks on RTAA property.
- Evaluate and coordinate the proposed use of alternative energy sources.

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- Coordinate the Annual Sustainability Report.
- Analyze, track, and monitor new FAA flight procedures and changes.
- 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 calls.
- Facilitate noise-related topics and environmental reporting at the Airport Sustainability Advisory Committee.

Planning and Environmental Services Initiatives:

FY 2022-23 Initiatives

1. Complete RNO Workspace Study, Phase 2 (Administrative Headquarters and Police Station)

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: Phase 1 of the RNO Workspace Study was completed in April 2022. The scope of work included an evaluation and recommendations for the administrative workspaces for RTAA staff based at RNO. Phase 2 of the RNO Workspace Study is focused on the relocation and expansion of the Administrative Headquarters and the Police Station. The goal of Phase 2 is to solidify the location, size, and scope of a future Administrative Headquarters and Police Station and enable staff to move forward with design and construction, pending future funding.

Performance Measure: Complete the study by February 2023.

Progress: 100% completed. The Board approved the study recommendations in April 2023; the study was finalized in May 2023 and transitioned to design, led by the Engineering & Construction department.

2. Complete United States Army Corps of Engineers (USACE) Wetland & Jurisdictional Waters of the United States (US) Re-Verification

Strategic Initiative: Financial Diversification & Growth

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Long-Term Goal: Land Development at RNO

Description: The current USACE Jurisdictional Determination (JD) expires December 2022. All RNO projects requesting approval or funding from the FAA require verification of JD status and an evaluation of the project’s potential direct and indirect impacts on Waters of the US. This includes third-party development projects as well as FAA AIP and PFC funded projects.

Performance Measure: Receipt of updated RNO JD prior to December 2022.

Progress: 100% completed. All required documentation was submitted to the USACE in November 2022. Final determination is still pending as of June 16, 2023.

FY 2023-24 New Initiatives

1. Complete RTAA GIS Needs Assessment & Inventory, Phases 1-2.

Strategic Initiative: Safety and Security

Long-Term Goal: Considering design and technology as opportunities

Description: The existing RTAA GIS relies upon specialized, now dated, open-source software that was initially set up by a prior consultant. This technology is best described as boutique and has not grown or kept pace with industry standards. The RTAA GIS Needs Assessment & Inventory will allow the RTAA GIS to be configured with other technology systems in an enterprise environment and will make the GIS easier to use and more convenient for TIS to work on any future issues involving disparate software’s needing access to GIS data sets. This 4-phase project includes an inventory of the RTAA geospatial footprint (Ph. 1), an implementation plan to develop enterprise architecture and configurations (Ph. 2), a technology roadmap to address future expansion and integration with the TIS digital roadmap (Ph. 3), and implementation of the identified architecture and deployment plans (Ph. 4). Phase 3-4 will be initiated in FY 2024-25.

Performance Measure: Complete Phases 1-2 by June 2024.

2. Submit RNO ALP Update to FAA for More RNO Projects.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Replacing RNO Concourses, Modernizing the RNO Terminal Building, Construction and Modifying the RNO Airfield.

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Description: The existing RNO ALP, approved by the FAA in January 2019, does not include all the MoreRNO projects. In order to qualify for federal funding sources (FAA AIP grants, BIL Airport Infrastructure Grant (AIG) & Airport Terminal Program (ATP) grants, PFC funding, and community funding AKA earmarks), projects must be identified on an FAA approved ALP. The apron and airfield work associated with the concourse redevelopment work will require approval through the FAA ALP process, prior to receipt of construction grant funding. Additionally, this effort will address new information since the 2019 ALP including the Terminal Way entrance and exit changes, the Admin Head Quarters and Police Facility, the Central Utility Plant (CUP), new overflow parking lots, updates to the Air Cargo, ConRAC, Stellar, and Tolles developments, and future land acquisitions areas.

Performance Measure: Submit RNO ALP Update to FAA in FY23-24.

Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$784,713	\$814,278	\$893,000	9.7%
Purchased Services	266,683	366,120	254,295	-30.5%
Administrative Expenses	5,955	11,342	11,704	3.2%
Total Section Expenses	\$1,057,350	\$1,191,740	\$1,158,999	-2.7%

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Engineering and Construction

Mission Statement: Provide programming, engineering, and construction management for the development of capital projects and facilities for safe and efficient airport operations for RNO and RTS users and employees.

Key Duties and Responsibilities:

- Define and allocate Engineering department 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 AIP Grants.
- Manage the Qualified Consultants List and RFQ solicitations.
- Provide project management services in support of AED, Landside Operations, Building Maintenance, and Facility & Maintenance Administration 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 DBE program management and compliance.
- Provide technical support services for RTAA tenant improvements.
- Implement a Small Business Enterprise (SBE) component into the RTAA DBE program.
- Implement DBE Diversity study initiatives.

Engineering and Construction Initiatives:

FY 2022-23 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), Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights (MALSR) and a Runway Incursion Mitigation (RIM) on Taxiway A. The

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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” RIM. This project is being constructed over three 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 completed by November 30, 2021.

Performance Measure: Complete 100% of the construction of MagVar and any repairs or punch list items by the end of December 2022.

Progress: Partially completed. MagVar was 100% completed November 2022. RTAA is working with contractor and various consultants to determine keel concrete performance issues and determine necessary warranty repairs. Contractor has completed warranty repairs for a portion of the runway. Monitoring will continue to ensure performance, compliance with contract, and determine any subsequent work need.

2. Construction of Ticketing Hall Expansion- CMAR.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: The construction/CMAR phase will consist of the award of the Guaranteed Maximum Price (GMP) by the CMAR with anticipated start of construction in September 2022 and completion in February 2024.

Performance Measure: 50% completion of Ticketing Hall Expansion by June 2023.

Progress: 100% completed. The Ticketing Hall Expansion project is under construction by McCarthy Building Companies. The project is currently on schedule, and it is 50% completed as of June 2023.

3. Construction of Taxiway Bravo and Mike Reconstruction-Runway 7/25 intersection & North General aviation run-up area/taxiway turnaround on Taxiway Charlie.

Strategic Initiative: Facilities for the Future

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Long-Term Goal: Facility Infrastructure Enhancements

Description: The construction phase for the proposed reconstruction of RNO Taxiway B and Taxiway M – Runway 7/25 Intersection Project (proposed project) involves the 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. Additionally, adjacent asphalt shoulders, lighting, and underdrains will be upgraded or replaced.

RNO’s 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. This project will construct a new Portland Cement Concrete (PCC) run-up area at the North end of TWY C with associated lighting, signage, and drainage improvements.

Performance Measure: Project to be bid, awarded, and construction started by June 30, 2023.

Progress: Partially completed. The project scope was revised, removing Taxiway Mike and only include Taxiway Bravo and GA Run Up. Project was bid February 2023 and awarded in May 2023. Construction is estimated to start in August 2023.

4. Phase III construction RTS Taxiway Alpha & Apron reconstruction.

Strategic Initiative: Facilities for the Future

Long-Term Goal: Facility Infrastructure Enhancements

Description: This project consists of Phase III of a multi-phased project to reconstruct the AC Apron and adjacent Taxiway A including tie-downs, striping, storm drain, fence, and curb/gutter improvements at RTS. This phase will also include storm drain improvements on the West end of the apron.

Performance Measure: Complete 100% of construction by June 30, 2023.

Progress: 100% completed. All work for Phase III has been completed as of June 2023.

5. Terminal Loop Road Reconstruction.

Strategic Initiative: Facilities for the Future

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Long-Term Goal: Facility Infrastructure Enhancements

Description: The project will include the full reconstruction of the existing PCC portion of the Terminal Loop Road, this project will also include improvements associated with Safety/Security and the Americans with Disabilities Act of 1990 (ADA). The full project consists of the reconstruction of six travel lanes, two pick-up and drop off lanes, curb and gutter, post curb, sidewalk, a new crosswalk, landscaping, electrical, street lighting, guidance and traffic signs, striping, security bollards, and new ADA pedestrian ramps. The project will be built over two construction seasons to allow for Ticketing Hall project to be completed on time. The departure side of the Loop Road will be constructed during the first season and the arrival side will be constructed the following season.

Performance Measure: Project to be bid, awarded, and construction started by June 30, 2023.

Progress: Partially completed. Project was bid January 2023 and awarded in April 2023. Construction began July 2023.

Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>CHANGE</u>
Personnel Services	\$1,037,310	\$1,108,900	\$1,199,300	8.2%
Purchased Services	313,139	590,900	46,900	-92.1%
Materials & Supplies	882	1,500	2,000	33.3%
Administrative Expenses	<u>15,453</u>	<u>29,136</u>	<u>27,749</u>	<u>-4.8%</u>
Total Section Expenses	<u><u>\$1,366,783</u></u>	<u><u>\$1,730,436</u></u>	<u><u>\$1,275,949</u></u>	<u><u>-26.3%</u></u>

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Facilities and Maintenance Administration

Mission Statement: To maintain 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.

Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$519,794	\$450,000	\$409,200	-9.1%
Purchased Services	4,660	11,000	11,000	0.0%
Materials & Supplies	26,339	32,845	18,865	-42.6%
Administrative Expenses	930	5,095	8,827	73.3%
Total Section Expenses	\$551,723	\$498,940	\$447,892	-10.2%

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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 RTAA vehicles and equipment to improve fuel efficiency, lower maintenance costs, and enhance overall value.
- Support other RTAA departments maintenance and project needs.
- Maintain airfield pavements and markings in accordance with FAR Part 139 and other applicable regulations.
- Maintain all landside pavements as well as both roadway and parking lot markings.
- Perform all RNO airfield snow removal operations.
- Maintain safe and accurate signage for the traveling public.
- Ensure all airside 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.
- Maintain at all times the airfield lighting system to 99% of operational requirements and airfield ramp and landside parking lighting to 95% operational requirements at both RNO & RTS.
- Maintain all area lighting at both RNO and RTS
- Maintain all RTAA emergency generators.
- Maintain all security and property fencing along with all electrically operated vehicle gates.
- Fog seal twenty five (25%) of asphaltic concrete pavement at RNO and RTS annually.
- Perform rubber removal as needed per FAA Advisory Circulars.
- Sweep all landside roads, parking areas, perimeter roads and ramps as needed.
- Maintain the storm drain system free of debris for proper drainage.
- Perform trash pickup of dumpsters twice every day and dispose of pallets daily.
- Administer and maintain our organizational recycling program. Single stream, Cardboard, & Metal.

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Airfield Maintenance Initiatives:

FY 2022-23 Initiatives

- 1. Complete retrofit of light emitting diode (LED) fixtures on the C concourse and Cargo ramp.**

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 2022-23 Budget will replace 64 1000- Watt High Intensity Discharge (HID) fixtures with 41 energy efficient 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 before restarting; (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 require replacement every two years on average and ballasts every five years. The proposed LED fixtures have a ten-year warranty and a life expectancy of 100,000 hours.

Performance Measure: Complete the installation of the LED project by June 30, 2023.

Progress: 100% completed. The installation of LED Fixtures was completed as of June 30, 2023.

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Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	ACTUAL	BUDGET	BUDGET	CHANGE
Personnel Services	\$2,914,203	\$3,028,753	\$3,467,222	14.5%
Utilities & Communications	247,713	262,000	330,000	26.0%
Purchased Services	81,655	89,443	89,000	-0.5%
Materials & Supplies	775,759	925,170	1,210,370	30.8%
Administrative Expenses	<u>37,613</u>	<u>65,150</u>	<u>69,055</u>	<u>6.0%</u>
 Total Expenses Before Fixed Assets	 4,056,943	 4,370,516	 5,165,647	 18.2%
 Property, Plant, and Equipment	 58,208	 682,022	 0	 -100.0%
 Total Section Expenses	 <u>\$4,115,151</u>	 <u>\$5,052,538</u>	 <u>\$5,165,647</u>	 <u>2.2%</u>

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Building Maintenance and Services

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 Marketing & Public Affairs and AED.
- 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 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.

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Department Expenditures:

BUILDING MAINTENANCE AND SERVICES

	2021-22	2022-23	2023-24	BUDGET
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>CHANGE</u>
Personnel Services	\$4,948,163	\$5,676,127	\$6,109,200	7.6%
Utilities & Communications	1,631,548	1,667,000	2,648,000	58.8%
Purchased Services	568,951	773,668	912,596	18.0%
Materials & Supplies	506,215	488,050	616,200	26.3%
Administrative Expenses	<u>4,552</u>	<u>13,350</u>	<u>22,985</u>	<u>72.2%</u>
Total Expenses Before Fixed Assets	7,659,429	8,618,195	10,308,981	19.6%
Property, Plant, and Equipment	39,185	112,150	49,778	-55.6%
Total Section Expenses	<u><u>\$7,698,613</u></u>	<u><u>\$8,730,345</u></u>	<u><u>\$10,358,759</u></u>	<u><u>18.7%</u></u>

BAGGAGE HANDLING SYSTEM (BHS)

	2021-22	2022-23	2023-24	BUDGET
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>CHANGE</u>
Personnel Services	\$66,174	\$72,300	\$87,600	21.2%
Utilities & Communications	432,198	403,000	640,000	58.8%
Purchased Services	1,271,211	1,273,493	1,293,953	1.6%
Materials & Supplies	<u>60,640</u>	<u>70,500</u>	<u>72,000</u>	<u>2.1%</u>
Total Section Expenses	<u><u>\$1,830,224</u></u>	<u><u>\$1,819,293</u></u>	<u><u>\$2,093,553</u></u>	<u><u>15.1%</u></u>

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Non-Departmental

Department Expenditures:

	2021-22	2022-23	2023-24	BUDGET
	<u>ACTUAL</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>CHANGE</u>
Personnel Services	\$2,004	(\$300,000)	(\$300,000)	0.0%
Utilities & Communications	0	25,000	15,000	-40.0%
Purchased Services	307,950	626,500	690,500	10.2%
Materials & Supplies	1,359	0	0	0.0%
Administrative Expenses	<u>1,329,979</u>	<u>1,726,000</u>	<u>1,941,726</u>	<u>12.5%</u>
 Total Section Expenses	 <u><u>\$1,641,292</u></u>	 <u><u>\$2,052,500</u></u>	 <u><u>\$2,332,226</u></u>	 <u><u>13.6%</u></u>

Section 8 – Capital Budget

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Section 8 – Property, Plant and Equipment

The schedule following this narrative lists the Board approved Property, Plant, and Equipment (PP&E) requests from the RTAA’s various departments in the adopted FY 2023-24 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 \$500,000 are reported as a capital project and amortized in the airline rates and charges over their estimated useful life.

The total PP&E budget for FY 2023-24 is \$895,000, a decrease of \$498,500 or 35.8% from the FY 2022-23 Budget. The reduction comes as RTAA having met much of the fixed asset demand in FY 2022-23, and a majority of our capital budget being directed toward key projects of the MoreRNO capital improvement program.

The budget allocated to PP&E in FY 2023-24 consists largely of vehicle purchases, with \$434,900 or 48.4% of the total budget allocated to the purchase of six vehicles across four departments. \$394,100, or 43.9% of the budget is allocated towards equipment purchases, and \$66,000 or 7.7% is allocated to technology acquisitions. All planned equipment, vehicle, and technology purchases are described on the next pages.

VEHICLE AND EQUIPMENT ACQUISITION AND ROTATION POLICY
REPLACEMENT EVALUATION CRITERIA

Light Duty Vehicles (includes 3/4 ton or less)

- Replacement evaluation after six years of service **and/or**
- Replacement evaluation when vehicle exceeds 100,000 miles **and/or**
- Replacement evaluation every 5,000 hours **and/or**
- Replacement evaluation when maintenance cost to purchase cost ratio exceeds 35% **and/or**
- Replacement recommendation based on full mechanical and operational assessment of the vehicle by the RTAA Mechanics and Airfield Maintenance Superintendent.

Heavy Duty Vehicles and Equipment (includes one ton or more)

- Replacement evaluation after 10-20 years depending on type of vehicle/equipment **and/or**
- Replacement evaluation when vehicle/equipment exceeds 80,000 miles **and/or**
- Replacement evaluation every 25,000 hours on Hobbs hour meter **and/or**
- Replacement evaluation when maintenance cost to purchase cost ratio exceeds 35% **and/or**
- Replacement recommendation based on full mechanical and operational assessment of the vehicle by the RTAA Mechanics and Airfield Maintenance Superintendent.

Special Purpose Vehicles and Equipment

Police Vehicles

- Replacement evaluation after five years of service **and/or**
- Replacement evaluation when vehicle exceeds 80,000 miles **and/or**
- Replacement evaluation every 4,000 hours **and/or**

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- Replacement evaluation when maintenance cost to purchase cost ratio exceeds 35% **and/or**
- Replacement recommendation based on full mechanical and operational assessment of the vehicle by the RTAA Mechanics, Airfield Maintenance Superintendent and Chief of Police or his/her designee.
- Replacement vehicles will be ordered with the current special police packages supplied by the dealer.
- Replacement vehicles will be outfitted by a third-party vendor that specializes in police vehicle modifications such as: prisoner transport cage installations; K-9 cage installations; information technology installations; specialized light package installations; ballistic panel installations (if not installed by the dealer), etc.

Fire Vehicles – Light Duty

- Replacement evaluation after five years of service and/or
- Replacement evaluation when vehicle exceeds 80,000 miles **and/or**
- Replacement evaluation every 5,000 hours **and/or**
- Replacement evaluation when maintenance cost to purchase cost ratio exceeds 35% **and/or**
- Replacement recommendation based on full mechanical and operational assessment of the vehicle by the RTAA Mechanics, Airfield Maintenance Superintendent and Fire Chief or his/her designee.
- Replacement vehicles for the Fire Chief and Battalion Chief(s) will be ordered with the current special purpose packages supplied by the dealer.
- Replacement vehicles will be outfitted by a third-party vendor that specializes in fire department vehicle modifications such as: information technology installations; specialized light package installations; tonneau covers; special equipment shell covers, incident command equipment fixtures (if not installed by the dealer), etc.

Aircraft Rescue & Fire Fighting (ARFF) Crash Vehicles

- Replacement evaluation after five years of service **and/or**
- Vehicle no longer meets FAA FAR 139 requirements **and/or**
- Replacement evaluation when maintenance cost to purchase cost ratio exceeds 20% **and/or**
- Replacement recommendation based on full mechanical and operational assessment of the vehicle by the RTAA Mechanics, Airfield Maintenance Superintendent and Fire Chief or his/her designee.
- Any additional equipment that is needed and was not supplied with the purchase of the vehicle, will be specified by the RTAA Fire Chief, and installed by a third-party vendor that specializes in aircraft rescue and firefighting truck modifications such as: information technology installations; specialized light package installations; tonneau covers; special equipment shell covers, incident command equipment fixtures (if not installed by the dealer), etc.

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- At the discretion of the RTAA President/CEO, when ARFF equipment has reached the end of its useful life, can be rotated to back-up service to maintain FAA FAR 139 index requirements when in-service equipment is down for maintenance or repairs.

The schedules below summarize all vehicles, equipment, and technology with a unit cost greater than \$25,000.

Vehicles

Department	Description	FY 2023-24 Budget	Current Equipment Being Replaced/Explanation
Airside Operations	2024 Chevy Tahoe 4WD	\$58,882	This vehicle will replace the Ford F-150 with over 102,000 miles. It will be used as a mobile command post for airfield snow removal, emergency response, and transportation of Airside Operations staff.
Landside Operations	2023 Ford Transit Passenger 350 XLT	\$77,000	In 2022, RTAA purchased two transit passenger vans for Airline and Tenant employees to and from the employee parking lot. The vans average 165 miles a day, or roughly 50,000 miles per year. A third van will facilitate steady and reliable service.
Landside Operations	2024 Chevy Silverado 1500 Crew Cab Pickup 4x4	\$50,911	This vehicle will be used by RTAA Landside Operations for daily maintenance of the Parking Revenue Control System, monitoring customer and employee parking areas, providing customer vehicle assistance, and providing daily transportation for staff. It will replace a 2004 Ford F-150 that has become highly unreliable and costly to operate over recent years.

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Vehicles (continued)

Department	Description	FY 2023-24 Budget	Current Equipment Being Replaced/Explanation
Airport Police	Two (2) 2024 Chevy Silverado 1500 Crew Cab Pickup 4x4 - K9 Unit	\$198,334	These will replace two 2012 Ford Pickup trucks currently assigned as to the K9 units. The trucks have more than 90,000 miles and high idling hours. The vehicles have passed their useful lives as a public safety vehicle.
Building Maintenance	2024 Ford Explorer 4WD	\$49,778	This vehicle will be used by RTAA Facilities Maintenance to perform daily duties overseeing staff in various assignments and providing daily transportation for staff. The vehicle presently used for these services is a 2005 Ford Explorer. The 18-year-old vehicle has become unreliable and costly to operate.

Equipment

Department	Description	FY 2023-24 Budget	Current Equipment Being Replaced/Explanation
Technology and Information Systems	Camera Replacement	\$80,000	This item is to replace 20 surveillance cameras of various makes and models, as well as updating the supporting cable infrastructure. The current vintage equipment has aged beyond the life expectancy of the systems and does not perform in a manner that meets expectations. Modernizing the equipment will provide great surveillance and decrease hours spent repairing and maintaining equipment.

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Equipment (continued)

Department	Description	FY 2023-24 Budget	Current Equipment Being Replaced/Explanation
Airside Operations	Continuous Friction Measuring Equipment (CFME) – RT3 Model	\$123,275	CFME is a runway friction tester. Especially during winter, the runway can lose friction. This piece of equipment works to identify that concrete that needs maintenance. The current CFME is 17 years old and would cost nearly as much to modernize with greater long term maintenance costs.
Airport Rescue and Fire	Self-Contained Breathing Apparatus (SCBA) (12)	\$122,960	This item is a safety issue. Without the new Rectus-type air fittings, firefighters will not be able to interface with surrounding agency's air packs and buddy breathe in a downed firefighter mayday. This budget is for 12 Scott Airpak X3 SCBA.

Technology

Department	Description	FY 2023-24 Budget	Current Equipment Being Replaced/Explanation
Technology & Information Systems	Computer Hardware	\$50,000	This item is to begin a refresh cycle of 15% of computers and accessories at a rate of \$1,250 per device. Currently there are 154 laptops and 113 desktops. This budget will replace 23 laptops and 17 desktops.
Airport Security	Traka Key Management System	\$16,000	The Traka Key Management System provides the ability to implement a motor pool concept to the RTAA vehicle fleet. This system will pool together vehicles and allow shared use of specified vehicles.

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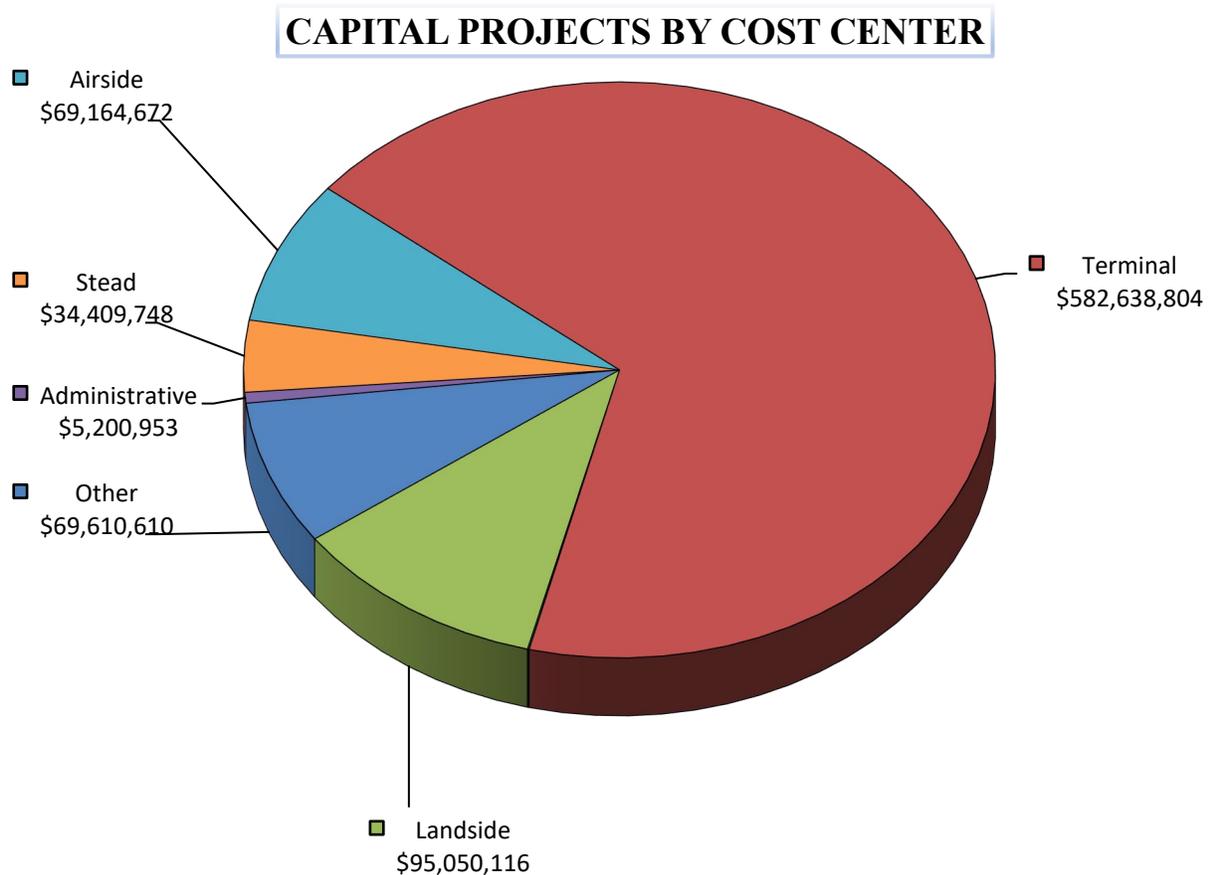
Division	Description	Amount	Total
253 Technology & Information Systems			
	Camera Replacement (20)	80,000	
	Computer Hardware Refresh	50,000	
			\$ 130,000
303 Purchasing & Materials Management			
	Phase II - Racking Installation	\$ 22,684	
			\$ 22,684
402 Airside Operations			
	Replace Continuous Friction Measuring Equipment (CFME) - RT3 Model	\$ 123,275	
	2024 Chevrolet Tahoe 4WD	58,882	
			\$ 182,157
403 Landside Operations			
	2023 Ford Transit Passenger 350 XLT	\$ 77,000	
	2024 Chevrolet Silverado 1500 Crew Cab Pickup 4x4	50,911	
	Workstation for Landside Supervisor	6,700	
			\$ 134,611
404 Airport Rescue & Fire			
	Self Contained Breathing Apparatus (SCBA) (12)	\$ 122,960	
	Setcom's System 1310 Radio & Headset (3)	13,928	
	RIT-PAK III - Portable Air Supply (2)	9,670	
	360 Smart Bed - Twin XL (4)	-	
			\$ 146,558
405 Airport Police			
	2024 Chevrolet Silverado 1500 Crew Cab Pickup 4x4 - K9 Unit	\$ 99,167	
	2024 Chevrolet Silverado 1500 Crew Cab Pickup 4x4 - K9 Unit	99,167	
	Axon Taser 7 - (5 year Contract)	14,840	
			\$ 213,174
407 Airport Security			
	Traka Key Management System	\$ 16,000	
			\$ 16,000
603 Building Maintenance			
	2024 Ford Explorer 4WD	49,778	
			\$ 49,778
TOTAL			\$ 894,962

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Capital Improvement Program

The RTAA’s Capital Improvement Program (CIP), as updated during the FY 2023-24 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’s (FAA) Airport Improvement Program (AIP) Grants, Federal Stimulus funds, Passenger Facility Charges (PFC), Customer Facility Charges (CFC), bank loans, bonds, and internal funds generated from RTAA operations. RTAA has the option of issuing airport system debt with repayment sources including PFCs, CFCs, and Airport system revenues.

The following graph outlines the RTAA’s FY 2022-23 to FY 2028-29 Capital Improvement Program of \$852.424 million by cost center.



The specific projects supporting this graph are listed on schedules located at the back of this section.

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Capital Improvement Program Funding

The RTAA's Capital Improvement Program represents projects funded from AIP grants, Federal Stimulus grants, PFC, CFC, short-term borrowing facility, airport revenue bonds, and RTAA cash. Both AIP and PFC dependent projects will not be implemented until the project and specific funding source is approved or awarded by the FAA.

Airport Improvement Program (AIP)

AIP grants are offered to RTAA by the FAA to provide funding assistance to those eligible capital projects that meet the criteria of the federal program. The objective of the 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 travelling public. The program not only provides funding for development projects, but also airport planning and noise compatibility programs.

The national AIP 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 projects. The U.S. Congress authorizes expenditures from this dedicated fund on an annual basis. The AIP program includes entitlement and discretionary funding. Entitlement funds are awarded to eligible sponsors (airports) 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 capital programs.

AIP approved projects are typically funded 93.75% by the FAA at both airports (RNO and RTS). The RTAA's General Purpose and Special Fund are primarily used for the RTAA's share of 6.25%. PFC funds may be used for the local share with FAA approval.

During the 2022 federal fiscal year, which ended September 30, 2022, RTAA received \$9.470 million AIP Funds at RNO and \$3.017 million at 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 PFC is levied on the passenger tickets, collected by the airline, and forwarded to the airport (less a handling fee charged by the airlines). PFC revenues are allocated to preserve or enhance safety, security, 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 considered local funds versus federal funds.

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In October 1993, RTAA received approval from the FAA to impose a PFC of \$3.00 per enplaned passenger. In May of 2001, the PFC was increased to \$4.50 per enplaned passenger with collection beginning August 1, 2001, and continues to be the PFC rate collected in FY 2023-24. Several FAA approved projects are being funded by PFC collections at RNO. As of June 30, 2023, RTAA has received collection authority to impose and use \$71,236,447. The FY 2023-24 Budget is forecasting PFC revenues and interest of \$9.395 million.

Customer Facility Charge (CFC)

CFCs are assessed on daily rental car transactions, collected by rental car companies, and remitted to RTAA designated to fund the maintenance and capital needs of rental car facilities. The current fee is \$6.50 and approved to increase to \$9.00 effective September 1st, 2023. RTAA is in active negotiations to develop a new consolidated rental car facility (CONRAC) as a public-private partnership. The project will be funded by CFC collections.

Federal Stimulus

The Bipartisan Infrastructure Law (BIL) provides \$15 billion in airport infrastructure funding. The funds can be invested in runways, taxiways, safety, and sustainability projects, as well as terminal, airport-transit connections, and roadway projects. Two grant subcategories are available to RTAA: the Airport Infrastructure Grant (AIG) and the Airport Terminal Program Grant (ATP). AIG is allocated to airports based on air traffic, while the ATP funds are subject to a highly competitive application process. In addition, the Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan Act (ARPA) are two active federal stimulus funds RTAA could utilize to fund capital projects if certain conditions are met.

Short-Term Financing

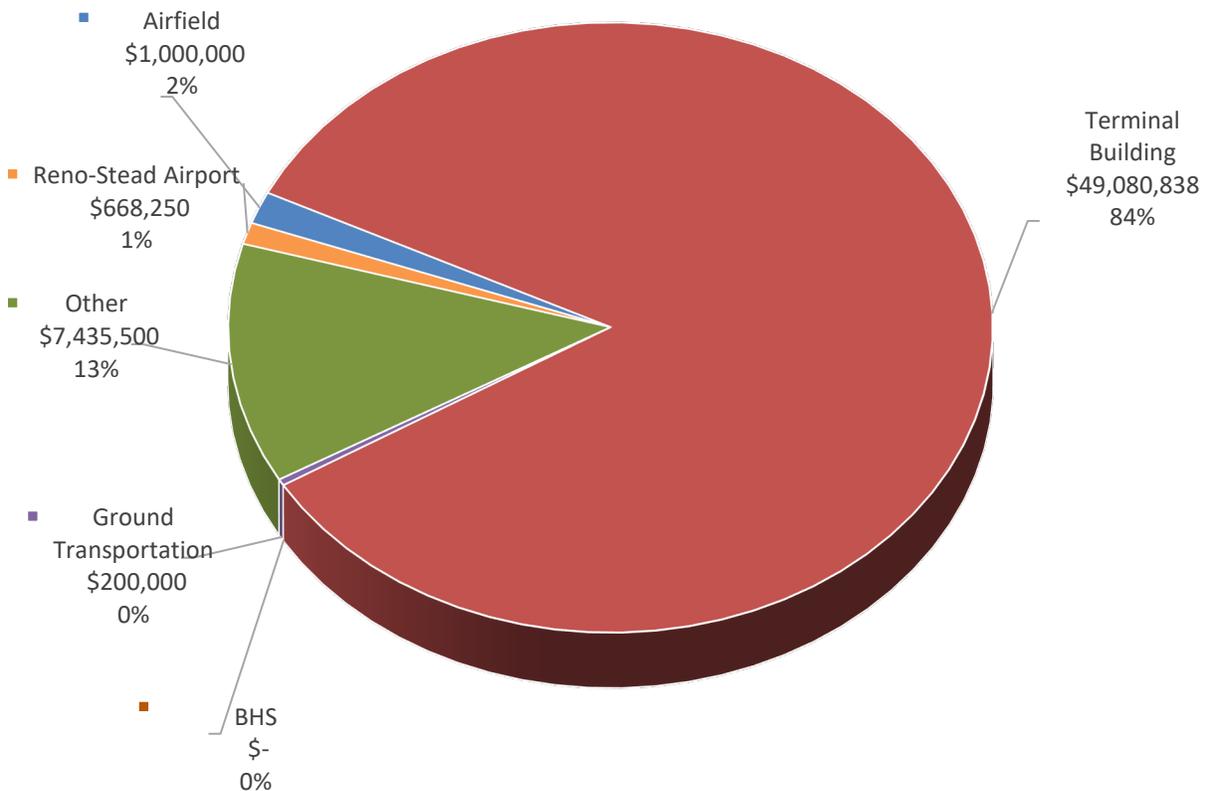
RTAA has an active \$50 million short-term borrowing facility agreement with Wells Fargo Bank to finance a number of near-term capital projects. The most notable MoreRNO project funded is the Ticketing Hall Expansion project with an estimated completion date of April 2024.

FY 2023-24 Capital Projects

Capital projects planned for RNO and RTS in FY 2023-24 and funded from RTAA General Purpose funds, Special Fund, PFCs, and the short-term borrowing facility are budgeted at \$58.385 million in FY 2023-24, a \$17.597 million increase over FY 2022-23. Of the total, \$47.840 million is allocated to the design and preconstruction phase of the New Gen B&C and the corresponding central utility plant. The following chart shows the FY 2023-24 capital projects budget by cost center for the above-mentioned funding sources:

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FY 2024 CAPITAL PROJECTS BUDGET



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 capital projects approved through this process, a project narrative is provided that further explains the capital improvement along with the financial impact on airline rates, and the estimated operating revenue and/or expense impact over the next three fiscal years.

The airline agreement specifies a process for the airlines to review and either approve or disapprove capital projects if the cost of the project or associated debt service is to be allocated to the Airfield, Terminal Building or Baggage Handling System (BHS) cost centers and exceeds the limit to proceed without airline approval. In the Airline-Airport Use and Lease Agreement

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(AAULA) effective July 1, 2023, the limit for these Majority in Interest (MII) projects is \$1.25 per individual project or \$2.50 million aggregate in the Airfield cost center, \$2.50 million per project of \$5 million aggregate in the Terminal cost center, and \$625,000 or \$1.25 million aggregate in the BHS cost center. Additionally, any project over \$500,000 must be amortized over the useful life of the asset, and not charge to airlines in one year’s rate. In the FY 2023-24 budget, there are no projects approved that required MII approval. For a full description of the MII process, see Section 5 - Financial Plan.

The cost centers defined in the AAULA are Airfield, Terminal Building, Ground Transportation, 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 reduce net available revenues subject to the 50%/50% revenue sharing agreement.

The table below provides an overall cost summary of the FY 2023-24 Capital Projects 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		\$58,384,588
<i>Rate Impact</i>		
Impact on Landing Fee Rate	Per 1,000 Lbs.	\$ 0.00
Impact on Terminal Rental Rate (Revenue Sharing)	Per Square Foot	\$ 4.17
Impact on the Baggage Handling System	Per Processed Bag	\$ 0.00
Impact on Airline Cost per Enplaned Passenger	Per Enplaned Passenger	\$ 0.60
<i>Additional Revenue</i>		
Fiscal Year 2023-24		\$ 0.00
Fiscal Year 2024-25		\$ 0.00
Fiscal Year 2025-26		\$ 0.00
<i>Additional O&M Expense/(Savings)</i>		
Fiscal Year 2023-24		\$(30,000)
Fiscal Year 2024-25		\$(30,000)
Fiscal Year 2025-26		\$(30,000)

FY 2023-24 Capital Projects			COST CENTER						
Item	Project Administrator	Estimate	Terminal Building		BHS	Ground Transportation	Other	Reno-Stead Airport	
			Airfield						
Reno-Tahoe International Airport									
1	Mini Warehouse Lot Improvement	Outside Properties					170,000		
2	Access Control Management System Upgrade (95%)	TIS		403,750					
3	Maximo Phase 2 Update	TIS		174,088					
4	Automated Exit Lanes- (Sterile Area manned by TSA Personnel) - Construction	Security		663,000					
5	RNO Design & CMAR Preconstruction - Concourses B&C and Central Utility Plant	Engineering		47,840,000					
6	Headquarters & Police Station (Design)	Engineering		5,500,000			5,500,000		
7	Air Cargo Way Reconstruction Project	Engineering		1,710,500			1,710,500		
8	Runway 17R-35L Runway Concrete Repairs	Engineering	1,000,000						
9	Pavement Management System - Landside	Engineering				200,000			
10	ARFF Solar Array Inverter Replacement and System Repair	Engineering					55,000		
	Sub Total		\$ 57,716,338	\$ 1,000,000	\$ 49,080,838	\$ -	\$ 200,000	\$ 7,435,500	\$ -
Reno-Stead Airport									
11	RTS - Fire Suppression Upgrade Hangar 5 & 6	Engineering		472,000				472,000	
12	RTS - Utilities Connection to West End Hangar Development Area (Design)	Stead		100,000				100,000	
13	RTS - Hangar 6 Tac Air Roof Repair/Maintenance - Phase 1	Engineering		75,000				75,000	
14	RTS - Access Control Management System Upgrade (5%)	TIS		21,250				21,250	
	Sub Total		\$ 668,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 668,250
	Total		\$ 58,384,588	\$ 1,000,000	\$ 49,080,838	\$ -	\$ 200,000	\$ 7,435,500	\$ 668,250

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Reno-Tahoe International Airport (RNO)

Mini Warehouse Lot Improvement

This project is intended to re-pave the mini warehouse parking lot, consistent with strategic priority 3 of the new Strategic Plan – Facilities for the Future. The current asphalt has deteriorated to the extent that replacement has become the only option. The Park and Travel and the Mini Warehouse will continue to be an integral part of RTAA’s operation for years to come, as rental space at the warehouse continues to provide revenue. Maintaining this facility will preserve our ability to attract and retain tenants at the mini warehouse, thus maintaining a steady revenue stream.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$170,000
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$0
Impact on Airline Cost per Enplaned Passenger	\$0.04
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0

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Access Control Management Upgrade

This Capital Project is the purchase of hardware, software, and services to upgrade the Access Control and Management System (ACAMS). ACAMS is a critical component to ensure the safety and security of the airfield. The project includes the migration of software from Lenel to Genetec, and does not require any modification of field devices such as card readers, locks, badges, etc. The transition to Genetec will not only improve ACAMS, but consolidate the security functions to one software platform, reducing annual maintenance costs, providing greater efficiency, and reducing the training requirements of staff. This project will modernize the access control equipment with the ability for encrypted upstream and downstream communications. 95% of this budget will be allocated to RNO ACAMS, while the remaining 5% of the budget will be allocated to RTS ACAMS.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$403,750
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$2.37
Impact on Airline Cost per Enplaned Passenger	\$0.16
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0

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Maximo Phase 2 Update

This project is a continuation of the Maximo Phase 1 project, which intends to continue to integrate the Maximo software with the Geographic Information System (GIS) and Tyler Munis. Maximo is a platform Facilities utilizes to organize work orders and management of assets. Phase 1 transitioned Maximo to the modern version while providing staff with the ability to upload work orders virtually, reducing redundancies and paper waste. Phase 2 implementation will include a service request system where department leaders can submit requests for maintenance. Integration with Tyler Munis will reduce redundancies in allocating labor costs associated with projects.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$174,088
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$1.02
Impact on Airline Cost per Enplaned Passenger	\$0.07
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0

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Automated Exit Lanes Construction

This project will construct and install three automated exit lanes at the exit from the sterile area. The construction requires architectural, mechanical, fire and electrical modifications. Also considered for inclusion in this project is construction of an access door next to the exit lane with RTAA access control equipment to allow for the ingress/egress of select badge holders, and the addition of cameras necessary to run the lanes. RTAA is currently one of 155 airports that still has Transportation Security Administration (TSA) personnel posted at the sterile area exit to ensure passengers only flow out of the area, and there is a possibility that TSA funding will be discontinued. Installation of these exit lanes will benefit both TSA and RTAA as neither would have to man the post, and the additional body can be assigned to security screening.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$663,000
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0.00
Impact on Terminal Rental Rate (Revenue Sharing)	\$0.78
Impact on Airline Cost per Enplaned Passenger	\$0.05
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0.00
Fiscal Year 2024-25	\$0.00
Fiscal Year 2025-26	\$0.00
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0.00
Fiscal Year 2024-25	\$0.00
Fiscal Year 2025-26	\$0.00

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RNO Design and Construction Manager at Risk (CMAR) Preconstruction – Concourses B&C and Central Utility Plant

The construction of two new concourses is at the heart of the MoreRNO capital improvement plan. This project is set to begin in earnest in FY 2023-24 with the design and selection of a CMAR for preconstruction services for both the concourses and Central Utility Plant (CUP). The design team consists of the design consultant and the CMAR, and will provide design plans and reports, permit applications and submit a Guaranteed Maximum Price (GMP) for the concourses and CUP. The project is intended to be delivered over multiple phases and will have multiple GMP’s developed and bid to deliver the project in the most efficient, timely and cost-effective manner.

With the continued expansion and growth of the customer base in the RNO catchment area and increased commercial traffic, new concourses with a new CUP are necessary to meet the demand. The project, from design to completion of construction, is expected to be completed by 2029, and will replace the current concourses about 50 years from their initial construction.

The project will have an impact one airline rates and charges upon the date of beneficial occupancy.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$47,840,000
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$0
Impact on Airline Cost per Enplaned Passenger	\$0
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0

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Administration Headquarters and Police Station

This is another project intended to modernize RNO’s facilities for the future. The current police station is housed under Concourse B. Additionally, the current administrative offices no longer provide the necessary space for the growing administrative staff as the airport continues to grow. Both locations are no longer operationally functional or large enough for RTAA staff. The new facility will not only meet current and future demand for staffing needs, but also free up additional administrative space for lease to airline operators, creating an additional revenue stream.

This specific project is for the continued design and selection of a CMAR for pre-construction services. The design will be based on recommendations from the workspace study developed by H+K Architects. The design team consists of the design consultant and CMAR, and will provide plans, reports, permit applications and submit a GMP.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$5,500,000
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$0
Impact on Airline Cost per Enplaned Passenger	\$0
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0

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Air Cargo Way Reconstruction

This project constitutes reconstructing approximately 840 lineal feet of Air Cargo Way, from Vassar Street to the Air Cargo Carriers Road, and 330 lineal feet of access road to gate 145. The pavements for both roadways have failed and need to be reconstructed prior to the start of the enabling project for the CONRAC. This is another project identified in the 2022 pavement management report as needing replacement. The CONRAC will relocate several tenants to the west side of Air Cargo Way, increasing traffic on the currently failed pavement.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$1,710,500
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$0
Impact on Airline Cost per Enplaned Passenger	\$0
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0

Reno-Tahoe Airport Authority
FY 2023-24
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Runway 17R-35L Remediation

This project provides budget for additional analysis, legal support, design, construction administration, construction management or any other construction activities associated with concrete repairs on runway 17R-35L.

<u>Project Cost</u>	
Estimated cost	\$1,000,000
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$0
Impact on Airline Cost per Enplaned Passenger	\$0
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0

Reno-Tahoe Airport Authority
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Landside Pavement Management System

The Landside Pavement Management System (PMS) will update the Pavement Condition Index (PCI) for landside pavements. Using the information from the PMS along with field observations, a Pavement Management Program is generated to analyze the best use of limited operating and maintenance funds dedicated to these assets. Landside pavement projects are not eligible for AIP funding.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$200,000
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$0
Impact on Airline Cost per Enplaned Passenger	\$0.05
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0

Reno-Tahoe Airport Authority
FY 2023-24
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Airport Rescue and Fire Fighting (ARFF) Solar Array Inverter Replacement and System Repair

The RNO ARFF department Solar Array began experiencing inverter issues in 2016, and experienced additional and recurring issues in 2020, resulting in a complete shutdown of the system. The scope of this project will be to replace the Solar Array Inverter and System Repair by installing three new inverter systems to replace the existing single inverter system. This solar system produces about 260,000 kWh when functioning properly, offsetting approximately 100% of the ARFF annual electricity usage, cutting the RTAA electricity cost by roughly \$30,000 per year.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$55,000
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$0
Impact on Airline Cost per Enplaned Passenger	\$0.05
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$(30,000)
Fiscal Year 2024-25	\$(30,000)
Fiscal Year 2025-26	\$(30,000)

**Reno-Tahoe Airport Authority
 FY 2023-24
 ANNUAL BUDGET
 Section 8 – Capital Budgets**

Reno-Stead Airport (RTS)

Hangar 5 and 6 Fire Suppression Upgrade

The project will remove the current fire suppression system at RTS hangars 5 and 6, an outdated above ground water tank, and replace it by connecting the fire suppression system to the Truckee Meadows Water Authority (TMWA). The project includes the necessary permitting with TMWA, excavation, installation of two new 8” fire water lines, backfill and asphalt patching.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$472,000
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$0
Impact on Airline Cost per Enplaned Passenger	\$0.11
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0

Reno-Tahoe Airport Authority
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Utility Connection to West End Hangar Development Area Design

This project is planned to be a two-year endeavor to help facilitate RTAA’s Strategic Priority Plan for General Aviation (GA) growth at RTS and develop the hangar space demand growth. One of the barriers to development on the west end area is the cost of providing utilities to the site, including power, water/sewer, and gas). This barrier has slowed development in the current third-party project due to the rising costs. By RTAA establishing these utilities, it will accelerate development of space, and in turn accelerate the rate at which we can recoup costs via rents while meeting the general aviation demand of the northern Nevada area.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$100,000
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$0
Impact on Airline Cost per Enplaned Passenger	\$0.03
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0

Reno-Tahoe Airport Authority
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Hangar 6 Roof Repair and Maintenance – Phase 1

The roof at hangar 6 occupied by Tac Air was identified as a priority roof need repair as defined by the recently completed roof assessment. The tenant has also identified several other areas with leaks. The FY 2022-23 winter was one of the most extreme on record. As a result, damage to the roof has been incurred. Failing to repair the roof will only lead to greater issues and costs. The repairs will be completed over the next two fiscal years.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$75,000
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$0
Impact on Airline Cost per Enplaned Passenger	\$0.02
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0

Reno-Tahoe Airport Authority
FY 2023-24
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Access Control management System Upgrade

This project is the balance (5%) of the ACAMS update taking place at RNO. ACAMS is a critical component to ensure the safety and security of the airfield. This project includes the migration of software from Lenel to Genetec, and does not require any modification of field devices such as Card readers, lock, badges, etc. The transition to Genetec will not only improve ACAMS, but consolidate the security functions to one software platform, reducing annual maintenance costs, providing greater efficiency, and reducing the training requirements of staff.

<u>Project Cost</u>	
Design and Construction (includes materials, equipment, labor)	\$21,250
<i>Rate Impact (excluding potential revenue)</i>	
Impact on Landing Fee Rate	\$0
Impact on Terminal Rental Rate (Revenue Sharing)	\$0
Impact on Airline Cost per Enplaned Passenger	\$0.01
<i>Additional Revenue</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0
<i>Additional O&M Expense/ (Savings)</i>	
Fiscal Year 2023-24	\$0
Fiscal Year 2024-25	\$0
Fiscal Year 2025-26	\$0

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

	Prior Years Actual	FY 2022-23 Forecast	FY 2023-24 Forecast	FY 2024-25 Forecast	FY 2025-26 Forecast	FY 2026-27 Forecast	FY 2027-28 Forecast	FY 2028-29 Forecast	Total FY23-29 Forecast
USES OF FUNDS									
Airside	31,636,101	7,968,582	13,802,986	2,157,668	9,899,469	1,299,867	800,000	800,000	68,364,672
Terminal	3,953,695	19,559,872	48,125,237	89,500,000	157,050,000	110,962,000	89,950,000	63,138,000	582,238,804
BHS	-	-	-	100,000	100,000	100,000	100,000	100,000	500,000
Landside	5,978,876	13,655,629	20,165,612	875,000	875,000	15,875,000	25,875,000	10,875,000	94,175,116
Other	146,794	3,111,844	11,894,801	19,795,411	22,661,760	9,000,000	1,000,000	1,000,000	68,610,610
Administrative	407,260	248,693	45,000	750,000	750,000	750,000	750,000	750,000	4,450,953
Stead	6,009,777	1,861,387	7,311,293	5,112,938	2,079,615	1,113,351	9,274,549	1,320,940	34,083,849
	48,132,501	46,406,006	101,344,928	118,291,017	193,415,844	139,100,218	127,749,549	77,983,940	852,424,004
SOURCES OF FUNDS									
Federal Grants -Entitlement	4,838,200	5,186,600	5,337,700	5,479,700	5,647,200	1,195,657	1,756,750	937,500	30,379,307
Federal Grants -Discretionary	28,900,817	13,981,609	35,568,077	6,650,243	6,072,899	-	6,616,297	-	97,789,942
Passenger Facility Charges	4,739,582	4,085,256	24,950,870	13,122,200	-	-	-	-	46,897,908
General Purpose	2,744,691	8,052,716	7,560,957	5,359,567	6,322,577	6,281,242	6,850,000	4,650,000	47,821,749
Customer Facility Charge	5,395,590	8,458,479	-	275,000	275,000	275,000	275,000	275,000	15,229,069
Special Fund	408,215	758,347	1,070,164	449,095	258,763	198,469	708,203	212,500	4,063,757
Consent Degree Fund	1,105,406	170,000	172,412	177,412	189,405	187,851	193,299	170,940	2,366,725
Subordinate Lien Revenue Notes	-	5,713,000	26,684,747	13,317,800	-	-	-	-	45,715,547
Senior Lien Bonds	-	-	-	73,460,000	174,650,000	130,962,000	111,350,000	71,738,000	562,160,000
	48,132,501	46,406,006	101,344,928	118,291,017	193,415,844	139,100,218	127,749,549	77,983,940	852,424,004

**CAPITAL IMPROVEMENT PROGRAM
FY 2024 - Five Year Plan
Reno-Tahoe Airport Authority**

BAGGAGE HANDLING SYSTEM

Baggage Handling System Renewal Program (FY 2025-30)

Priority No.	Prior Years Actual	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
		Forecast	FY23-29 Forecast						
	-	-		100,000	100,000	100,000	100,000	100,000	500,000
	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000

LANDSIDE

CONRAC Study Phase I, II
Economy Lot Construction Project
Landside Pavement Maintenance Program (2021-22)
Landside Pavement Maintenance Program (2022-23)
Landside Pavement Maintenance Program (2023-24)
Landside Pavement Maintenance Program (2025-30)
Landside Projects
Long-Term Parking Surface Lot Backup Power Project
Rental Car Renewal and Replacement Program
Terminal Roadway Reconstruction (PFC)
Terminal Roadway Reconstruction (Earmark)
TSA/Blue Parking Lot Rehabilitation
Flag Lot Parking Lot Development (Design)
QTA Car Wash Bay Replacement

Priority No.	Prior Years Actual	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	FY23-29 Forecast
	5,395,590	7,565,191	-	-	-	-	-	-	12,960,781
		866,115	4,124,779						4,990,894
	27,903	127,895	-	-	-	-	-	-	155,798
	-	74,315	525,685	-	-	-	-	-	600,000
	-	-	200,000	-	-	-	-	-	200,000
	-	-	-	600,000	600,000	600,000	600,000	600,000	3,000,000
	-	-	-	-	-	15,000,000	25,000,000	10,000,000	50,000,000
	22,736	7,264	-						30,000
	-	-		275,000	275,000	275,000	275,000	275,000	1,375,000
	411,966	695,890	12,809,944	-	-	-	-	-	13,917,800
		835,068	2,505,204						3,340,272
	98,150	2,271,318	-						2,369,468
	22,530	319,285	-						341,815
		893,288	-						893,288
	\$ 5,978,876	\$ 13,655,629	\$ 20,165,612	\$ 875,000	\$ 875,000	\$ 15,875,000	\$ 25,875,000	\$ 10,875,000	\$ 94,175,116

**CAPITAL IMPROVEMENT PROGRAM
FY 2024 - Five Year Plan
Reno-Tahoe Airport Authority**

OTHER

Priority No.	Prior Years Actual	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	FY23-29 Forecast
Air Cargo Way Lift Station Replacement and Relocation	73,249	800,849	88,365						962,463
Capital Project Allowance	-	-	-	750,000	750,000	750,000	750,000	750,000	3,750,000
Data Communications Network Infrastructure Replacement		1,420,350	182,450						1,602,800
F-row Hangar Roof Design	18,375	16,625							35,000
GA F Row Hangars - Roof Replacement Project (CARES)		325,000	-						325,000
GA East Apron and Taxilane Reconstruction (Design)	-	-	593,486	148,371	-	-	-	-	741,857
GA East Apron and Taxilane Reconstruction (Construction)	-	-	-	6,647,040	1,661,760				8,308,800
GA East Concrete Repair	2,991	35,979	-						38,970
GA Run-Up Areas/Twy Turnarounds on Charlie (Construction)		-	3,595,000						3,595,000
GA West Concrete Repair	7,521	66,699	-						74,220
MZ3 HVAC Replacement - Design and Construction (TIS Wing)		380,000	-						380,000
Outside Properties Renewal Program	-	-		250,000	250,000	250,000	250,000	250,000	1,250,000
Replace the water meter at Nevada Air National Guard	1,779	22,221	-						24,000
RTAA HQ and Public Safety Center				12,000,000	20,000,000	8,000,000			40,000,000
IT Security Office Remodel	42,879	14,121							57,000
Replace Fire Control Panel - Hangar B	-	30,000							30,000
Mini Warehouse Lot Improvement	-		170,000						170,000
RNO Admin Headquarters & Police Station (Design)	-	-	5,500,000						5,500,000
ARFF Solar Array Inverter Replacement and System Repair			55,000						55,000
Air Cargo Way Reconstruction Project			1,710,500						1,710,500
	\$ 146,794	\$ 3,111,844	\$ 11,894,801	\$ 19,795,411	\$ 22,661,760	\$ 9,000,000	\$ 1,000,000	\$ 1,000,000	\$ 68,610,610

**CAPITAL IMPROVEMENT PROGRAM
FY 2024 - Five Year Plan
Reno-Tahoe Airport Authority**

ADMINISTRATION

Priority No.	Prior Years Actual	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
		Forecast	FY23-29 Forecast						
ABRM System Replacement	215,394	14,607	45,000						275,000
Financial System Replacement - Phase II	185,879	80,074	-						265,953
Front Reception Lobby Redesign	5,988	154,013							160,000
Technology and Information Systems Renewal Program	-	-		750,000	750,000	750,000	750,000	750,000	3,750,000
	\$ 407,260	\$ 248,693	\$ 45,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 750,000	\$ 4,450,953

RENO STEAD

Priority No.	Prior Years Actual	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Total
		Forecast	FY23-29 Forecast						
Airfield Pavement Program- RTS (2025-2030)	-	-	-	100,000	100,000	100,000	100,000	100,000	500,000
Apron Phase 2 & 3 Rehabilitation (Construction)	3,595,532	63,686	-	-	-	-	-	-	3,659,218
Apron Phase 2 & 3 Rehabilitation (Construction) Supplemental	1,281,372	112,809	-	-	-	-	-	-	1,394,181
Apron Phase 4 Rehabilitation (Construction) AIP	105	-	949,895	-	-	-	-	-	950,000
Apron Phase 4 Rehabilitation (Construction) Supplemental	105	-	2,559,895	-	-	-	-	-	2,560,000
Apron Phase 4 Rehabilitation (Construction) AIG	-	-	310,526	-	-	-	-	-	310,526
Apron Phase 5 Rehabilitation (Construction) AIP	-	-	2,424,000	1,616,000	-	-	-	-	4,040,000
Apron Phase 5 Rehabilitation (Construction) AIG	-	-	186,316	124,210	-	-	-	-	310,526
Apron Phase 6 Rehabilitation (Construction) AIP	-	-	-	2,424,000	1,616,000	-	-	-	4,040,000
Apron Phase 6 Rehabilitation (Construction) AIG	-	-	-	186,316	124,210	-	-	-	310,526
Landside Pavement Program- RTS (2025-2030)	-	-	-	50,000	50,000	50,000	50,000	50,000	250,000
Master Plan Study Update, ALP Update, and GIS Data Collection	-	-	-	-	-	-	1,000,000	1,000,000	2,000,000
RTS Southeast (SE) Airfield Drainage Design	2,109	47,891	-	-	-	-	-	-	50,000
RTS TWY A and Apron Reconstruction Phase 3 Design	25,147	-	-	-	-	-	-	-	25,147
RTS Apron East End Access Roadway Widening	-	25,000	-	-	-	-	-	-	25,000
Southeast (SE) Airfield Drainage Project	-	500,000	-	-	-	-	-	-	500,000
Stead Security System Upgrade	-	105,000	-	-	-	-	-	-	105,000
Pavement Preventative Maintenance Project (CARES)	-	800,000	-	-	-	-	-	-	800,000
Power Vacuum Sweeper	-	-	-	435,000	-	-	-	-	435,000
Stead Solvent Site	1,105,406	170,000	172,412	177,412	189,405	187,851	193,299	170,940	2,366,725
Taxiway A & Apron Phase 4 Design	-	37,000	-	-	-	-	-	-	37,000
Taxiway Bravo and Connectors (Design)	-	-	-	-	-	775,500	-	-	775,500
Taxiway Bravo and Connectors (Construction)	-	-	-	-	-	-	7,931,250	-	7,931,250
RTS - Fire Suppression Upgrade Hangar 5 & 6	-	-	472,000	-	-	-	-	-	472,000
RTS - Utilities Connection to West End Hangar Development Area (Design)	-	-	100,000	-	-	-	-	-	100,000
RTS - Hangar 6 Tac Air Roof Repair/Maintenance - Phase 1	-	-	75,000	-	-	-	-	-	75,000
RTS - Taxiway A & Apron Phase 5 (Design)	-	-	40,000	-	-	-	-	-	40,000
RTS - Access Control Management System Upgrade (5%)	-	-	21,250	-	-	-	-	-	21,250
	\$ 6,009,777	\$ 1,861,387	\$ 7,311,293	\$ 5,112,938	\$ 2,079,615	\$ 1,113,351	\$ 9,274,549	\$ 1,320,940	\$ 34,083,849

Section 9 – Debt

Reno-Tahoe Airport Authority
FY 2023-24
ANNUAL BUDGET
Section 9 – Debt Summary

FY 2023-24 DEBT SERVICE

As of July 1, 2022, RTAA was debt free. To provide a short-term financing facility for its capital program, as an interim bond financing plan, on July 14, 2022, RTAA Board approved a non-revolving credit agreement with Wells Fargo Bank for the issuance of airport system subordinate revenue bonds Series 2022 including Subseries A (AMT), Subseries B (Non-AMT), and Subseries C (Taxable) in the maximum aggregate principal amount of \$50 million. Drawdown amounts in each subseries will depend on the tax treatment of the capital projects it will fund. Funds can be drawn in any amount as needed and the loan can be repaid at any time before the expiration of the three-year term of the contract.

Revenue bonds are secured by a subordinate lien on the net revenues of RTAA and will not be secured by an encumbrance, mortgage, or other pledge of property. Per Nevada law this is considered a non-revolving loan program where the amounts drawn against the \$50 million available funds will permanently reduce the authorized amount even if the drawn down funds are repaid.

The loan's fee structure is as follows:

- A commitment fee of 20 basis points per annum on the undrawn amounts
- Tax exempt draw interest rate is 80% of the Secured Overnight Financing Rate (SOFR) plus 46 basis points per annum
- Taxable draw interest rate is 100% of SOFR plus 64 basis points per annum

SOFR represents the overnight cost of borrowing for cash that is collateralized by Treasury securities and is used as a common replacement of the London Interbank Offered Rate (LIBOR) index.

The first major project funded through these bonds is the construction of the Ticketing Hall Expansion project estimated at a total cost of \$22.6 million. Debt service consisting of interest expense only for FY 2023-24 is estimated at \$860,100. The actual debt service amount will depend on the progress of the construction project.

RTAA intends to issue revenue bonds in FY 2024-25 to fund some of the major projects included in the MoreRNO capital program, the most significant being the New Gen B&C estimated at a total cost of \$570 million.

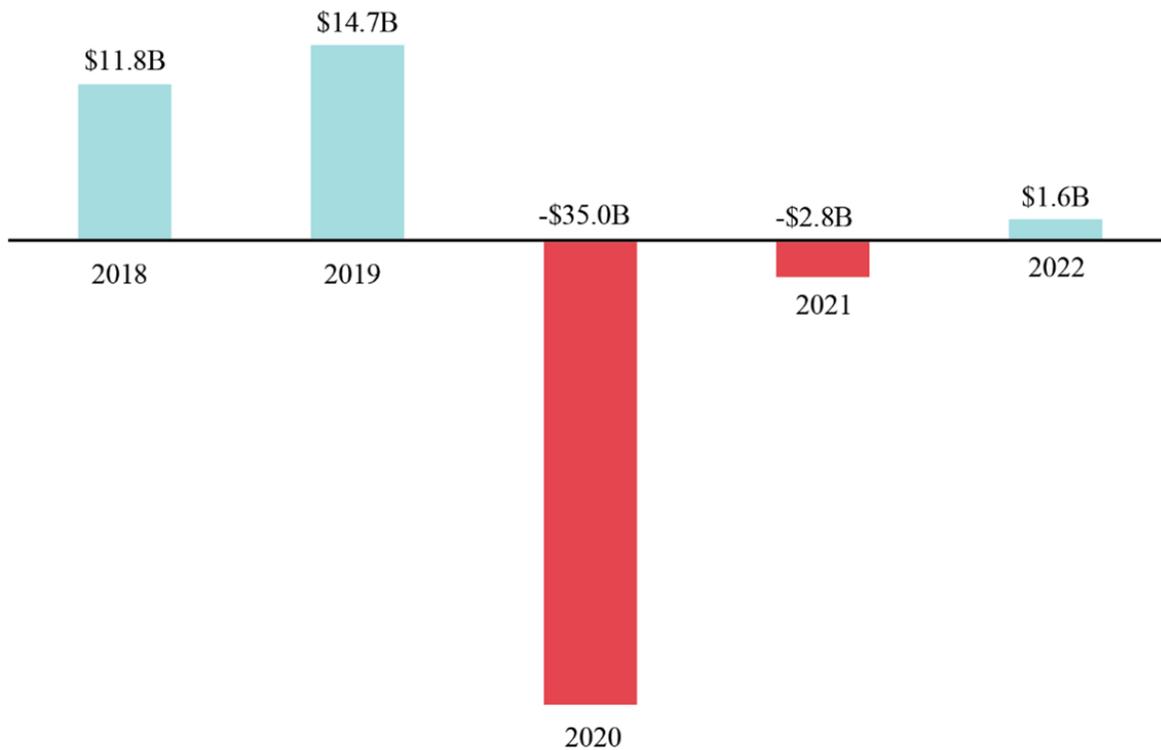
Section 10 – Supplemental Data

**Reno-Tahoe Airport Authority
 FY 2023-24
 ANNUAL BUDGET
 Section 10 – Supplemental Data**

Air Service Development

U.S. scheduled passenger airlines reported a 2022 pre-tax operating profit of \$7.9 billion and an after-tax net profit of \$1.6 billion, gaining for the first time after two consecutive annual pre-tax and after-tax losses. The 2022 pre-tax operating profit of \$7.9 billion is \$25.2 billion greater than the \$17.3 billion loss in 2021.

**Annual Net Income 2018-2022, Systemwide U.S. Scheduled Passenger Airlines
 Billions of Dollars (\$)**



Source: Bureau of Transportation Statistics

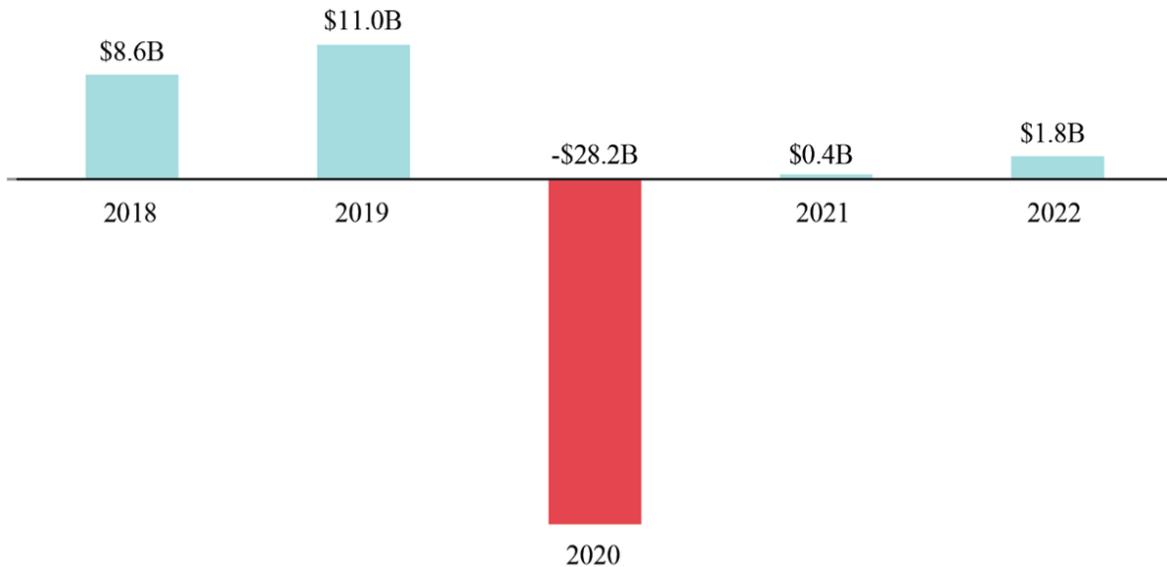
The total 2022 operating revenue was \$211.2 billion, of which fares were \$155.1 billion (73.5%), baggage fees were \$6.8 billion (3.2%), and reservation change fees were \$1.0 billion (0.5%). In 2021, the operating revenue share for fares was 66.7%, baggage fees were 4.1%, and reservation change fees were 0.5%. The total 2022 operating expenses were \$203.3 billion, of which fuel was \$49.1 billion or 24.2%, and labor was \$64.0 billion or 31.5%. In 2021, the operating expense share for fuel was 15.6%, and labor was 35.7%.

Reno-Tahoe Airport Authority
FY 2023-24
ANNUAL BUDGET
Section 10 – Supplemental Data

Domestic

U.S. scheduled passenger airlines reported an annual 2022 after-tax domestic net profit of \$1.8 billion. In 2021, the airlines reported after-tax domestic net profit of \$383 million. U.S. scheduled passenger airlines reported an annual 2022 pre-tax domestic operating profit of \$6.9 billion, compared to \$12.2 billion loss in 2021.

Domestic U.S. Scheduled Service Passenger Airlines
Annual Net Income, 2018 to 2022
Billions of Dollars (\$)



Source: Bureau of Transportation Statistics

The total 2022 domestic operating revenue was \$163.9 billion, of which fares were \$117.1 billion (71.5%), baggage fees were \$5.5 billion (3.3%), and reservation change fees were \$874 million (0.5%). In 2021, the domestic operating revenue share for fares was 66.5%, baggage fees were 4.0%, and reservation change fees were 0.6%. The total 2022 domestic operating expenses were \$157 billion, of which fuel was \$34.6 billion or 22.1%, and labor was \$49.3 billion or 31.4%. In 2021, the domestic operating expense share for fuel was 14.5%, and labor was 35.0%.

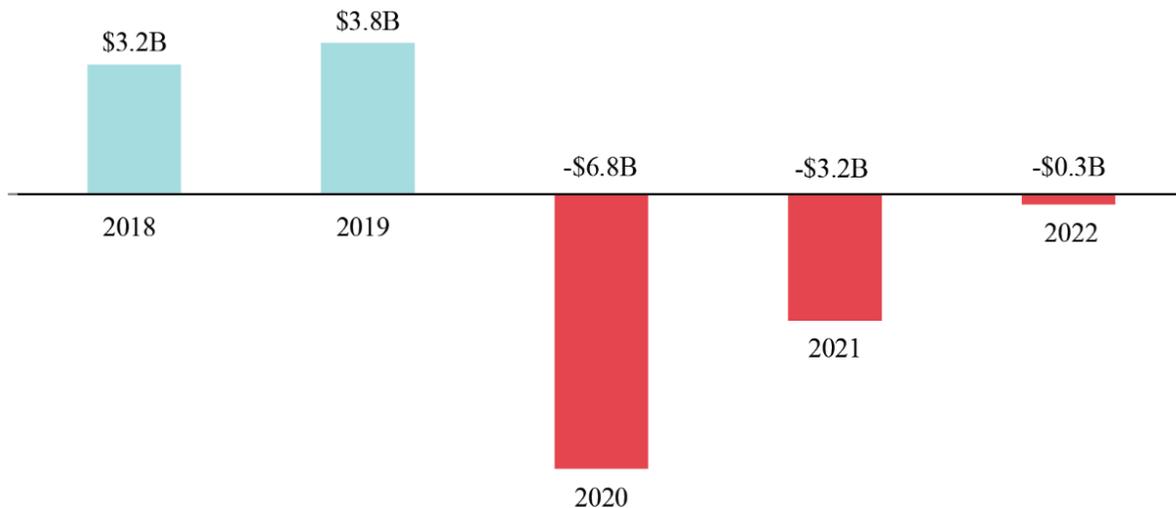
International

U.S. scheduled passenger airlines reported an annual 2022 after-tax international loss of 257 million. In 2021, the airlines reported after-tax international loss of \$3.2 billion. U.S. scheduled passenger airlines reported an annual 2022 pre-tax international operating profit of \$1.0 billion,

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compared to \$5.2 billion loss in 2021.

**International U.S. Scheduled Service Passenger Airlines
 Annual Net Income, 2018 to 2022
 Billions of Dollars (\$)**



Source: Bureau of Transportation Statistics

The total 2022 international operating revenue was \$47.3 billion, of which fares were \$38.0 billion (80.4%), baggage fees were \$1.3 billion (2.8%), and reservation change fees were \$130 million (0.3%). In 2021, the international operating revenue share for fares was 67.6%, baggage fees were 4.4%, and reservation change fees were 0.4%. The total 2022 International operating expenses were \$46.2 billion, of which fuel was \$14.5 billion or 31.3%, and labor was \$14.7 billion or 31.7%. In 2021, the international operating expense share for fuel was 20.2%, and labor was 38.5%.

2022 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 2022, the U.S. airlines reported a net income margin of 0.8%, compared to -2.1% in 2021. The domestic net income margin was 1.1% and the international net income margin was -0.5%.

Reno-Tahoe International Airport (RNO)

In 2022, RNO served 4,310,958 passengers, an increase of 19.0% compared to 2021. RNO offered a total of 20,357 departures in 2022, a decrease of 3.5% when compared to 2021. Total seat capacity was down 6.2% at 2,641,705 (one way) for the same period. In 2022, Spirit Airlines and

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Sun Country Airlines started non-stop flights at RNO.

The 2022 average net fare for RNO flights was \$190, an increase of 25% when compared to 2021. The RNO average domestic net air fare was \$189, an increase of 29.9% for the same period.

Southwest Airlines continued to be the dominant carrier at RNO carrying 42.3% of the total Calendar Year 2022 passengers, followed by American Airlines at 15.4%.

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.

Three major air cargo carriers, Dalsey, Hillblom, and Lynn (DHL), Federal Express (FedEx), and United Parcel Service (UPS) serve RNO. During the calendar year 2022, RNO handled 139,395,160 pounds of cargo, a decrease of 7.8% when compared to the calendar year 2021.

RNO is truly a regional airport with a catchment area of over 1.5 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 located four miles southeast of Reno’s 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 of Las Vegas. RNO is also known as the “gateway” to Lake Tahoe.

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 Sacramento Airport.

The second airport operated by the RTAA is Reno Stead Airport (RTS), a general aviation airport. RTS is located 11 miles northwest of Reno’s central business district. 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

With almost five 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

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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 months long bowling competitions including the United States Bowling Congress (USBC) Open Championship and the Women’s Championship. The two tournaments combine to bring in 80,000 visitors to town with an estimated economic impact of over \$100 million.

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, a 10-day event in its 104th year, and a Professional Rodeo Cowboys Association (PRCA) 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 in the country. The event impacts the Reno area economy by approximately \$42 million. This event is held at the Reno-Sparks Livestock Events Center (RSLEC), situated on 43 acres of land with an indoor arena seating 6,200 and a lighted outdoor arena seating over 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 over 130 locations citywide, including the Reno-Tahoe International 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 over 280,000 attendees.

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 10-day 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 \$100 million, annually. There are more than 5,500 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.

The Reno-Tahoe region also hosts annual golf tournaments like the Barracuda Championship, a PGA golf tournament, and the American Century Celebrity Golf Championship Tournament. Both tournaments are held in mid-July.

During the last week of August each year, the Burning Man Festival, with its focus on community, art, self-expression, and self-reliance, creates Black Rock City 100 miles north of Reno on the

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playa of the Black Rock Desert. Burning Man isn't your usual festival with big acts booked to play on massive stages. In fact, the event is more the creation of a city than a festival, wherein almost everything that happens is created entirely by its citizens, who are active participants in the event. During Burning Man, Black Rock City emerges from the playa dust to become one of Nevada's largest cities for a week. At least 20,000 of the 80,000 participants travel by air through RNO, including a host of international visitors from more than 34 different countries.

There are many great events in the area in September, starting off with the Best of the West Rib Cook Off held in the City of Sparks and sponsored by the Nugget Casino Resort. Following the Rib Cook Off are the Reno Balloon Races, the largest free hot air ballooning event in the nation. Throughout the event over 150,000 spectators brave the early morning chill to view more than 100 balloons each year.

The blue September skies of Reno have been home to the National Championship Air Races (NCAR). The NCAR and Air Show have run at the RTS since 1964, with its final year set to be in 2023, and a possible air show in 2024. According to the Reno Air Racing Association, NCAR has brought approximately one million people to the event and an estimated \$750 million to the local economy since its inception. The National Championship Air Races bring together aviation and sports enthusiasts from around the world, including strong attendance from California, Nevada, and the Pacific Northwest. Race and air show participants include astronauts, airline pilots, and military and civilian aviators.

Street Vibrations is the place to be for those in search of a celebration of music, metal, and motorcycles. An official Northern California Harley-Davidson Dealers Association event, Street Vibrations offers tours, entertainment, parades, ride-in shows, Chrome Alley retail vendors, Camel Roadhouse, the Harley-Davidson Factory Store, concerts and more. The event attracts an estimated 50,000 people to the Reno/Tahoe/Carson City area and has a local economic impact of \$72 million. Street Vibrations combines the best bikes the West has to offer with incredible bands on multiple stages throughout the community.

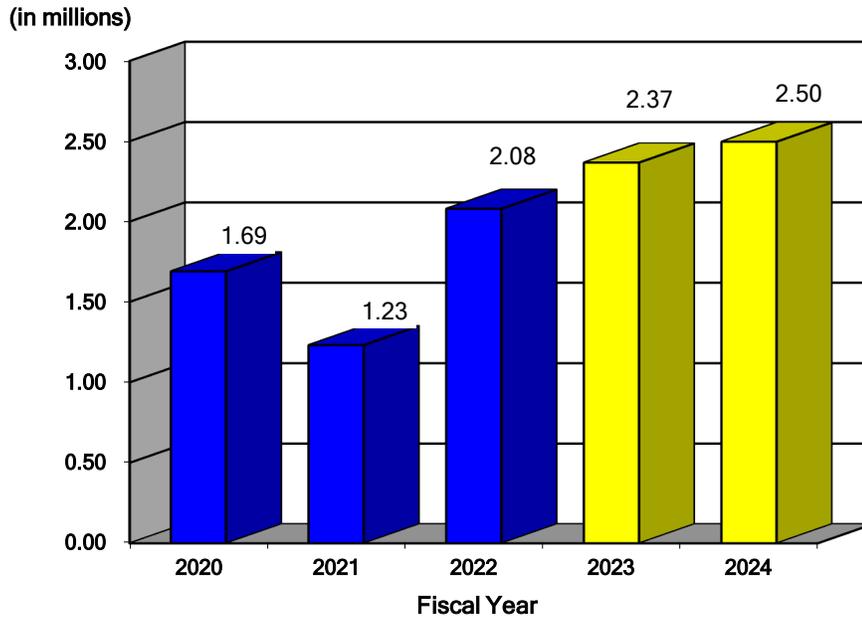
Supplemental Information

The following charts show five fiscal years of the RTAA's activity levels and measures of financial effectiveness. The first three years' numbers on these charts are year-end actual amounts and the last two years (FY 2022-23 and FY 2023-24) are the budgeted amounts.

In addition, tables and charts that detail local demographic, employment, and economic information are provided.

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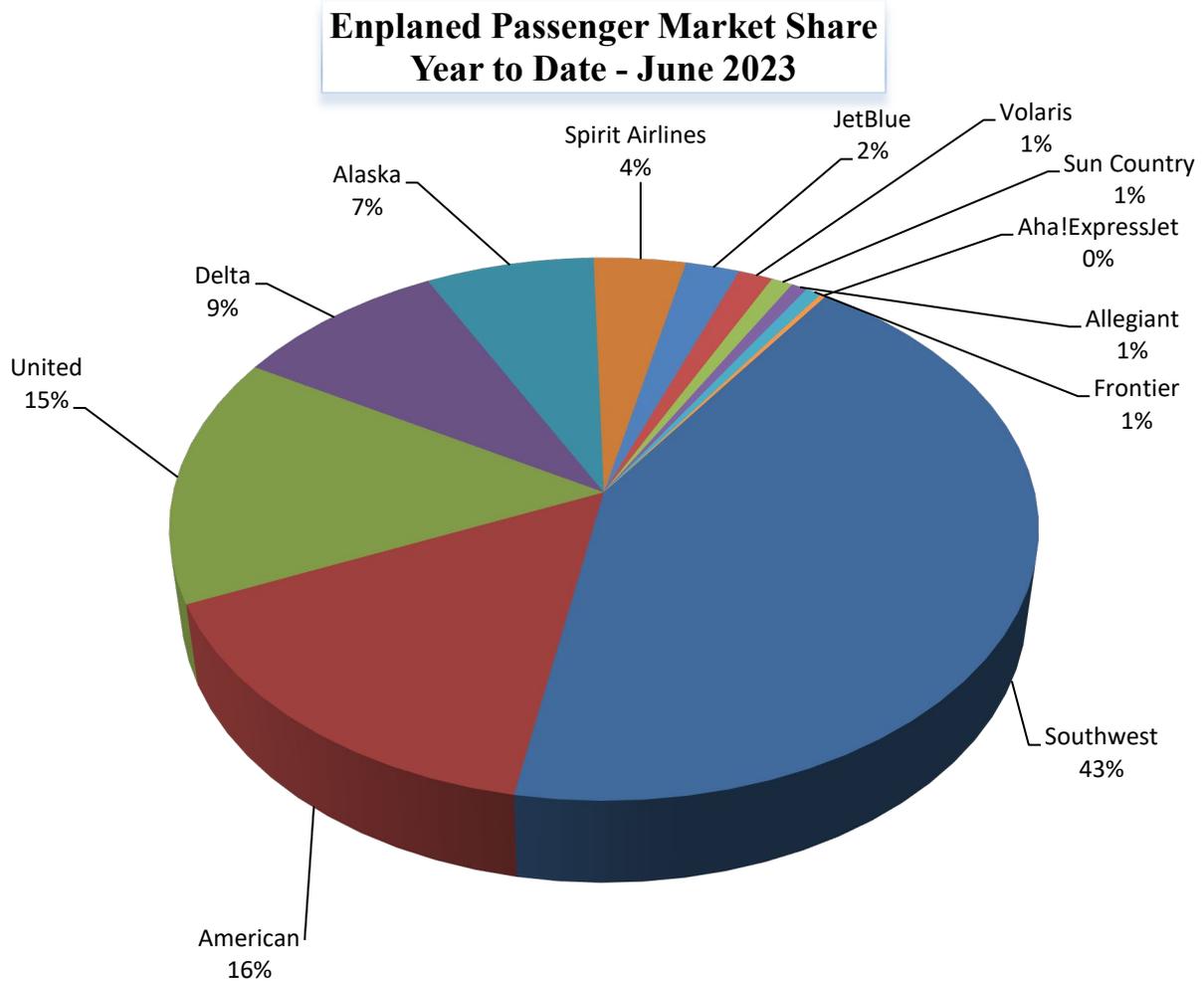
Enplaned Passengers



Enplaned passengers in FY 2023-24 at the RNO are projected to be 2.496 million, a 5.5% increase compared to the prior year budget of 2.367 million and a 20.0 % increase compared to the FY 2021-22 actual results. The continuous increase in passenger traffic is due to the recovery of passenger air travel demand. The average load factor for scheduled air service in FY 2022-23 was 81.1%.

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Airline Market Share



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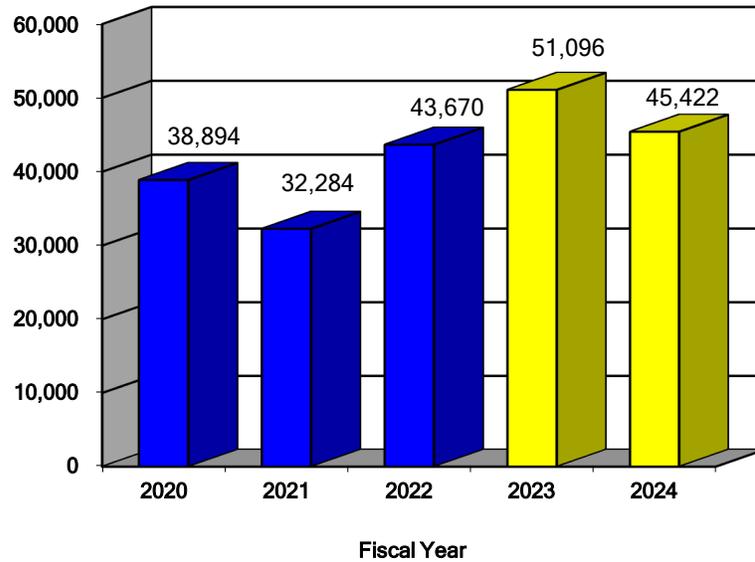
Airline Passenger Market Share – FY 2022-23 Actual Results		
	Number of Enplaned Passengers	Percent of Market Share
Southwest	962,448	43.2%
American	347,443	15.6%
United	331,495	14.9%
Delta	202,408	9.1%
Alaska	159,114	7.1%
Spirit Airlines	86,996	3.9%
JetBlue	51,088	2.3%
Volaris	32,508	1.5%
Sun Country	20,150	0.9%
Allegiant	15,217	0.7%
Frontier	14,980	0.7%
Aha!ExpressJet	5,407	0.2%
Total	2,229,254	100%

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. Air travel has seen a significant return to normalcy post pandemic; however, the market continues to be uncertain due to staff shortages, and airlines are adjusting schedules often.

This chart shows that RNO has five main carriers providing 90.0% of the passenger flights with another six carriers making up the balance. This table reflects actual enplaned passenger numbers for the period July 1, 2022, through June 30, 2023. As shown on the table above percentage of market share are as follow: Southwest had 43.2%, American 15.6%, United 14.9%, Delta 9.1%, and Alaska 7.1%. In FY 2021-22, Southwest had 40.1% of the passengers, American had 17.4%, United had 14.2%, Delta had 10.3%, and Alaska had 9.5%. Southwest continues to be the dominant carrier at RNO.

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Air Carrier Operations

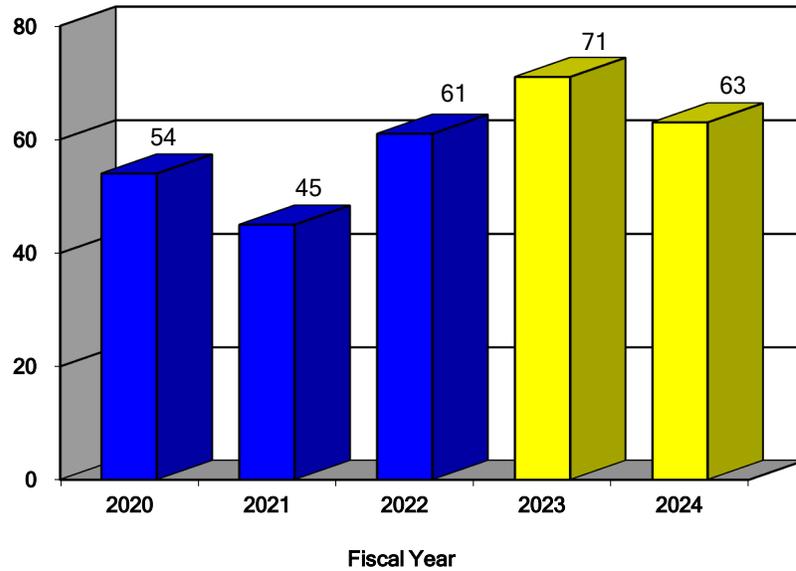


An operation is the term used to describe an aircraft landing or taking off. Scheduled annual operations are the landings and takeoffs of the scheduled airline flights for an entire year. Operations are projected to be approximately 45,422 in FY 2023-24. Compared to the budget for FY 2022-23, this would be a decrease of 5,674 operations or 11.1%. RNO has seen a reduction in the current year airline activity due to schedule changes impacted by labor shortages and increased operating costs. In addition, during FY 2022-23 aha! Airlines filed for bankruptcy and Frontier Airlines terminated operations, contributing to the decrease in air carrier operations budgeted for FY 2023-24.

This activity does not include scheduled cargo service or other non-scheduled operations at the airport such as charter flights, military, or general aviation.

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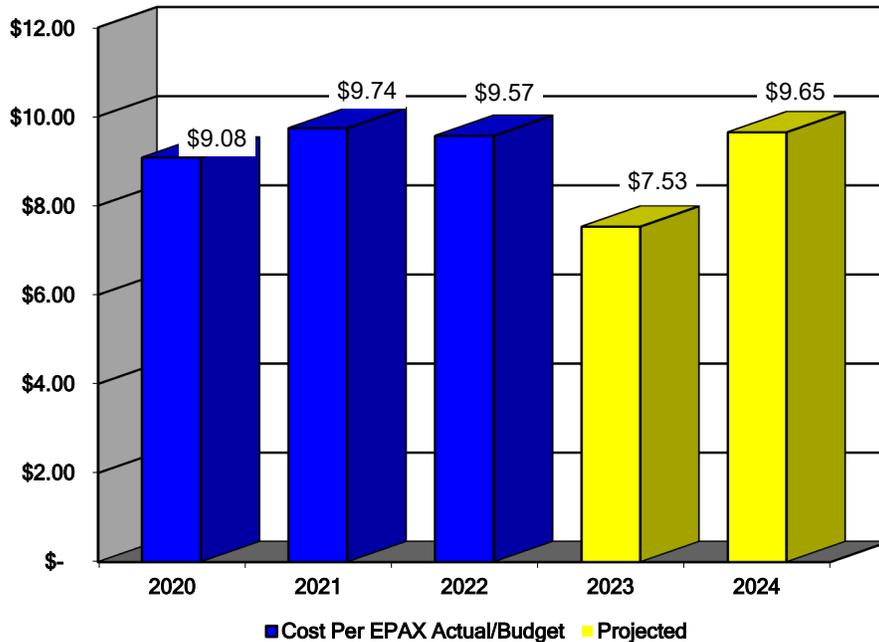
Daily Scheduled Departures



This graph shows the average number of flights departing RNO each day in the month of June. For FY 2023-24, the average flights are forecasted to be 63 flights per day, a decrease of 8 flights per day or 11.3% compared to the prior year budget.

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Airline Cost Per Enplaned Passenger (CPE)



The 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 7.0% of the domestic passenger airlines’ operating costs in 2022 according to Bureau of Transportation Statistics (BTS), RTAA works hard to minimize the CPE to encourage airlines to serve the Northern Nevada market. In comparison, labor costs represent 31.4% and fuel costs represent 22.1% of the airline’s 2022 operating costs.

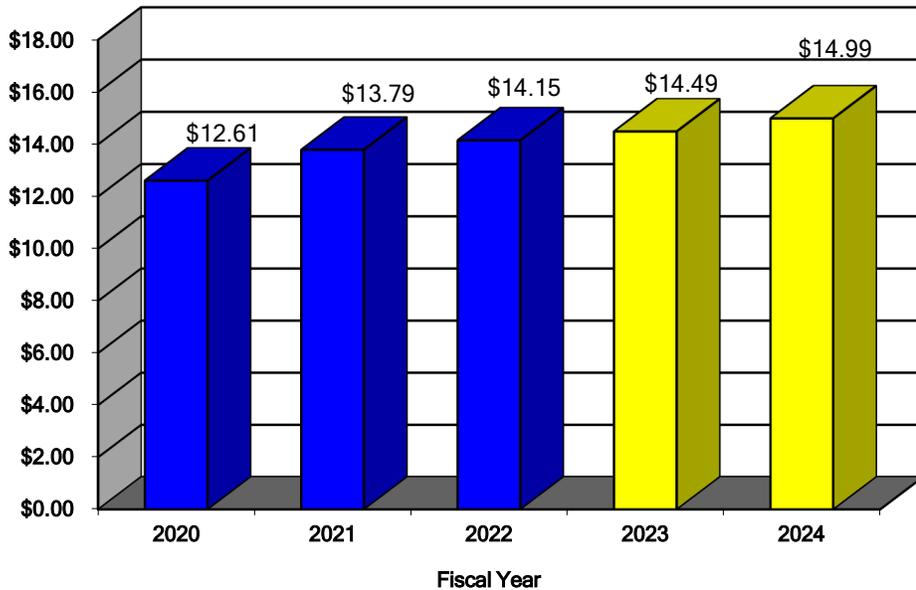
As a measure to maintain airline rents and landing fee cost reasonably low, RNO has allocated \$1.160 million of federal stimulus funds in FY 2023-24 to pay for capital and operating and maintenance expenses.

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Concession Revenue Per Enplaned Passenger

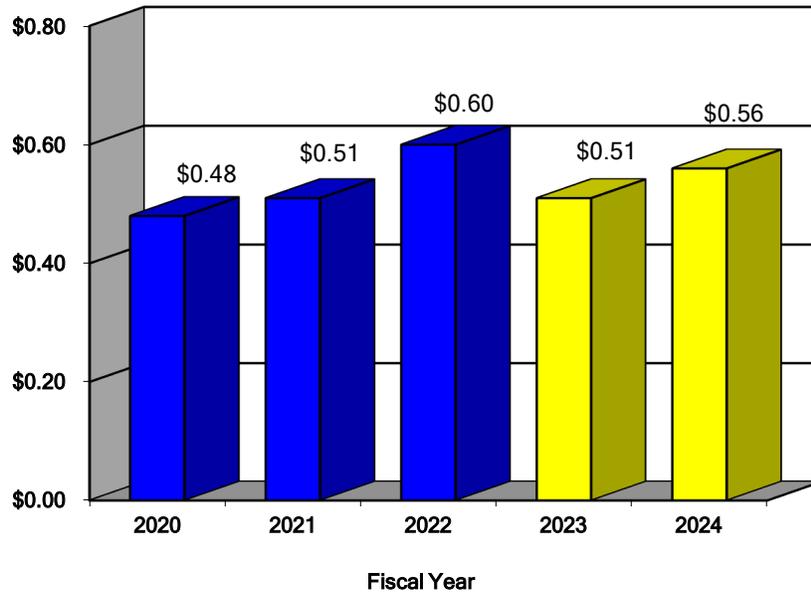
Concession revenue per enplaned passenger is a measure of concessionaire’s ability to generate revenue from passengers using RNO’s terminal facilities. This ratio allows staff to compare the performance from year to year and between airports.

The following sections outline the main concession revenues of the RTAA as presented in a per enplaned passenger format. Concession revenue per enplaned passenger is forecast to increase due to the budgeted increase in passenger traffic in FY 2023-24 and higher consumer prices resulting in an increase in operating revenues.



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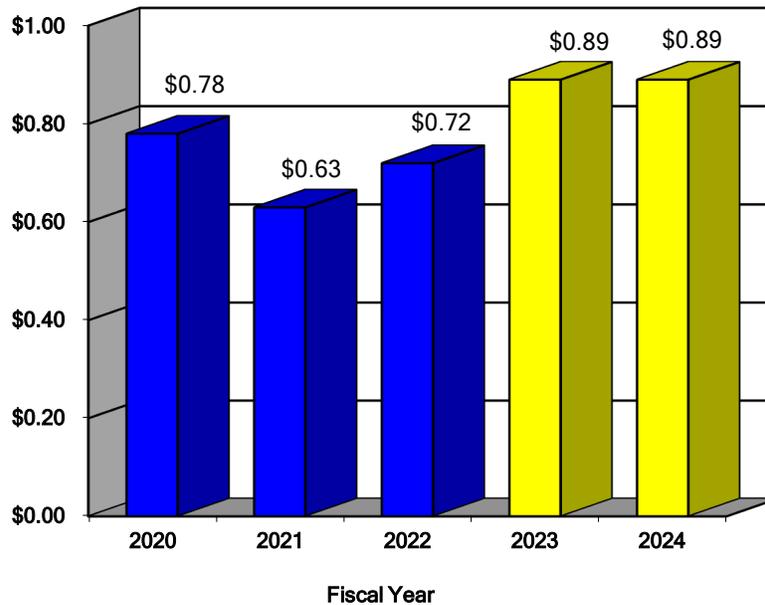
Gaming Concession Revenue per Enplaned Passenger



Gaming is a revenue source almost exclusive to Nevada airports, and as such there are only a few airports with gaming revenues to compare against. Gaming revenue for FY 2023-24 is budgeted to be approximately \$1.398 million, an increase of 198,700 or 16.6% from the \$1.200 million budgeted in FY 2022-23. The revenue increase is primarily due to the increase in passenger traffic forecasted in FY 2023-24 and higher gross revenues recorded per enplaned passenger. This concession is awarded to International Game Technology (IGT) under a five-year agreement and four-year extension, which started on December 1, 2015.

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Food and Beverage Concession Revenue per Enplaned Passenger

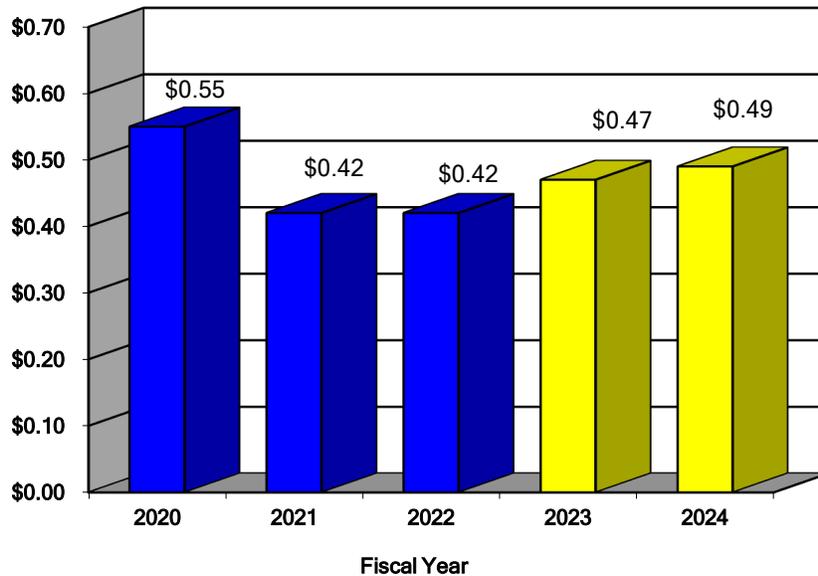


Food and beverage concession agreements currently pay the RTAA the greater of a minimum annual guaranteed (MAG) amount or a percentage of gross revenues. Per the existing contract with SSP America, the MAG amount is set annually at 85% of the prior year’s payments, or \$1,164,089, whichever is greater. Per the existing contract with Manchester Airport Group (Escape Lounge), the MAG amount is set annually at 85% of the prior year’s payments, or \$180,744, whichever is greater. Per the existing Contract with Vino Volo Wine Bar and Verdi Market, the MAG amount is set annually at 85% of prior year’s payments, or \$247,547, whichever is greater. Per the existing Contract with Subway, the MAG amount is set annually at 85% of the prior year’s payments, or \$138,382, whichever is greater.

For FY 2023-24 food and beverage concession revenue is budgeted to be \$2.221 million, an increase of 5.3% in comparison to FY 2022-23 budgeted revenue. The increase is primarily due to the increase in passenger traffic and higher gross revenue forecasted in FY 2023-24, however the increase in passenger traffic of 5.5% is slightly greater than the increase in gross sales, therefore revenue per enplanement remains at \$0.89.

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Merchandise Concession Revenue per Enplaned Passenger



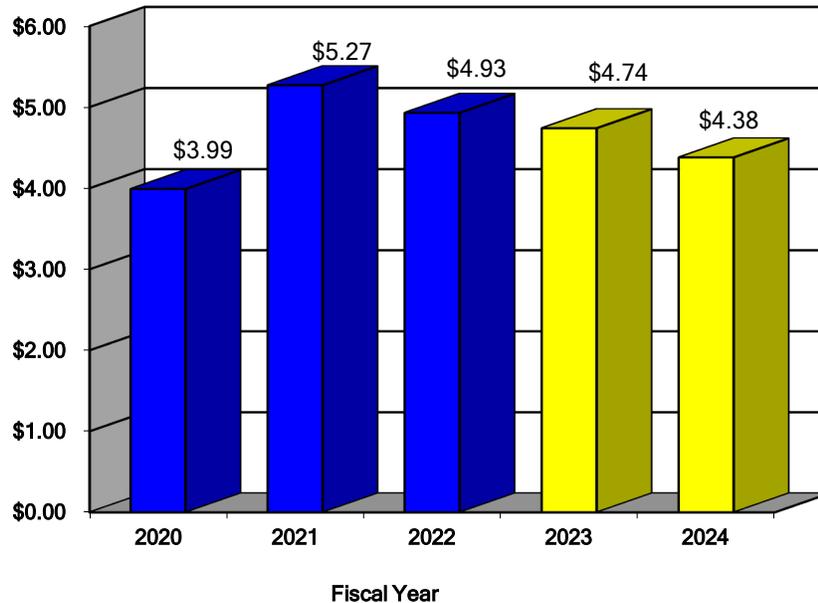
The RTAA’s merchandise concession stores have offerings that would fit in any upscale shopping mall. There are four post security stores: Brighton Collectibles, No Boundaries (an outdoor apparel store), In Motion (a high-tech electronics shop), and CNBC (news and gifts). Also, two travel essential and specialty gifts stores (Summit Travel and Plane Provisions) are located on Concourse B and C, respectively. RNO also offers passengers Silver State Marketplace (a travel essentials and specialty gift store) and the PGA Tour shop, 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), based on 85% of previous year’s payments, currently \$969,797, whichever is greater.

For FY 2023-24, revenues are expected to be \$1.224 million. This is an increase of 9.0% compared to FY 2022-23 budget and 2.0% increase from FY 2022-23 projected revenues. The merchandise concession revenue per enplaned passenger has increased due to an increase in enplaned passenger and an increase in gross revenues.

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Rental Car Concession Revenue per Enplaned Passenger



The RTAA has six (5) car rental company agreements with nine (8) 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. Payless ceased operations in FY 2022-23 due to staffing shortages but continue to lease check-in counterspace in the terminal building and pay a minimum annual guarantee.

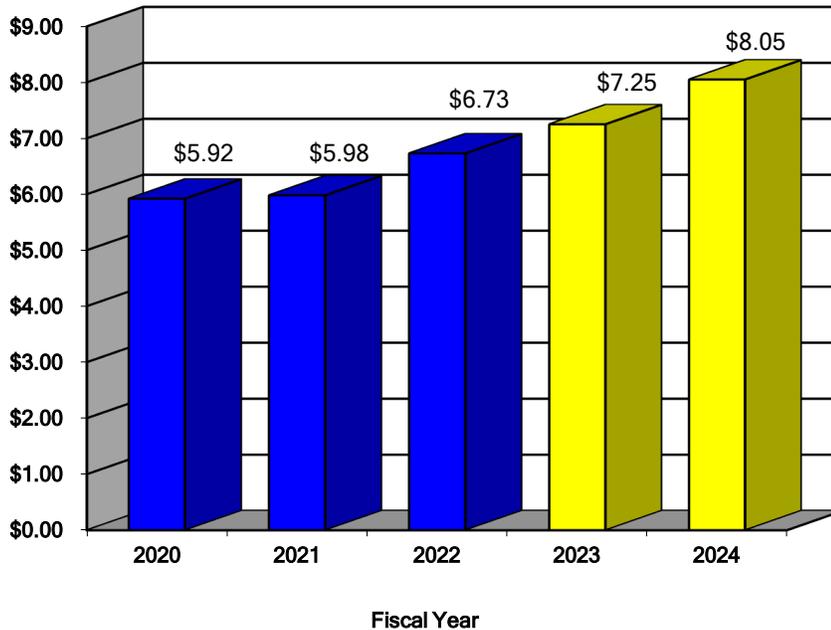
Effective July 1, 2018, the rental car companies entered into a new five-year agreement ending June 30, 2023. These agreements begin FY 2023-24 in holdover status pending a solution to negotiations over the consolidated rent-a-car (CONRAC) facility. RTAA revenues are the greater of the minimum annual guarantee (MAG) or 10% of gross receipts earned by companies.

There are currently two off-airport rental car companies with agreements to operate: Hilapro Holdings LLC d/b/a Reno-Tahoe Rental Car and Gitibin & Associates, Inc. d/b/a Go Rentals. The concession fee of 10% of gross receipts plus any ground transportation fees remains in effect for FY 2023-24.

Based on forecasted passenger traffic and revenue per enplaned passenger included in the FY 2023-24 Budget, Auto Rental revenue is projected to be approximately \$10.936 million. This is \$272,552 or 2.4% below the FY 2022-23 Budget and \$278,368 or 2.5% below the FY 2022-23 updated forecast. The revenue per enplaned passenger decreased due to rental car cost increase and passengers opting for more affordable transportation options.

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Parking Revenue per Enplaned Passenger



Total auto parking and ground transportation revenues of \$20.107 million are budgeted for FY 2023-24, an increase of \$2.956 million or 17.2% above the prior fiscal year budget. Parking revenue is projected to increase due to the higher passenger traffic forecasted in FY 2023-24, as well as an increase in the maximum daily rate for short-term parking from \$26 to \$36 per day, starting after 6 hours. Additionally, taxis, shuttles, and transportation network companies (TNCs) fees have increased. Beginning July 1, 2023, RTAA is implementing a \$1.00 per drop off charge, and increasing the per pick up fee from \$1.00 to \$2.00, resulting in a budgeted increase in ground transportation revenues of \$287,100 or 41.6% from FY 2022-23.

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RENO-TAHOE AIRPORT AUTHORITY
POPULATION IN AIR TRADE AREA
FOR THE CALENDAR YEARS 2013-2022
(unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Nevada										
<u>County</u>										
Churchill	24,063	23,989	24,200	24,198	24,230	24,440	24,909	25,539	25,723	25,843
Douglas	47,118	47,536	47,710	48,020	48,309	48,467	48,905	49,468	49,870	49,628
Humboldt	17,363	17,279	17,019	16,842	16,826	16,786	16,831	17,823	17,648	17,272
Lyon	51,557	51,789	52,585	53,179	54,122	55,808	57,510	59,431	60,903	61,585
Pershing	6,877	6,698	6,634	6,560	6,508	6,666	6,725	6,639	6,741	6,462
Storey	3,942	3,912	3,987	4,051	4,006	4,029	4,123	4,106	4,143	4,170
Washoe	433,731	440,078	446,903	453,616	460,587	465,735	471,519	487,388	493,392	496,745
Carson City	54,080	54,522	54,521	54,742	54,745	55,414	55,916	58,677	58,993	58,130
Subtotal	638,731	645,803	653,559	661,208	669,333	677,345	686,438	709,071	717,413	719,835
California										
<u>County</u>										
Alpine	1,159	1,116	1,110	1,071	1,120	1,101	1,129	1,198	1,235	1,190
El Dorado	181,737	183,087	184,452	185,625	188,987	190,678	192,843	191,114	193,221	192,646
Lassen	32,163	31,749	31,345	30,870	31,163	30,802	30,573	32,719	33,159	29,904
Mono	14,074	13,997	13,909	13,981	14,168	14,250	14,444	13,206	13,247	12,978
Nevada	98,200	98,893	98,877	99,107	99,814	99,696	99,755	102,199	103,487	102,293
Placer	367,309	371,694	375,391	380,531	386,166	393,149	398,329	405,741	412,300	417,772
Plumas	18,859	18,606	18,409	18,627	18,742	18,804	18,807	19,769	19,915	19,351
Sierra	3,047	3,003	2,967	2,947	2,999	2,987	3,005	3,228	3,283	3,217
Subtotal	716,548	722,145	726,460	732,759	743,159	751,467	758,885	769,174	779,847	779,351
Total	1,355,279	1,367,948	1,380,019	1,393,967	1,412,492	1,428,812	1,445,323	1,478,245	1,497,260	1,499,186
Percentage										
increase	3.94%	0.93%	0.88%	1.01%	1.33%	1.16%	1.16%	2.28%	1.29%	0.13%
Unemployment rate										
Washoe County	11.0%	9.4%	7.6%	6.3%	5.0%	3.5%	2.3%	3.2%	8.2%	3.5%

Source: US Census Bureau - Quickfacts *Population Estimates as of July 1, 2022
Nevada Department of Employment, Training, and Rehabilitation

<http://www.census.gov/quickfacts/table/PST045219/>

<http://nevadaworkforce.com/HOME/DS-Results-LAUS2>

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Nevada Statewide 2023 Industrial Employment

Estimates in thousands	June 2023	June 2022	Change	% Change
Total All Industries	1548.9	1455.3	93.60	6.4%
<i>Goods Producing</i>	197.5	185.3	12.2	6.6%
Natural Resources & Mining	15.2	14.8	0.4	2.7%
Construction	114.3	104.3	10.0	9.6%
Manufacturing	68.0	66.2	1.8	2.7%
<i>Services Producing</i>	1351.4	1270.0	81.4	6.4%
<i>Private Service Providing</i>	1180.6	1112.1	68.5	6.2%
Trade, Transportation & Utilities	290.7	289.9	0.8	0.3%
Information	18.7	15.7	3.0	19.1%
Financial Activities	75.5	73.7	1.8	2.4%
Professional & Business Services	226.2	205.5	20.7	10.1%
Education and Health Services	167.5	155.0	12.5	8.1%
Leisure and Hospitality	360.6	333.2	27.4	8.2%
Other Services	41.4	39.1	2.3	5.9%
Government	170.8	157.9	12.9	8.2%

Data may not add due to rounding. Employment by place of work. Does not coincide with labor force concept. Includes multiple jobholders.

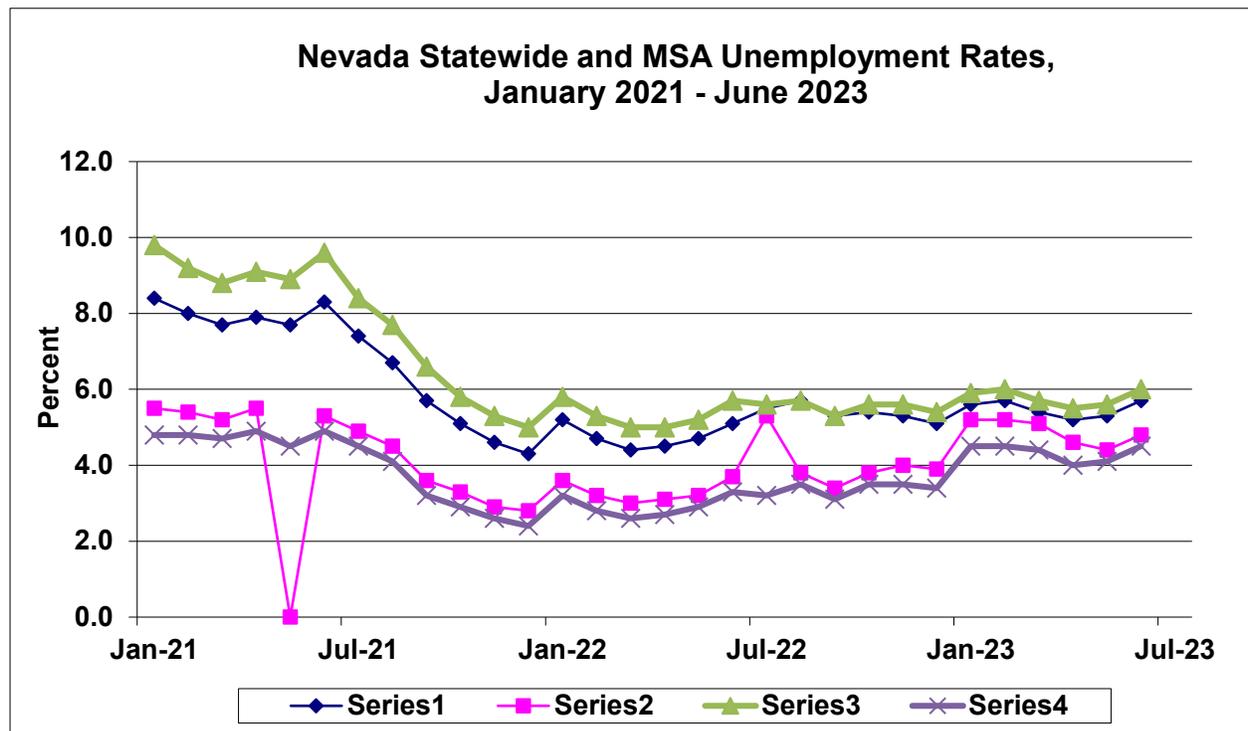
<https://www.nevadaworkforce.com/Home/DS-Results-LAUS2>

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Employment Statistics

The table above demonstrates Nevada’s increasingly 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. The Leisure and Hospitality, the largest category of employment, has shown an 8.2% increase in employment in June 2023 as compared to June 2022.

Unemployment Statistics



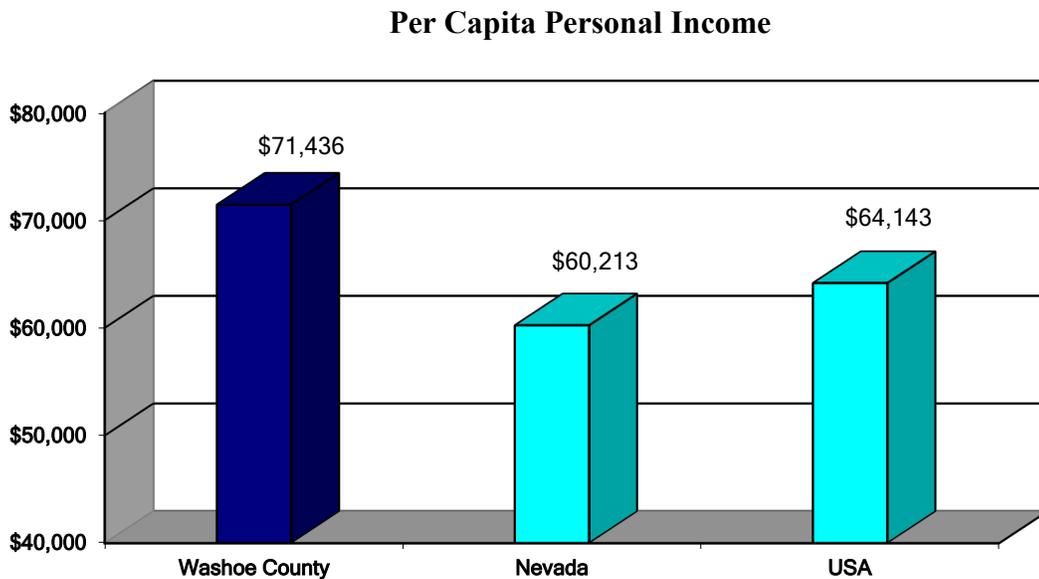
Source: Nevada Department of Employment, Training and Rehabilitation

This graph shows the Reno-Tahoe area unemployment rate of 4.5% in June 2023 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 unemployment rate of 4.5% in June 2023 increased compared to 3.3% in June 2022. The nationwide unemployment rate at the end of June 2023 remained historically low at 3.6% according to the Bureau of Labor Statistics.

**Reno-Tahoe Airport Authority
FY 2023-24
ANNUAL BUDGET
Section 10 – Supplemental Data**

Per Capita Personal Income

Another aspect of Reno-Tahoe area employment is strong per capita personal income. As the latest data available as of 2021 demonstrates, the Reno-Tahoe service area of Washoe County not only has a higher per capita personal income than the rest of Nevada but has also surpassed the national average per capita personal income level as well.



Source: U.S. Department of Commerce – Bureau of Economic Analysis www.bea.gov/Regional/Reis

**Reno-Tahoe Airport Authority
 FY 2023-24
 ANNUAL BUDGET
 Section 10 – Supplemental Data**

RENO-TAHOE AIRPORT AUTHORITY
 PRINCIPAL EMPLOYERS WITHIN AIR TRADE AREA
 FOR THE CALENDAR YEARS ENDED 2022 AND 2012
 (unaudited)

Employer	Calendar year 2022		Calendar year 2012	
	Rank	Employees	Rank	Employees
Renown Health	1	1,000-4,999	3	2,500-2,999
Peppermill Inc	2	1,000-4,999	5	2,000-2,499
Nugget Casino Resort	3	1,000-4,999	-	-
Grand Sierra Resort & Casino	4	1,000-4,999	10	1,000-1,499
St Mary's Regional Medical Center	5	1,000-4,999	12	1,500-1,999
Eldorado Hotel & Casino	6	1,000-4,999	11	1,000-1,499
Spa at Silver Legacy	7	1,000-4,999	7	1,500-1,999
University of Nevada, Reno Sponsored	8	1,000-4,999	2	4,000-4,499
International Game Technology (IGT)	9	1,000-4,999	6	2,000-2,499
AMERCO	10	1,000-1,499	-	-

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, 2022 Second Half

www.nevadaworkforce.com/CAER

Reno-Tahoe Airport Authority
FY 2023-24
ANNUAL BUDGET
Section 10 – Supplemental Data

Domestic Airline Passengers

Enplanements on U.S. Airlines, Unadjusted						
Passenger numbers in millions (000,000)						
			2020-2021		2022-2023	
	2020	2021	2022	PCT. Change	2023	PCT. Change
January	70.77	27.29	51.80	-61.4%	67.10	30%
February	67.81	26.61	54.80	-60.8%	64.60	18%
March	39.06	42.80	72.40	9.6%	79.50	10%
April	3.01	47.80	71.90	1488.0%	77.50	8%
May	8.43	57.50	75.80	582.1%	81.80	8%
June	16.53	67.00	77.40	305.3%		-100%
July	24.01	73.70	80.40	207.0%		-100%
August	25.30	66.90	76.60	164.4%		-100%
September	25.27	58.70	71.40	132.3%		-100%
October	30.01	65.80	76.00	119.3%		-100%
November	28.76	65.80	71.70	128.8%		-100%
December	30.54	66.60	71.70	118.1%		-100%
6 Mo.	205.61	269.00	404.10	30.8%	370.50	
Total						-8.3%
Yr. Total	369.50	666.50	851.90	80.4%		

Source: Bureau of Transportation Statistics, T-100 Market

Note: Percentage changes based on numbers prior to rounding.

Note: May & June 2023 passenger numbers have not been published

<https://www.bts.gov/newsroom>

The table above lists the last three 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 airline passenger enplanements have recovered from COVID-19 pandemic numbers as seen in 2021 through 2022.

Reno-Tahoe Airport Authority
FY 2023-24
ANNUAL BUDGET
Section 10 – Supplemental Data

Airline Profitability

Quarterly Large Airline Systemwide (Domestic + International) Net Income Ranked by 1Q 2023 Operating Revenue (millions of dollars)							Dollar Change
Rank	Airline	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	1Q2022- 1Q2023
1	American	-1,578	522	539	854	85	1,663
2	Delta	-906	799	759	928	-273	633
3	United	-1,377	330	942	844	-194	1,183
4	Southwest	-278	760	277	-220	-159	119
5	Alaska	-90	143	58	58	-138	-48
6	JetBlue	-255	-188	57	23	-192	63
7	Spirit	-195	-52	-36	-271	-104	91
8	Hawaiian	-121	-38	-3	-49	-107	14
9	SkyWest	-15	21	6	-33	-51	-36
10	Frontier	-115	16	21	40	-13	102
10-Carrier Total		-4,930	2,313	2,620	2,174	-1,146	3,784

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 2023.

The top 10 airlines, ranked by operating revenue, reported a decrease in after-tax net loss of \$1.1 billion in the first quarter of 2023, down 77% from a net loss of \$4.9 billion in the first quarter of 2022 and down 153% from a net gain of \$2.2 billion in the fourth quarter of 2022.

Fuel costs increased 19% as compared to the prior year and increased 188% as compared to 2021. Crude oil prices decreased 20% in June 2023 as compared to the same period last year. Full-time equivalent (FTE) employment at U.S. passenger airlines reached over 458,144 jobs in 2022.

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, 2024

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 \$ 94,063,349

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 & Administration Officer
(Title)

certify that all applicable funds and financial operations of this Local Government are listed herein

Signed Randall O. Carlton

Dated: 5/18/2023

APPROVED BY THE GOVERNING BOARD

Jenifer Rose

Carol Chaplin

Adam Kramer

Richard Jay

Lisa Gianoli

Shaun Carey

Jennifer Cunningham

Jessica Sferrazza

Art Sperber

SCHEDULED PUBLIC HEARING:

Date and Time 5/18/2023 - 9 AM

Publication Date 5/8/2023

Place: Reno- Tahoe Airport Authority- Board Room

Page: 1

Form 1

11/1/2014

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/22	ESTIMATED CURRENT YEAR ENDING 06/30/23	BUDGET YEAR ENDING 06/30/24
General Government			
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support			
TOTAL GENERAL GOVERNMENT			
Utilities			
Hospitals			
Transit Systems			
Airports	252.0	289.0	292.0
Other			
TOTAL	252.0	289.0	292.0

POPULATION (AS OF JULY 1)			496,745
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

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/24	
	ACTUAL PRIOR YEAR ENDING 6/30/2022	ESTIMATED CURRENT YEAR ENDING 6/30/2023	TENTATIVE APPROVED	FINAL APPROVED
OPERATING REVENUE				
Landing and Aircraft Fees	\$ 10,584,517	\$ 13,054,175	\$ 15,931,769	\$ 15,217,778
Gaming Concession	1,256,202	1,296,400	1,416,017	1,398,243
Food & Beverage Concession	1,385,576	2,068,842	2,249,800	2,221,488
Merchandise Concession	864,976	1,202,393	1,239,000	1,223,500
Auto Rental Concession	10,203,975	11,316,635	11,075,275	10,936,255
Parking/Ground Transportation	14,004,587	17,295,101	20,347,598	20,106,732
Rents	15,073,833	17,148,432	29,139,958	29,575,358
Other Concessions/Reimbursed Svcs/Misc.	4,691,515	4,809,122	4,789,919	4,776,865
Total Operating Revenue	\$ 58,065,181	\$ 68,191,099	\$ 86,189,337	\$ 85,456,219
OPERATING EXPENSE				
Personnel Services	\$ 30,348,607	\$ 38,057,907	\$ 42,293,109	\$ 42,186,109
Utilities and Communications	3,156,581	3,133,050	4,543,050	4,543,050
Purchased Services	7,405,170	9,765,000	9,946,704	9,992,704
Materials and Supplies	2,575,145	2,984,990	3,669,957	3,674,957
Administrative Expenses	2,854,518	3,991,021	4,737,154	4,747,930
Depreciation/Amortization	25,079,112	28,000,000	28,000,000	28,000,000
Total Operating Expense	\$ 71,419,133	\$ 85,931,967	\$ 93,189,974	\$ 93,144,750
Operating Income or (Loss)	(13,353,952)	(17,740,868)	(7,000,637)	(7,688,531)
NONOPERATING REVENUES (EXPENSES)				
Interest Earned	(1,491,248)	892,500	1,251,100	1,211,100
Jet Fuel Tax Revenue	294,018	294,000	298,400	298,400
PFC Revenues (Passenger Facility Chg.)	8,502,997	8,737,300	9,537,300	9,394,600
Gain (Loss) on sale of capital assets	15,080	-	-	-
Customer Facility Charge	6,350,891	9,160,800	9,694,600	9,573,000
Federal Stimulus Funds	14,483,077	10,472,500	22,069,617	6,660,094
Interest Expense	(399,857)	(400,000)	(873,375)	(1,110,519)
Miscellaneous Non-Operating Expense	-	-	-	(200,000)
Total Nonoperating Revenues (Expenses)	27,754,958	29,157,100	41,977,642	25,826,675
Net Income before Operating Transfers	\$ 14,401,006	\$ 11,416,232	\$ 34,977,005	\$ 18,138,144
Operating Transfers (Schedule T)				
In	0			
Out				
Net Operating Transfers	0	0	0	0
NET INCOME	\$ 14,401,006	\$ 11,416,232	\$ 34,977,005	\$ 18,138,144

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 06/30/24	
	ACTUAL PRIOR YEAR ENDING 6/30/2022	ESTIMATED CURRENT YEAR ENDING 6/30/2023	TENTATIVE APPROVED	FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ (13,353,952)	\$ (17,740,868)	\$ (7,000,637)	\$ (7,688,531)
Depreciation/Amortization	25,079,112	28,000,000	28,000,000	28,000,000
Provision for Bad Debt	-	-	-	-
Loss on Sale of Property and Equipment	-	-	-	-
Changes in Current Assets and Liabilities	(1,369,158)	-	-	-
a. Net cash provided by (or used for) operating activities	10,356,002	10,259,132	20,999,363	20,311,469
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Jet Fuel Tax Revenue	294,018	294,000	298,400	298,400
Federal Stimulus Funds	13,209,077	10,472,500	22,069,617	6,660,094
b. Net cash provided by (or used for) non capital financing activities	13,503,095	10,766,500	22,368,017	6,958,494
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Federal Grant Proceeds	27,845,338	19,168,209	32,760,713	40,905,777
Proceeds from sale of Capital Assets	15,080	-	-	-
Customer Facility Charge Revenue	6,350,891	9,160,800	9,694,600	9,573,000
Acq. & Const. of Capital Assets	(37,267,116)	(48,171,011)	(91,490,369)	(102,239,890)
Principal/Interest Payments	(12,858,844)	(400,000)	(6,373,375)	(6,610,519)
Receipts of PFC Revenue	8,502,997	8,737,300	9,537,300	9,394,600
Non-Operating Expenses	-	-	-	(200,000)
Short-term borrowing	-	-	-	26,684,747
Jet Fuel Activity	-	-	-	-
Insurance Settlement Proceeds	-	-	-	-
c. Net cash by (or used for) capital and related financing activities	(7,411,654)	(11,504,702)	(45,871,131)	(22,492,285)
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Receipt of Interest	1,226,258	892,500	1,251,100	1,211,100
Purchase/Sale of Investments	(16,909,128)	-	-	-
d. Net cash provided by (or used in) investing activities	(15,682,870)	892,500	1,251,100	1,211,100
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	764,573	10,413,429	(1,252,652)	5,988,779
CASH AND CASH EQUIVALENTS AT JULY 1, 20XX	12,190,957	12,955,530	23,368,959	23,368,959
CASH AND CASH EQUIVALENTS AT AT JUNE 30, 20XX	\$ 12,955,530	\$ 23,368,959	\$ 22,116,307	\$ 29,357,737

RENO-TAHOE AIRPORT AUTHORITY

Schedule F - 2 - Statement of Cash Flows

FUND: AIRPORTS

Page: 5

Form 20

11/1/2014

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

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

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

(1) NAME OF BOND OR LOAN List and Subtotal By Fund	(2) *	(3) TERM	(4) ORIGINAL AMOUNT OF ISSUE	(5) ISSUE DATE	(6) FINAL PAYMENT DATE	(7) INTEREST RATE	(8) BEGINNING OUTSTANDING BALANCE 7/1/2022	(9) (10) REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/22		(11) (9) + (10) TOTAL
								INTEREST PAYABLE	PRINCIPAL PAYABLE	
FUND: AIRPORTS										
			-				-	-	-	-
TOTAL ALL DEBT SERVICE			\$ -				\$ -	\$ -	\$ -	\$ -

SCHEDULE C-1 INDEBTEDNESS

RENO-TAHOE AIRPORT AUTHORITY Budget Fiscal Year 2023-24

SCHEDULE OF EXISTING CONTRACTS

Budget Year 2023-24

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: 140

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2023-24	Proposed Expenditure FY 2024-25	Reason or need for contract:
1	Fisher Phillips	2/1/2014	1/30/2024	\$ 74,000	\$ 74,000	Legal Services
2	Unknown	7/1/2023	6/30/2024	\$ 30,000	\$ -	Survey(s) - Reno-Tahoe Catchment Area and respondent incentive
3	Unknown	7/1/2023	6/30/2024	\$ 25,000	\$ 25,000	International Passsenger Demand Study
4	Unknown	7/1/2023	6/30/2024	\$ 25,000	\$ 25,000	Domestic Passsenger Demand Study
5	Unknown	7/1/2023	6/30/2024	\$ 50,000	\$ 50,000	Cargo Demand Study
6	Unknown	7/1/2023	6/30/2024	\$ 20,000	\$ 20,000	Other Air Service Development Projects
7	Unknown	7/1/2023	6/30/2024	\$ 10,000	\$ 10,000	Demographics and Immigration
8	Cirium, Diio	7/1/2023	6/30/2024	\$ 30,000	\$ 30,000	Diio. Data Intelligence
9	Airline Data Inc.	7/1/2023	6/30/2024	\$ 7,800	\$ 7,800	ACA Leakage Module
10	Air Service One	7/1/2023	6/30/2024	\$ 12,000	\$ 12,000	B2B marketing/advertising - Previously Anna. Aero
11	The Griffin Company	11/1/2020	6/30/2024	\$ 72,000	\$ 72,000	State Lobbying Contract - is eligible for 4 years of extentions
12	The Porter Group	2/13/2019	6/30/2024	\$ 72,000	\$ 72,000	Federal Lobbying Contract - will likely go out to RFP
13	OAG	7/1/2023	6/30/2024	\$ 14,000	\$ 16,000	RNO website flight mapping tool (moving to Marketing from ASD)
14	University of Nevada-Reno	7/1/2022	6/30/2024	\$ 52,008	\$ 52,008	Intercollegiate Athletics Trade Out Agreement
15	KPS/3	7/1/2022	6/30/2024	\$ 9,600	\$ 9,600	Website Maintenance Agreement
16	Constant Contact	On-going		\$ 4,224	\$ 4,224	Annual Contract for E-News Distribution
17	Hootsuite Insights	On-going		\$ 4,279	\$ 4,279	Annual Contract for Social Media Monitoring
18	Dropbox Business	On-going		\$ 495	\$ 495	Annual Contract for 5 TB of Document Sharing (3 Admins)
19	ComPsych	8/1/2019	7/31/2024	\$ 6,000	\$ 6,200	Employee Assistance Program Services
20	LP Insurance	7/1/2022	6/30/2027	\$ 50,000	\$ 50,000	Insurance Brokerage Services
21	Aetna	1/1/2023	12/31/2023	\$ 3,413,496	\$ 3,618,300	Employee Health Benefit Plan
22	Metlife	1/1/2023	12/31/2023	\$ 505,980	\$ 541,400	Employee Dental, Vision, Life & Long Term Disability Benefit Plans
23	Navia Benefits	1/1/2017	6/30/2024	\$ 6,000	\$ 6,400	Third Party Administration Services (HSA/Flex Plan Claims)
24	Affirmity	9/1/2019	8/31/2024	\$ 7,000	\$ 7,400	Third Party Affirmative Action Analysis
25	Unknown	7/1/2022	6/30/2024	\$ 22,000	\$ -	Employee Engagement Survey
26	Hutchinson & Steffen LLC/Alex Velto	6/1/2021	6/30/2024	\$ 5,000	\$ 38,000	Chief Negotiation Services
27	Breezy HR	7/1/2023	6/30/2024	\$ 12,000	\$ 12,000	Onboarding System
28	Virtower	7/1/2023	6/30/2024	\$ 26,000	\$ 26,000	ADSB Annual
29	WTR	7/1/2023	6/30/2024	\$ 50,000	\$ 50,000	Cabling/Electrical installation and repair services:
30	Unknown	7/1/2023	6/30/2024	\$ 75,000	\$ 75,000	Teledata Fiber installation and repair services
31	Unknown	7/1/2023	6/30/2024	\$ 125,000	\$ 125,000	Provide 7x24 maintenance and support for access control and video surveillance systems
32	ANOMS Maintenance Agreement: B&K	7/1/2023	6/30/2024	\$ 118,503	\$ 119,000	Provide onsite hardware maintenance for ANOMS system
33	FIDS/Paging Systems Maintenance and Support: SIT	7/1/2023	6/30/2024	\$ 84,000	\$ 84,000	Provide onsite hardware maintenance for FIDS system
34	Server administration and support MSA: Maise	7/1/2023	6/30/2024	\$ 41,000	\$ 41,000	Provide remote support for network servers
35	Data Communications Network Maintenance Agreement	7/1/2023	6/30/2024	\$ 37,800	\$ 41,580	Provide remote and onsite support for data communications network
36	Virtual Server Maintenance: Dell VxRail	7/1/2023	6/30/2024	\$ 68,000	\$ 68,000	Provide onsite hardware support for virtual host hardware
37	ANOMS RealContours Maintenance Agreement: HMM	7/1/2023	6/30/2024	\$ 26,700	\$ 24,500	Prepare noise contours
38	VoIP Telephone System Maintenance: VOX	7/1/2023	6/30/2024	\$ 24,000	\$ 26,400	Provide remote and onsite support for telephone system

SCHEDULE OF EXISTING CONTRACTS

Budget Year 2023-24

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: 140

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2023-24	Proposed Expenditure FY 2024-25	Reason or need for contract:
39	Pressurized Cable System PM Contract SSI, Inc.	7/1/2023	6/30/2024	\$ 26,475	\$ 28,000	Provide onsite support for underground pressurized cabling system
40	Surface Condition Monitoring System Support: Vaisala	7/1/2023	6/30/2024	\$ 16,669	\$ 18,000	Provide remote and onsite support for surface condition monitoring system
41	Hub Intranet monthly backup, patching, and maintend	7/1/2023	6/30/2024	\$ 14,400	\$ 14,400	Provide remote website administration and backups
42	Public WiFi Maintenance Agreement: Extreme Networ	7/1/2023	6/30/2024	\$ 5,400	\$ 6,000	Provide remote and onsite support for WiFi system
43	Telecommunications billing management: Vcom	7/1/2023	6/30/2024	\$ 10,200	\$ 12,000	Provide remote account review of telecommunications accounts
44	CBP Telephone System Support: VOX	7/1/2023	6/30/2024	\$ 2,700	\$ 3,000	Provide remote and onsite support of telephone system at Border Protection Facility
45	Trophy Peak Fire Services	2/1/2021	6/30/2024	\$ 6,500.00	\$ 6,500.00	Stead fire systems inspections and alarm monitoring
46	Waters (Vacuum) Septic Service	7/1/2021	6/30/2024	\$ 1,420.00	\$ 1,420.00	Separator services
47	All Weather, Inc.	7/1/2020	6/30/2024	\$ 5,900.00	\$ 5,900.00	Stead AWOS certification and service
48	Bureau Veritas Kone Elevator service	7/1/2020	6/30/2024	\$ 1,500.00	\$ 1,500.00	Stead terminal and BLM buildings elevator and lift inspections
49	LA Perks	7/1/2021	6/30/2024	\$ 1,500.00	\$ 1,500.00	Annual Stead wash rack arm certification
50	Emerson/Veritiv	7/1/2021	6/30/2024	\$ 5,000.00	\$ 5,000.00	Stead terminal UPS services (Stead portion of downtown contract,
51	One Call Maintenance - Janitorial	7/1/2021	6/30/2024	\$ 25,000.00	\$ 25,000.00	Stead terminal janitorial cleaning services (Stead portion of downtown contract,
52	Waters RTS stormceptor clean out	9/1/2017	6/30/2024	\$ 3,680.00	\$ 3,680.00	Annual cleanout fee for Stead Stormceptor unit
53	Wells Fargo Bank	N/A	N/A	\$ 35,000	\$ 35,000	Banking Services
54	Wells Fargo Bank	N/A	N/A	\$ 360,000	\$ 365,000	Merchant Services Credit Card Processing
55	Unknown	N/A	N/A	\$ 70,000	\$ 72,000	External Audit Services
56	MacLeod Watts	7/1/2022	7/1/24	\$ 3,250	\$ 1,550	OPEB & GASB Actuarial
57	Government Portfolio Advisors	7/1/2022	7/1/2024	\$ 50,000	\$ 52,000	Investment Advisors Contract
58	Landrum Borown	2/7/2019	6/30/2024	\$ 50,000	\$ 50,000	Airline Agreement Negotiations
59	Public Finance Management	7/1/2023	ongoing	\$ 50,000	\$ 50,000	Bond Analysis
60	Airport Concession Consultants	7/1/2019	ongoing	\$ 5,700	\$ 5,400	Airport Concessions Disadvantage Business Enterprise (ACDBE) compliance
61	QSI Specialists	11/1/2013	ongoing	\$ 4,500	\$ 4,500	Mystery Shopper program
62	TNT Lawns Plus	4/1/2019	ongoing	\$ 3,000	\$ 2,500	Landscape maintenance of Grassy Knolls parcel
63	SmarteCarte	2/1/2020	12/31/2030	\$ 6,000	\$ 6,000	Luggage Carts for CPB Building
64	Unknown	7/1/2023	6/30/2024	\$ 650,000	\$ -	Economic development consultants- Various
65	Johnson Controls Hangar B E F		ongoing	\$ 5,000	\$ 5,000	Fire Alarm Monitoring-485 S Rock Hangars
66	Detailed Cleaning		ongoing	\$ 3,500	\$ 3,500	Janitorial Service for East and West T-Hangar restrooms
67	Stellar Aviation T-hangar Management		ongoing	\$ 86,000	\$ 86,000	Manages RNO T-hangars for RTAA
68	MVI Facility Services		12/31/22*	\$ 550,000	\$ 550,000	QTA Facility Management. * Will need to extend until ConRAC built
69	Mountain Alarm		ongoing	\$ 1,758	\$ 1,758	Fire Alarm Monitoring - 1200 Terminal
70	Johnson Controls		ongoing	\$ 3,600	\$ 3,600	Fire Alarm Monitoring - 601 S Rock
71	Mountain Alarm		ongoing	\$ 1,700	\$ 1,700	Fire Alarm Monitoring - 1250 Terminal
72	Midwest Heating		ongoing	\$ 4,000	\$ 4,000	HVAC Quarterly PM-1500 Terminal
73	Mountain Alarm		ongoing	\$ 2,000	\$ 2,000	Fire Alarm Monitoring-1500 Terminal
74	Mountain Alarm		ongoing	\$ 2,000	\$ 2,000	Fire Alarm Monitoring-2750 Vassar
75	Midwest Heating		ongoing	\$ 10,000	\$ 10,000	HVAC Quarterly Maintenance-1280 Terminal

SCHEDULE OF EXISTING CONTRACTS

Budget Year 2023-24

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: 140

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2023-24	Proposed Expenditure FY 2024-25	Reason or need for contract:
76	Western Exterminator		ongoing	\$ 500	\$ 500	Pest Control-1280 Terminal
77	T&T Lawns Plus		ongoing	\$ 5,000	\$ 5,000	Landscaping-1280 Terminal
78	T&T Lawns Plus		ongoing	\$ 4,000	\$ 4,000	Snow Removal-1280 Terminal
79	A Natural Sparkle		ongoing	\$ 6,500	\$ 6,500	Janitorial Service-1280 Terminal
80	Mountain Alarm		ongoing	\$ 2,000	\$ 2,000	Fire Alarm Monitoring-1280 Terminal
81	Mountain Alarm		ongoing	\$ 750	\$ 750	Fire Extinguisher Service-1280 Terminal
82	CEI ALarm		ongoing	\$ 500	\$ 500	Burglar Alarm Monitoring-Mini Warehouse
83	T&T Lawns Plus		ongoing	\$ 6,000	\$ 6,000	Snow Removal-Mini Warehouse
84	Midwest Heating		ongoing	\$ 4,000	\$ 4,000	HVAC PM-Mini Warehouse
85	Western Exterminator		ongoing	\$ 1,200	\$ 1,200	Pest Control-Mini Warehouse
86	Mountain Alarm		ongoing	\$ 2,000	\$ 2,000	Fire Alarm Monitoring-Mini Warehouse
87	Mountain Alarm		ongoing	\$ 1,000	\$ 1,000	Fire Extinguisher Service-Mini Warehouse
88	ESI Security		ongoing	\$ 5,000	\$ 5,000	Security Patrol-Mini Warehouse
89	Ross & Baruzzini	7/1/2023	6/30/2024	\$ 65,000	\$ -	Continuation and implentation of the Emergency Assesment Plan
90	USDA Wildlife Services	7/1/2022	6/30/2025	\$ 60,000	\$ 60,000	Part 139 Wildlife Services.
91	Scheidt and Bachmann	7/1/2022	6/30/2024	\$ 212,000	\$ 220,000	Parking Revenue Control System Maintenance Agreement
92	Windcave	7/1/2022	6/30/2024	\$ 22,800	\$ 20,500	Processor for EMV and Credit Card Trx's for new PARCS Equipment.
93	Unknown	7/1/2023	6/30/2024	\$ 45,000	\$ -	Landside Studies
94	Gatekeeper - Current System	7/1/2022	6/30/2026	\$ 46,500	\$ 48,200	GT Tracking Software Support Agreement
95	Par Electric(Snow Removal)	7/1/2022	6/30/2024	\$ 60,000	\$ 60,000	Snow Removal for Overflow Parking
96	City of Reno	7/1/2023	6/30/2024	\$ 98,000	\$ 98,000	Reno PSAP (Dipatch for ARFF)
97	City of Reno	7/1/2023	6/30/2024	\$ 80,000	\$ 80,000	Fire Prevention
98	John Hardwick	7/1/2023	6/30/2024	\$ 10,000	\$ 10,000	Medical Director Services
99	Reno Uniform			\$ 18,000	\$ 18,000	New Uniforms and equipment, as well as replacement is ongoing
100	Leid's Uniform and Dry Cleaning			\$ 14,000	\$ 14,000	All sworn members uniforms are dry cleaned, paid monthly
101	TSA Fingerprinting	7/1/2023	6/30/2024	\$ 32,000	\$ 32,000	Fingerprinting
102	Acuity Scheduling	7/1/2023	6/30/2024	\$ 500	\$ 500	Badging Scheduling
103	Leid's	7/1/2023	6/30/2024	\$ 2,000	\$ 200	Laudry Services
104	Hummanity App	On-going		\$ 638	\$ 638	Scheduling for Customer Service Rep.
105	SITA	7/1/2023	6/30/2024	\$ 308,616	\$ 308,616	Common Use maintenance and support
106	Unknown	4/1/2023	6/30/2024	\$ 7,362,882	\$ -	Executive Program Management and Support Services
107	AEEC	1/1/2023	12/31/2023	\$ 100,000	\$ -	Consultant Services - Stead Consent Decree Remediation
108	Bob Firth	7/1/2023	6/30/2024	\$ 3,000	\$ 2,000	Consultant Services - Water Rights
109	Sierra Environmental Monitoring	7/1/2023	6/30/2024	\$ 12,000	\$ 12,000	Consultant Services - Stormwater Sampling
110	Michael Baker International	7/1/2023	6/30/2024	\$ 35,000	\$ 35,000	Consultant Services - GIS-Related Repair Work, Programming, and Staff Training
111	Envirosuite	7/1/2023	6/30/2024	\$ 118,503	\$ 119,688	Contract - Airport Noise & Operations Monitoring System (ANOMS) Annual Maintenance & Repair

SCHEDULE OF EXISTING CONTRACTS

Budget Year 2023-24

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: 140

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2023-24	Proposed Expenditure FY 2024-25	Reason or need for contract:
112	HMMH	7/1/2023	6/30/2024	\$ 26,700	\$ 25,650	Consultant Services - Acoustical Consulting Services associated with ANOMS
113	Michael Baker International	7/1/2023	6/30/2024	\$ 94,000	\$ 22,000	Consultant Services - GIS Needs Assessment & Inventory
114	Mead & Hunt	7/1/2023	6/30/2024	\$ 190,000	\$ -	Consultant Services - RNO ALP Update
115	Wood Rodgers	7/1/2023	6/30/2024	\$ 10,000	\$ 10,000	Annual-On Call Services for Airfield/Gate Diagrams
116	TBD	7/1/2023	6/30/2024	\$ 20,000	\$ 20,000	Annual-General Construction Management Workorder (Non AIP Assistance)
117	Kimley-Horn	7/1/2023	6/30/2024	\$ 40,000	\$ 40,000	RTS TWY A & Apron Design next phase (reimbursable upon receipt of AIP Grant)
118	ACC Consulting	7/1/2023	6/30/2024	\$ 6,000	\$ 6,000	DBE Program general services
119	TBD	7/1/2023	6/30/2024	\$ 40,000	\$ -	DBE Program Goals
120	Waters Vacuum Truck Service	7/1/2023	6/30/2024	\$ 27,000	\$ 28,600	State mandated servicing of sand oil separators
121	Extended Warranties for Snow Equipment	7/1/2023	6/30/2024	\$ 19,254	\$ 4,400	
122	Syn-Tech Systems (Fuel Master)	9/1/2023	8/30/2024	\$ 3,200	\$ 3,500	Software license and Service Agreement
123	RTA Fleet Software (Ron Turley Associates)	7/1/2023	6/30/2024	\$ 8,075	\$ 8,475	Fleet Management Software license
124	Sani Hut Portable Restroom Rental	7/1/2023	6/30/2024	\$ 1,600	\$ 1,700	Portable trailer restroom rental and service
125	American Equipment Inc	7/1/2023	6/30/2024	\$ 1,500	\$ 1,600	Lift and crane inspections/certifications
126	Mohawk Lift	7/1/2023	6/30/2024	\$ 600	\$ 700	Mohawk Vehicle lift inspections
127	Delta Fire Systems	7/1/2023	6/30/2024	\$ 40,000	\$ 43,000	State certification requirements
128	One Call Maintenance	7/1/2023	6/30/2024	\$ 386,054	\$ 400,249	Heavy duty cleaning services and equipment
129	EMCOR Services-BCS	7/1/2023	6/30/2024	\$ 17,000	\$ 19,000	Specialized training and equipment expertise
130	Chemtreat International-Cooling Towers	7/1/2023	6/30/2024	\$ 9,924	\$ 11,000	Cooling Tower Equipment and chemical servicing
131	Emerson Network Power-UPS	7/1/2023	6/30/2024	\$ 48,028	\$ 50,000	Specialized training and equipment servicing
132	Linen Service	7/1/2023	6/30/2024	\$ 2,000	\$ 2,000	Linen Services needed for our PR dept. support for table clothe cleaning
133	KoneElevator-Escalator Repair and Maintenance	7/1/2023	6/30/2024	\$ 98,410	\$ 101,361	State certification requirement
134	Stanley Access-Assa Abloy Certified door Service	7/1/2023	6/30/2024	\$ 4,000	\$ 4,500	Specialized equipment and repair service
135	Tennant Company-Ridding Scrubbers	7/1/2023	6/30/2024	\$ 17,500	\$ 18,000	Specialized training and equipment service
136	Trane Company-Chillers	7/1/2023	6/30/2224	\$ 63,000	\$ 66,000	Specialized equipment repair and service
137	ADT Alarm Services- GAOB Building	7/1/2023	6/30/2024	\$ 4,000	\$ 4,200	Security monitoring to support outlying RTAA facilities
138	Elite Line Services BHS	7/1/2023	6/30/2024	\$ 1,247,453	\$ 1,400,000	Specialized Baggage Handling System (BHS) Equipment service and repair
139	Arthur J. Gallagher	7/1/2018	6/30/2024	\$ 67,500	\$ 67,500	Property/Casualty & Workers Compensation Brokerage Services
140	Vital Records	6/22/1997	On-going	\$ 24,000	\$ 24,000	Records Retention & Storage- For all of RTAA
	Total Proposed Expenditures			\$ 18,560,924	\$ 10,451,221	

Additional Explanations (Reference Line Number and Vendor):

SCHEDULE OF EXISTING CONTRACTS
Budget Year 2023 - 2024

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 2023-24	Proposed Expenditure FY 2024-25	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	7/1/2022	6/30/2027	60 Months	\$ 386,055	\$ 400,250	18	Max 10	\$ 21.50	Heavy duty cleaning services and equipment
2										
3										
4										
5										
6										
7										
8	Total				\$ 386,055	\$ 400,250				

Attach additional sheets if necessary.

Section 12 – Acronym and Glossary

Reno-Tahoe Airport Authority
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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
NK	Spirit 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

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JFK	New York City
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
AAPSPA	Airport Authority Police Supervisors Protective Association
AAC	Art Advisory Committee

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AAU	Airport Authority University
AAULA	Airline-Airport Use and Lease Agreement
AC	Asphaltic Concrete
AC	FAA Advisory Circular
ACA	Affordable Care Act
ACAMS	Access Control and Alarm Monitoring System
ACDBE	Airport Concession Disadvantaged Business Enterprises
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
ACS	Airport Communications Specialist
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
ADM	Airport Duty Managers
ADPM	Average Day Peak Month
ADO	FAA Airport District Office
AED	Airport Economic Development
AEP	Airport Emergency Plan
AFV	Alternative Fuel Vehicles
AFFF	Aqueous Film Forming Foam
AGL	Above Ground Level
AirCom	Airport Communications Center
AIG	Airport Infrastructure Grant
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

Reno-Tahoe Airport Authority
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	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
ALP	Airport Layout Plan - A blueprint 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
AODB	Airport Operational Database
AOPA	Aircraft Owners and Pilots Association
APD	Airport Police Department
APHIS	Animal and Plant Health Inspection Services
APU	Auxiliary Power Unit
ARC	Airport Reference Code
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

Reno-Tahoe Airport Authority
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recovery from the economic and health effects of the COVID-19 pandemic and the ongoing recession in the United States.

ARTCC	Air Route Traffic Control Center
ARTS	Automated Radar Terminal System
ASD	Air Service Development
ASDA	Accelerate Stop Distance Available
ASDE	Airport Surface Detection Equipment
ASP	Airport Security Program
Asset	A single item of ownership having exchange value.
AFSD	Assistant Federal Security Director
ASM	Available Seat Mile
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
ATM	Automated Teller Machine
ATO	Airline Ticket Office
ATP	Airport Terminal Program
ATS	Applicant Tracking System
ATSI	Airport Training & Safety Institute (AAAE)
AUA	Airline-Airport Use and Lease Agreements
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

Reno-Tahoe Airport Authority
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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.
BIL	Bipartisan Infrastructure Law
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.
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.
Budget Deficit	A budget deficit occurs when outflows (spending) exceed inflows (revenue) during a defined period.
CAD	Computer Aided Dispatch
CADD	Computer Aided Design and Drafting
CAFR	Comprehensive Annual Financial Report
CALCS	Computerized Airfield Lighting Control System
CALEA	Commission on Accreditation for Law Enforcement
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	Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act, is a \$2.2 trillion economic stimulus bill passed by the 116th 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

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	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
CCM	Consecutive Calendar Months
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
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

Reno-Tahoe Airport Authority
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	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.
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
CTR	Click Through Rate
CUP	Central Utility Plant
CUPPS	Common Use Passenger Processing System
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

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	encouraged to participate in airport concession programs and FAA grant funded projects.
DETR	Nevada Department of Employment, Training, and Rehabilitation
DEI	Diversity, Equity, and Inclusion
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
DP	Deplaning Passenger -An arriving passenger.
DR	Disaster Recovery
DRI	Desert Research Institute
DTP	Digital Transformation Plan
DVR	Digital Video Recorder
EA	Environmental Assessment
EAA	Experimental Aircraft Association
EAM	Enterprise Asset Management
EAP	Employee Assistance Program
EAS	Essential Air Service
EDS	Explosive Detection System - TSA screening equipment
EDAWN	Economic Development Authority of Western Nevada
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

Reno-Tahoe Airport Authority
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	generally paid by the revenues generated within the operation of that purpose.
EP	Enplaned Passenger - A departing passenger.
EPA	Environmental Protection Agency
EPM	Executive Program Management
ERP	Enterprise Resource Planning
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
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
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

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FTE	Full Time Equivalent - PTE is Part Time Equivalent
FTZ	Foreign Trade Zone
Fund Balance	The net position of governmental funds calculated in accordance with generally accepted accounting principles (GAAP).
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
GAMS	General Aviation Minimum Standards
GAO	U.S. General Accounting Office
GASB	Governmental Accounting Standards Board
GDP	Gross Domestic Product
GFOA	Governmental Finance Officers Association
GIS	Geographical Information System
GMP	Guaranteed Maximum Price
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
GTC	(GTC) Ground Transportation Center will be used when referring to the new ground transportation and consolidated rental car facility project
HAN	Hot August Nights
HDQ	Headquarters
HID	High Intensity Discharge
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.

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IATA	International Air Transport Association
ICAO	International Civil Aviation Organization
ICS	Incident Command System
ID	Identification
IFR	Instrument Flight Rules
ILS	Instrument Landing System
IMC	Instrument Meteorological Conditions
INM	Integrated Noise Model
IP	Internet Protocol
IRS	Internal Revenue System
IT	Information Technology
ITB	Invitation to Bid
Jet Bridge	A mechanical tunnel used by passengers to pass from the terminal building to an aircraft.
JD	Jurisdictional Determination
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
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

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LDA	Landing Distance Available
LED	Light-Emitting Diode
LEO	Law Enforcement Officer
LIBOR	London Interbank Offered Rate
LMR	Labor Management Relations
LOA	Letter of Agreement
LOC	Letter of Credit
LOC	Localizer
LOI	Letter of Intent / Letter of Investigation
LPG	Liquefied Propane Gas
LTD	Long Term Disability
LTVA	Lake Tahoe Visitors Authority
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.
MagVar	Magnetic Variation
MALSF	Medium-Intensity Approach Lighting Systems with Sequence Flashers
MALSR	Medium-Intensity Approach Lighting System with Runway Alignment Indicator
MDA	Minimum Descent Altitude
MDF	Main Distribution Frame
Medium Hub Airport	An airport defined by the Federal Aviation Administration as handling 0.25% to 1% of the country's annual passenger boardings.
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	Hangar development on west side of ramp at Reno-Stead Airport
MOA	Military Operations Area
MOU	Memorandum of Understanding
MOU/A	Memorandum of Understanding/Agreement
MSA	Minimum Safe Altitude
MRO	Maintenance and Repair Overhaul

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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
NCOT	Nevada Commission of Tourism
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.
New Gen B	New Gen B individual new concourse to be built.
New Gen C	New Gen C individual new concourse to be built.
New Gen B&C	New Generation Concourses B and C will be used when referring to the new concourse build; New Gen B and New Gen C can be used for the individual concourse.
NGEM	Nevada Government E-Market Place
NIAS	Nevada Institute of Autonomous Systems
NIBRS	National Incident-Based Reporting System
NIMS	National Incident Management System
NLA	New Large Aircraft
NLR	Noise Level Reduction
NNDA	Northern Nevada Development Authority
NNHC	Northern Nevada Health Consortium
NNKK	Northern Nevada Kart Klub
NM	Nautical Mile
NOAA	National Oceanic and Atmospheric Administration
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.

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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
NRA	National Rifle Association
NRS	Nevada Revised Statute
NTE	Not to Exceed
NTP	Notice to Proceed
NTSB	National Transportation Safety Board
NUCP	Nevada United Certification Program
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
PARCS	Parking Revenue Control System
PAX	Passenger
PBX	Private Building Exchange - Private telephone system

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PC	Personal Computer
pCard	Purchasing Card
PCI	Pavement Condition Index and/or Payment Card Industry/ Purchasing 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
PMO	Program Manager Office
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.
P.O.S.T.	Nevada Peace Officer Standard and Training
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
PSAP	Public Safety Answering Points
QTA	Quick Turn Around
RABC	Reno Airport Battalion Chiefs
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

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RAVEN	Regional Aviation Enforcement - Sherriff & Reno Police Department
REIL	Runway End Identifier Lights
REOI	Request for Expression of Interest
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
RIM	Runway Incursion Mitigation
RJ	Regional Jet
RMS	Record Management System
ROD	Record of Decision
RON	Remain Overnight
ROTC	Reserve Officer Training Corps
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
RSCVA	Reno-Sparks Convention and Visitor’s Authority
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
SBE	Small Business Enterprise
SCCA	Sports Car Club of America
SEC	Securities Exchange Commission
SID	Standard Instrument Departure
SIDA	Security Identification Area - Secure areas of the airport in

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	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
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.
SMEs	Subject Matter Experts
SMS	Safety Management System
SNJC	Sierra Nevada Job Corps
SOFR	Secured Overnight Financing Rate
SOP’s	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 interlocked back-to-back, to maximize the number that can be placed in an area which minimizes the land rental component of their cost.
The HQ	(The HQ) will be used when referring to the new building for RTAA Administration and Police Headquarters
The Loop	(The Loop) will be used when referring to the Loop Road renovation and construction.
THRIVE	RTAA Values - Teamwork for Results, Honesty & Integrity, Respect & Recognition, Inspire & Innovate, Versatility, Enthusiasm
TIS	Technology and Information Systems
TMSTR	Teamsters Union
TNC	Transportation Network Company - Uber and Lyft

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TNVCB	Tahoe North Visitors and Convention Bureau
TORA	Takeoff Run Available
TOD	Transit Oriented Development
TODA	Takeoff Distance Available
TRACON	Terminal Radar Approach Control
TRAFFIC	Passengers
TRS	Transportation Security Regulation
TSA	Transportation Security Administration - A component of the Department of Homeland Security with primary responsibility for the security of civil aviation.
TSR	Transportation Security Regulations
TWY	Taxiway - TWY or T/W
UAS	Unmanned Aircraft System
UAV	Unmanned Aerial Vehicle
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
UNR	University of Nevada, Reno
UPS	Uninterruptable Power Supply/United Parcel Service
US	United States of America
USC	United States Code
USACE	United States Army Corps of Engineers
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
VIP	Very Important Person
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

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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)
Working Capital	A financial metric that is the difference between a company's current assets and current liabilities.
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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